

Trotskyist International

Sept/Dec 1992

No9 £2.00



The Latin American left today

In defence of the October Revolution

Capitalism stalled in Eastern Europe

Morenoism in the eighties

Algeria's smouldering revolt

English language journal of the League for a Revolutionary Communist International

Dave Hughes memorial fund

Dave Hughes, a leading member of the LRCI, died aged 43 in August 1991. As a fitting tribute to his expertise on and passion for the Soviet labour movement the LRCI launched a Memorial Fund for work in the USSR/CIS. Since then we have received donations totalling £3,700.

This has provided us with essential resources for our work in the CIS. We have produced four issues of a Russian paper, *Rabochaya Vlast*, and have sold hundreds of copies of each issue. The *Trotskyist Manifesto*, programme of the LRCI, has been published in Russian and sold widely. The money has enabled us to undertake an ambitious programme of translation of our theoretical material into Russian, essential if we are to help overcome the ideological confusion that pervades the Russian working class and radical left. With this material we intend to launch a regular journal as a complement to a series of leaflets and news-sheets with a more interventionist character.

But our work has not only been of a literary or theoretical character. Throughout the last year we have maintained an active presence in Moscow. The money has been used to finance regular extended visits by LRCI comrades to strengthen our work there. We have debated the Federation of Revolutionary Anarchists, taken the initiative in organising a public demonstration of left forces and intervened at the Stalinist organised demonstrations, raising the voice of internationalism against the Great Russian national chauvinism and anti-Semitism of the Stalinist-fascist bloc as well as intransigent opposition to Yeltsin and restoration.

We intend to mark the 75th anniversary of the 1917 revolution by organising, with other left forces, a series of discussion meetings and debates and if possible a public demonstration on 7 November.

A profound and crippling crisis of leadership affects the working class and the left forces in the CIS at all levels. We are determined take steps to resolve this crisis. A small but vital measure will be the creation of the first nucleus of a CIS section of the LRCI. We have trained



comrades in languages, organised a permanent presence, and demanded self-sacrifice from our militants in order to carry out this work.

Despite the current ascendancy of the capitalist restorationists and the growth of reactionary nationalism in the CIS, opportunities for genuine Trotskyism do exist. The LRCI is determined to grasp these opportunities. This will take considerable material, especially financial, resources. In responding to this task we will always be inspired by the memory and example of Dave Hughes, who devoted much of his time as a revolutionary militant to analysing Stalinism and the political situation in the USSR. We would like to thank all those comrades, supporters and friends of Dave who have contributed so generously over the last year. We would urge you all to continue to support us in this work through further donations to the Memorial Fund.

Send donations to:

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Trotskyist International

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Trotskyist International is printed and published by the International Secretariat of the League for a Revolutionary Communist International, BCM 7750, London WC1N 3XX ● Cover printed by Creations In Print, London (Tel: 071 609 5493) ● ISSN 0953 - 7554 ● © LRCI 1992



Subscription rates (three issues): Britain: £8 (Individuals) £12 (Institutions) Overseas: £11 (Individuals) £20 (Institutions) ● Make cheques payable to *Trotskyist International*

Cover illustration: fundamentalists arrested during the coup and the FIS logo

REVOLUTIONARY HISTORY

The new edition of *Revolutionary History*, Vol 4 No 3 is devoted to the analysis of the Bolivian revolution of 1952. Much of the material is in English for the first time, including contemporary accounts. There is also a major retrospective article, specially commissioned for this issue, by José Villa of the LRCI, on the politics and intervention of the POR of Bolivia.

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Foreword

This issue of *Trotskyist International* is pleased to bring before an English language audience the analysis of the French section of the LRCI on the recent events in Algeria. The first rate sources available and close attention of the French left to the maturing civil war in Algeria are obvious in this article.

Since the collapse of Stalinism after 1989 *Trotskyist International's* coverage of the political and economic forces at work in the restorationist process have been amongst the best on the international left. The LRCI's rigorous theoretical analysis and predictive powers are continued in this latest article on capitalism's progress in the three main Central European moribund workers' states.

To coincide with the publication of two pieces on New Zealand we are pleased to announce that this summer Workers Power—previously a sympathising group from that country—entered into the LRCI, expanding to eight the number of sections operating within the League's democratic-centralist framework.

Finally, in the last piece here we fulfil a promise to our readers made in the very first issue. We take forward our polemic with the largest Latin American centrist "Trotskyist" tendency—the International Workers' League—whose centre of gravity revolves around the Argentinian group, the MAS. ●

Yugoslavia: bringing the war to Austria

Austria is little more than one hundred kilometres from the centre of the fighting in Bosnia and shares a border with Slovenia. The war is having a big impact on political life, as Michael Gatter of ArbeiterInnen-standpunkt, Austrian section of the LRCI, reports.

“Serbien muß sterbien!” (Serbia must die) was a slogan of the Habsburg war machine in the First World War. After seven decades a more modest Austrian imperialism is trying to regain at least some of the political influence and economic power it once had in the Balkans.

It is, therefore, not surprising that the tabloids and even the “serious” bourgeois press have been mounting a racist anti-Serbian campaign for months now.

The Kronen-Zeitung, the biggest circulation daily, even used its front page to remind readers of the dastardly assassination of Crown Prince Franz Ferdinand in 1914 by Serbian nationalists, and once again demanded punishment of the disobedient Serbs.

Every day, the press reports in detail the cruelties and savage massacres of the Serb militias. But at the same time there is no mention at all of the detention camps and the massacres perpetrated by the Croat and Muslim militias.

In this way the basis is laid for the government’s strongly pro-Croatian, war-mongering policy. Using the analogy of the Gulf War, Foreign Minister Mock promotes the idea of an “Operation Balkan Storm”.

The interests of the Austrian bourgeoisie are easy to guess. Slowly, but steadily, a sphere of influence, the so-called “natural unit of Middle Europe”, will be built up. Participation in “Initiative Central Europe” and the “Alps-

Adria working group” both serve that purpose.

Austrian trade and finance capital have already made significant inroads in the Slovenian economy. One of the biggest Austrian banks, the Creditanstalt, hold the majority assets of the Nova Banka, which is central for the creation of a private capital.

Support for Croatia and the Bosnian Muslims is little more than support of the interests of the Austrian ruling class. Nowadays these are disguised by a human rights campaign which is promoted with great zeal. At the same time, the ruling class trades on the natural and justified sympathy of the Austrian population for the Croat and Bosnian refugees with a state campaign to help a “neighbour in trouble” by other means.

The whole hypocrisy of the campaign is clearly revealed by the fact that the social democratic Minister of the Interior, Löschnak, introduced visas for Serbian refugees. In the longer term, closure of Austrian borders to all war refugees is now being considered by the government.

The 55,000 refugees who are already in Austria are considered quite enough by the same government whose policy promoted the civil war in Yugoslavia by encouraging the federal state’s break-up for its own economic interests.

Growing state-supported racism

clearly has a terrible effect on the Yugoslav refugees and immigrant workers, especially the ones of Serb origin, living in Austria. Most of the 150,000 immigrant workers from Yugoslavia are Serbs, Slav Muslims or Albanians.

Every day racist pressure and abuse increases against the Serb immigrants. This is fuelled by the racist explanations given for the war by the bourgeois media who present it as the result of age-old feuds, Balkan tribal hatreds, mass lunacy and so on.

In addition, blaming the “mad Serbs” for the war has also helped to deepen national divisions amongst Yugoslav immigrant workers.

This was revealed in demonstrations over the last twelve months. In autumn 1991 Croat nationalists (HDZ, HSP, HNS) demonstrated several times for independence and for imperialist support against the “Serb communists”, mobilising on average about 1,000 Croats.

In November 1991 a bigger demonstration took place, which was supported by the Conservative (OVP) and the Socialist (SPO) parties, the foreign minister, the catholic church and Croat organisations.

Likewise, Serb nationalists organised 500-1,000 strong demonstrations in the autumn and winter. Although directed against the anti-Serb agitation of the Austrian government, they also supported the reactionary war aims of the Belgrade regime and the Yugoslav army.

The fight against the rise of nationalism affecting the immigrant community, opposition to the reactionary nationalist war on both sides, as well as struggling against the growing anti-Serb chauvinism in Austria was and is the major task of the left and the labour movement in this period.

However, at best its response has been almost entirely passive. ArbeiterInnenstandpunkt (AST) was the only



MOURNERS IN SARAJEVO

organisation on the Austrian left to develop propaganda amongst the immigrants, issuing publications in Serbo-Croat.

Our comrades also organised several public meetings where a Serbian comrade gave an eye-witness account of the situation in Serbia. Many people, including Yugoslav workers, attended and showed a keen interest.

ASt members regularly visited the clubs of the Yugoslav community to discuss the war, the situation in their countries and the imperialist interference in them.

When the economic blockade and the imperialist threat on Serbia increased during the summer, the ASt took the initiative for a demonstration against imperialist intervention and reactionary nationalist war.

The platform included the following slogans:

Bush, Kohl, Mock: Hands off Serbia!
No UN-blockade! No military intervention!
Support all organisations who fight against nationalist war!
No to racism against the peoples of the Balkans!
Hunger and freedom know no frontiers—
asylum rights for all war refugees!
Withdraw the racist visa restrictions for Serbs!

However, the whole left, from the Communist Party to the

"Trotskyists" of the SOAL (USFI section) and the RKL, refused to participate in, or support, a demonstration on this principled platform.

Why? The wretched pretext they offered was that the demonstration was supported by Draskovic-ite "Serb National Rebirth", a nationalist grouping which is at the moment opposed to the war efforts of the Milosevic regime and to US-EC-UN armed intervention.

Without their participation, of course, few or no Serbs would have marched with us.

About 1,500 people, mainly Serb workers, participated in the demonstration. In our speeches and in special publications in Serbo-Croat and in German, we denounced imperialism's policy and Austrian racism.

We also denounced the reactionary and pro-capitalist policies and deeds of all the nationalists in former Yugoslavia (Stalinist or openly bourgeois). In particular, we attacked the crimes of its Serb variety.

Not surprisingly, this latter aspect of our propaganda revealed that there are many agents of national chauvinism within the immigrant community. A group of Chetnik fascists physically attacked a Serbian ASt comrade.

In that situation the "moderate" nationalists of the Serbian Rebirth, failed to actively join in our defence or kick the Chetnik scum off the demonstration.

Indeed, they even gave the microphone to a Chetnik speaker to placate them, thus turning the demonstration into a reactionary nationalist event.

The blame for this lies not only with the Serbian Rebirth on the demonstration, but with the cowardly Austrian left and the misleaders of the labour movement.

The latter's pro-imperialist stance and the fake revolutionaries' utter passivity not only let Austrian imperialism's aims go unchallenged, they also open the road for reactionary nationalists of all varieties, from "democrats" to outright fascists, to gain control over the Serbian, Croat, Muslim or Albanian worker immigrants.

Their refusal to build for a principled anti-war and anti-imperialist demonstration itself inevitably shifted the balance of forces towards the bourgeois nationalists and Chetniks.

The RKL have, characteristically, fallen back on the old left sectarian alibi to excuse their utterly centrist passivity. They argue that any block with "bourgeois restorationists", even for a demonstration in support of principled slogans, has to be unprincipled. Only joint action with the workers would satisfy the high standards the RKL demands!

Splendid principles! But the Serbian workers are heavily influenced, and to some extent led, by the "moderate" nationalists. The turn out of workers on

New Zealand bosses on the rampage

the demonstration itself proved this. Unfortunately, there are no Serbian workers' organisations or leaders in Vienna, independent of one or another type of nationalist. If there were, we would happily organise a demonstration with them.

We await with interest news of any such demonstration being organised by the RKL. Of course, there will be none because this piece of nonsense about "principle" is just a cover-up for a really unprincipled failure to challenge Austrian imperialist chauvinism and reactionary Serb (or Croat) nationalism, face to face and on the streets.

These "revolutionaries" put no value on the struggle to find and win Serbian and Austrian workers to active internationalism.

The main reason for this is that the RKL has developed as a national sect in a country which has seen long years of social peace, a minor imperialism that seemed to be, until recently, very distant from the front lines of imperialist politics.

As a result, the comrades have learnt only to repeat their formulae and "principles" whilst they wait, we assume, for the workers to catch up with them. The collapse of Stalinism, in particular, is revealing the sterility of such politics, and not only in Austria.

An important task for the LRCI, as it intervenes in both the former Stalinist states and in the crisis of the international left, is to win the argument that revolutionary principles are neither shibboleths that can now be dispensed with, nor icons which, if clung to, ensure revolutionary purity.

For the LRCI, revolutionary principles are the codification of the lessons of the history of class struggle, lessons learned through the activity of revolutionaries alongside workers and their leaders.

For our part, we take those lessons into the struggles and organisations of the working class as they now exist, learning from them how to advance the cause of communism. We do this not simply despite having to make temporary alliances with "the Devil and his grandmother" but, indeed, through such alliances. ●

For the last year the industrial scene has been dominated by struggles under the Employment Contracts Act. Here, in two articles, Leo Brown of Workers Power (New Zealand/Aotearoa) looks at why New Zealand bosses insisted on this legislation and its repercussions on the labour movement.

New Zealand is a small, relatively advanced, but declining, semi-colony. Twenty years ago it boasted a high standard of living for its population. Today, it is in the throes of a profound economic and political transformation.

New Zealand originated as one of the Australasian white settler colonies and, until the 1930s, functioned as a pastoral and raw material producer and consumer of imported manufactures. Protected development enabled it to become a relatively rich semi-colony during the post-war boom years.

But the end of this boom in the early 1970s exposed the limits of New Zealand's situation. The entry of Britain into the EEC (1973) and growing protection within the EEC blocked New Zealand's access to high export earnings.

The import substitution firms that existed soon outgrew the small (3.3 million) internal market. Attempts by the state to overcome these limitations failed: indeed they worsened the problems by boosting inflation and creating huge foreign debts.

By the early 1980s the combination of local and international crises forced the bourgeoisie to attempt a dramatic restructuring of the economy. Their aim was to achieve export competitiveness by a drastic reduction in domestic costs

(wages and social expenditure).

With the election of the Labour government in 1984 the scene was set for a savage neo-liberal programme of deregulation of protectionism. Farming and forestry have been deregulated and subsidies lifted. The manufacturing sector has had most important controls lifted and this has resulted in the virtual destruction of the textile, rubber, electronic and automobile assembly sectors.

Complete demoralisation with Labour led to its defeat in the 1990 election; people hoped they would get a respite under the National Party! But they were soon disabused of this. National pushed through even more counter-reforms.

It sold off more state assets, such as Telecom, and has plans to sell off electricity production and distribution.

Most significantly, in May 1991 National passed the Employment Contracts Act (ECA) which aimed to deregulate the labour market.

Sponsored by the Business Roundtable, this legislation aimed to end national and sector pay bargaining by giving the employer the choice over whether to negotiate contracts at enterprise (i.e. several workplaces in a firm) or individual workplace, level. They did not even have to bargain with a trade union at all. Many bosses plumped for derecognition.

Their aim was to slash labour costs and in this they are succeeding. An August 1992 survey of ECA contracts reported that 54% of all workers under new contracts have accepted real wage cuts in the last pay round.

Some 78% of the new contracts have been signed at enterprise level and another 8% at workplace level. Over 43% of new agreements have introduced some element of performance-related pay and overtime rates have taken a hammering.

The annual NZ\$3 billion spent on social welfare, health and education was National's other main target—to reduce the tax burden on business.

New Zealand's welfare state predated the Second World War but was comparable in scope to that in Britain. It is now in an advanced state of dismantling and has become a model for right wing governments everywhere.

The Finance Minister, Ruth Richardson, has said that her basic goal is that "the top third of all income earners can be expected to meet most of the costs of their social services". This hits the better paid workers but those on lower pay are also forced to pay a substantial amount too.

Universal free health care has been abolished. Those on average incomes now have to pay for GP visits as well as dental and opticians' charges. Those families that receive more than New Zealand\$30,000 a year (£10,000) have to pay up to \$50 a night for stays in hospital.

The government aims to cover about 23% of national health spending from charges. Moreover, all other universal benefits, including family allowances, have been abolished and conditions for eligibility raised. The retirement age has been raised from 60 to 65 and, at the same time, pensions have been cut and become means-tested.

Unemployment benefit has been lowered by 10% and is only fully available to those over 25. Schools are being forced down the road of self-funding and competition, even publishing their annual accounts!

These attacks have resulted in 11% unemployment and a big drop in living standards for New Zealand workers and, after eight years of economic stagnation, they have resulted in only a

slight revival of capitalism in New Zealand.

There has been some renewed capital investment in the export sector. Domestic costs of raw materials and labour have been reduced more in line with international prices and a recovery based on good prices for timber, fish, energy and wool is appearing, but even now the export volume is less than the 1986 level.

In addition there has been no revival of investment in domestic manufacturing sectors, where costs of production are still too high and a further dismantling of the automobile, clothing and footwear sectors is likely as cheaper imports from the Pacific predominate. ●

Industrial unrest, political reform

The deceit and fraud of two governments in a row has led to enormous cynicism about the bourgeois political system. In particular, the first-past-the-post system has led to resentment against the "two party dictatorship" that it brings.

This has led to growing support amongst the poor, the aged and oppressed groups (such as Maori) for the Alliance, which is composed of five parties: the Liberals, New Labour, Greens, Democrats and Mana Motuhake.

Support for a change to some form of proportional representation (PR) is also increasing.

The main party within the Alliance is New Labour, which has around 15% of the vote, mainly from the older, former Labour supporters who defected with Jim Anderton when he split from Labour in 1988. Mana Motuhake draws less than 3% but has potential for more support among working class Maori. The Greens count on a solid 16% of the vote.

The Liberal Party emerged from a split by two National Party MPs. Another National MP, Winston Peters, is presently courting expulsion from National by making a series of revelations about corrupt dealings between National MPs and business. If he were to join the Lib-

erals then the Alliance's electoral chances in the 1993 general election would be greatly enhanced.

This September voters are going to the polls in a referendum on whether they want some type of PR, which would come into force for the 1996 general election. Both main parties are, naturally, fiercely against a change.

Revolutionaries are for it, but not because we want to increase the chances of the Alliance, which represents big and small liberal bourgeois forces which no worker should support.

All consistent democrats and socialists should support PR because it is the most democratic system of bourgeois parliamentary representation and allows for the whole gamut of political opinion in capitalist society to find an expression.

It removes the pretence that "normal", "healthy" political opinion is confined to a "Tweedledum and Tweedledee" choice. If there are no reactionary thresholds imposed on who may get into parliament, then even small revolutionary forces can enter and use it as a tribune to indict the system and to rally workers to the offensive against capitalism.

For the same reason socialists should oppose the attempts to reintroduce the old Second Chamber that was abolished

in 1951. We do not want a reactionary safeguard imposed to derail decisions which upset the bosses.

Future support and prospects for the Alliance depend on whether New Labour can gain substantial trade union support. Up to now unions have not affiliated to New Labour. However, there are big rifts in the making within the Council of Trade Unions (CTU).

The bureaucracy wants to moderate opposition to the ECA and to get a deal with Labour based on the repeal of ECA if Labour win office. About twenty unions are opposed to this strategy and met in late August to agree a different plan of action. This could lead to a new federation affiliated to New Labour, turning it into a bourgeois workers' party, and thus the Alliance into a fully fledged cross-class popular front.

The Alliance may draw in more support if National is fragmented by Peters' defection and if New Labour becomes a serious bourgeois workers' party. Such an Alliance—a Popular Front—will not solve the problems of either New Zealand capitalism or the needs of the workers.

Nonetheless, if it draws substantial support from those desperate for a change, under PR it might open up a crisis of legitimacy not just of the form of bourgeois parliamentary rule but of the very nature of that rule and the state itself.

Whatever form the political struggle takes, our task now is to fight to forge a working class movement that can not only recover its losses but go on to impose its own answer to the crisis.

The trade unions have taken a battering over the last couple of years, especially under the ECA. Many have been sidelined as employers have ignored them in drawing up new contracts.

Some unions have disaffiliated from the CTU, while others have ignored its advice and fought back. Still more are heading towards business unionism, seeking sweetheart deals with employers at any price. Some unions have lost 50% of their members. The Clerical Workers Union has disappeared.

Yet there are signs that workers will fight to resist the ECA and the employers' use of it. In February a strike at Carpet

Yarns in Christchurch was partly successful and won a contract which included union recognition.

In late July, over 1,200 pulp and paper workers struck against Carter Holt Harvey, one of New Zealand's major export companies, and in mid-September were still keeping picket lines up against scab labour.

Teachers and nurses have also been engaged in strike action against cuts in funding. Seafarers, engineers and others, whose contracts are up for renewal, are also preparing for strike action.

Workers Power (NZ/A) supports such actions. We predicted the wage and welfare cuts that would result from the ECA and alone called for a general strike against its introduction, a demand that was then taken up by many workers against the bureaucracy of the CTU. Now we must raise the issue of the repeal of the ECA as a vital demand for all working class actions and mobilisations.

Whilst critical support for PR can help speed up working class disillusion with bourgeois democracy and popularise the idea of a workers' government based on their own organisations of struggle and power, we must fight against any idea of waiting for the 1993 election result to bring relief from the attacks.

We must fight around demands that weld the workers into a united front of struggle against the welfare cuts, the new wage contracts and whole ECA machinery.

Workers Power will be on the picket lines and demonstrations with our propaganda. We are active in the current strike wave and will fight to democratise the struggles and the unions. We call on the strongest unions not to settle until the weaker unions have won their fights.

We will work for the formation of elected and recallable strike committees, councils of action and workers' defence committees to protect them from the attentions of police and scab alike. Each and every fightback can be the point of departure for a general strike against the ECA and thus for a root and branch destruction of all the National government's plans—past, present and future. ●

Sam Lowry outlines the situation facing Bolivian revolutionaries in the unions. Below we reprint the analysis of our Bolivian comrades, from the July edition of their paper.

The major Bolivian trade union confederation, the COB (Central of Bolivian Workers), held its ninth congress in May this year. Delegates assembled in Sucre, Bolivia on May Day itself after an opening to the year which witnessed renewed trade union militancy in the face of government austerity measures.

Delegates dispersed two weeks later with a political document calling for "subversive resistance" to the government in their pockets but with a new general secretary pledged to supporting that government's neo-liberal policies.

In January over 500 miners started off the year with a round of violent protests on the streets of the capital, La Paz, against the MIR/ADN government's privatisation plans for the state mining corporation, COMIBOL.

The government intends to slash the 7,000 strong workforce by 25% and hand it over to private joint-venture projects.

After four weeks in the capital, many miles from workmates and families, and despite widespread solidarity action from other sectors of workers, the striking miners were sold out by the COB officials who accepted the principle of privatisation in return for a church-brokered deal.

Other disputes flared up, including a 24 hour oil workers stoppage over corrupt management on 12 February. Two days later a one day general strike in La Paz organised by the Civic Committee brought the city to a standstill. This potentially reactionary protest was led by the populist Mayor of La

Fighting the union bureaucracy in Bolivia

Paz against the way the state budget was divided up to favour poorer regions.

Public education, a major gain of 1952, has been a key target for the government since 1986. Up to now the unions have succeeded in stopping the attempt to shed central state responsibility for funding of education onto the poorer municipalities.

In February, students and staff responded again militantly to proposed budget cuts and the privatisation of universities, which in Bolivia are open to everyone free of charge.

The students defied violent state repression of their demonstrations and won some budget increases from the government. The national teachers' union also called a general strike over pay and mobilised a series of militant demonstrations, finally winning a 20% pay rise and a bonus payment.

Since at least the election of the ADN-MIR government in 1989, the general pattern of class struggle has been one of defensive struggles in the face of harsh attacks, generally derailed by reformist leaderships. In recent years the labour movement has been severely undermined by such attacks.

The miners are down to 8,000 from over 27,000 in 1985. The number of organised industrial workers has been whittled down from 70,000 to 30,000 in the same period. Coupled with the demise of Stalinism and the discrediting of the left, this has led to the rise of populist parties.

In El Alto, the huge shanty town

above La Paz, CONDEPA rules the council, while in Oruro, once bastion of the miners and stronghold of the nationalist party of the 1952 revolution—the MNR—the UCS party of beer magnate Max Fernandez won last December's municipal elections.

Parties like CONDEPA and UCS profit from the disillusion of the masses in the fighting capacity of the unions and from the cynicism with which they now greet the nationalist rhetoric of the national parties.

The mass of unemployed and underemployed prefer the "self-help" schemes and meagre palliatives of the populists to the betrayed and bankrupt visions of nationalism.

The COB and its affiliates are now faced with a major crisis of direction. Divisions resurfaced this year over increasing the weight of the peasants' representation in the bureaucracy, the need for a new—that is, multi-class—strategy and for a more "Bolivian" or indigenist approach.

Since Juan Lechin, the historic

leader of the COB, relinquished his thirty year hold on the reins, the COB has elected a new leader at the three last congresses.

This year, despite voting for a "left" political document from the left reformist PRP of Edgar Ramirez, congress elected Oscar Salas as its new leader.

Supported by a broad range of populist and rightist organisations, Salas' election signals a major turn away from "traditional" class struggle politics: he is an open supporter of the government who accepts privatisation as inevitable.

There was a noticeable increase in right wing delegates and officials and outright bourgeois parties were represented too. They happily did a deal with elements of the left over the political document in order to secure their candidate's election.

The left will have to rally their forces rapidly if they wish to see any of the document's fine phrases come to life. ●

The COB Congress: results and prospects

One of the major concerns of the workers' movement's trade union struggle and of its allies, in both the countryside and the city, is to get surefooted leaders who will take the path to victory, and retake the conquests of neoliberalism.

However, we must not forget that the new National Executive Committee (CEN) of the Bolivian Workers' Central

(COB) is composed of those who, with official support, practically took over the leadership. The officials' role in this event was to divide the COB and the workers' movement. The political document which demanded "Active resistance and subversion, and popular insurrection to defeat neoliberalism and build socialism" did not mention refusal to recognise the external debt, which is



LAI D OFF MINER FROM "SIGLO XX" MINE

imperialism's mechanism for enforcing the super-exploitation of the "semi-colonies". Similarly, it argues for the construction of socialism in one country, a theory which has failed historically, and which was approved through official support.

At the time of the CEN election the officials supported the block led by Oscar Salas (ASD-MBL-CONDEPA-UCS-EJE COMUNERO-MIR-FIR-FRUTCA) and which during the discussions accepted the privatisation of state enterprises.

The officials operate principally through those who work for the US embassy, proclaiming themselves for "free trade unionism". The workers must fight against this "trade unionism" which aims to depoliticise them so that they accept neoliberalism.

At the Eighth Congress (1990) the officials, playing the same game, supported the political document—again the PRP's—which in draft only talked about "From active resistance to subversive resistance".

During the negotiations, which the bureaucracy felt to be foremost for the leadership, the leaders adopted the sentiment of "combative protests against neo-liberalism, towards a dialogue with the government".

The FSTMB [miners' union] is playing the same role. In no part of the document approved by the Ninth Congress was the occupation of the mines raised, thus trampling on the memory of those who founded the union.

On the other hand, the POR [the centrist group led by G Lora] counterposed the *taking of power to the taking of the mines*. Ultra-left politics such as these ensure that this *centrist* party

does not grow within the workers' movement.

We must struggle to do justice to the positive resolutions which have come out of the Ninth congress, amongst them the defence of social security against privatisation, the opening of teacher training colleges and the defence of public and free education, defence of state enterprises.

The workers must demand that the social democratic leadership of the COB, struggle for the salary which Congress approved (Bs 1,467) which in practice means a minimum wage.

If the most right wing currents in the Congress "attack" the leaders we must prepare the struggle for a new extraordinary Congress to give the COB a revolutionary leadership, while we alone remain confident in our own rank and file strength and are keenly vigilant of the conduct of the leaders of today's COB.

Criticism and even opposition to deeds were the order of the day amongst the bourgeois parties—MNR, ADN and MIR. Nevertheless, 7 July shows that putting class unity above all else, the bourgeois themselves united to give their consent to the contract with LITHCO, leaving to one side CONDEPA and MEL which only presented observations on the manner in which to hand lithium to the transnational company.

Equally, within two days the forces of the bourgeoisie had all reached agreement on changing the existing constitution which defends the state enterprises to one which defends an open door policy for the transnationals that would exploit our raw materials and super-exploit the workers. In addition, this would consolidate the privatisation

and decentralisation of education and public health.

The government is ruthlessly implementing the agreement with the World Bank, in which it has promised this year to sack nearly half the 7,000 COMIBOL mineworkers, in order subsequently to hand it over to private management; also to the reduction of 23,000 of the current 70,000 state employed teachers and 4,000 of the 12,000 public health workers.

All of this within the framework of neoliberalism, transferring the services to the regions (i.e. decentralisation) or privatisation.

On this basis the MIR-ADN government has given fifteen days to the miners to accept the reopening of the San José mine as a joint venture. To do this COMIBOL is blackmailing the workers into accepting "voluntary" redundancy in return for an extra bonus or be faced with compulsory redundancy.

The workers are demanding that the government invest in the reopening, but this would require US\$800,000; the government prefers to spend more than US\$3 million on sacking the miners.

In the same way it signalled nearly a month ago the privatisation of the glue factories and the deforestation of Catavi and its handing over to a Brazilian multinational.

We must be watchful with the leaders of the COB and the FSTMB so that they do not commit the errors of the last mobilisation in January, when around 500 miners from Huanuni, Colquiri and other pits, put on a show of force in response to privatisation in La Paz.

The demonstration showed such potential strength of support from other sectors, that the government had had to declare a state of siege, but this never happened due to the COB's treacherous role. That leadership then had a demobilising 72 hour "truce" and signed a treaty in which the workers accepted privatisation.

With this result, the ascent of the mass movement which after so many years had grown within the oppressed faded, and the masses—demoralised but without having even fought the battle against privatisation—placed their

hope in the achievements of the Ninth Congress of the COB. The results of the Congress we already know, are an ill omen for the working class.

The leadership endorsed by the bureaucrats have shown their inefficiency over the boycott of the National Census last June. The COB did nothing to take the lead in an organised boycott.

They needed to propagandise for the boycott, go to the masses explaining the importance of the boycott, the importance of showing the bourgeoisie that they still had an organised enemy before them.

The leadership of the workers and peasants limited themselves to doing nothing. With the exception of some of them, the boycott was not carried out and its failure led to the exploited losing confidence in themselves and their leadership. Now the Ninth Congress approved the PRP's "subversive" theses, the basic line of which is "for active and subversive resistance and popular insurrection".

But, we know that the vote for this political thesis owes more to the power of the apparatus and to the bureaucrats' vote which endorsed the support of the majority. It is true that the PRP did not win the leadership of the COB, but nevertheless it holds the leadership of the FSTMB in its hands—and "active resistance" and even more, "subversive resistance" have remained propaganda slogans.

Now the "subversive" PRP is unmasked. The rank and file are demand-

ing the carrying out of their proposal, especially in the mines.

Privatisation is advancing and the exploited are without leadership. Congress, on the verge of having given a green light to an officially endorsed leadership, has not defined any clear or specific tasks in anticipation for what we know is going to happen: privatisation.

The workers must not endorse the type of state ownership which was imposed after the revolution of 1952. That administration failed because the bourgeoisie boycotted enterprises like COMIBOL and because in reality it was not an administration for the workers.

The solution to the problems of the exploited is for them to take control, not only of the enterprises and factories, but also of the state. That will obviously only occur when we have vanquished the bourgeoisie.

Meanwhile, under this type of imperialist attack, it is possible to prevent the government from privatising the enterprises and instead reopen them with state investment. This is vital if the organised working class movement is to survive.

The reactivation of the enterprises must be done under workers' supervision, so that the bourgeoisie cannot boycott production. The workers must not take over management of the enterprises because:

- the bourgeoisie controls the capital and will not give them enough money.
- in order to increase production the workers would have to exploit themselves and/or sack each other.

We can do none of these tasks with the current leadership of either the COB or the FSTMB. We must convoke an extraordinary congress of the COB and of the FSTMB to elect a consistent and fighting leadership, which will not do any deals with the government.

The privatisation of all state enterprises must be stopped or thousands of workers will stay without work and those who remain will be easily super-exploited.

Before the government's attack the workers had begun to go out onto the streets and were preparing to fight possibly the final battle against privatisation. The factory workers in La Paz mobilised fighting marches. The leadership of the COB must unify these struggles and prevent sectionalism. Sectional struggles will benefit the government and the bureaucrats.

We must not forget that the COB is in the hands of reformists and of officials who will negotiate to prevent the oppressed from radicalising their struggle.

It is necessary to organise and unify these mobilisations. It is essential to build rank and file committees to stop the traitors.

- No to privatisation!
- State investment under collective workers' control!

The menace of Islamic fundamentalism

Islamic fundamentalism is growing throughout North Africa. In Algeria it has been able to threaten the very stability of the state. In this article by Emile Gallet of *Pouvoir Ouvrier* (France) we examine the dangers facing the Algerian masses

In 1962, Algeria was in the vanguard of the struggle against imperialism. After eight years of bloody and courageous combat against French imperialism, the National Liberation Front (FLN) had finally forced the French to withdraw. This represented a victory for workers everywhere in the world. But it was a victory whose fruits were rapidly snatched from the Algerian workers and peasants. After three years of faction-fighting inside the FLN, on 19 June 1965 Boumediene and the National Popular Army (ANP) staged a successful *coup d'état* and installed a monolithic dictatorship.

Thirty years after their greatest moment of triumph, the FLN is a broken party. Hated by the overwhelming majority of the population, in particular by the youth, it has been swept off the political stage by the events which took place following the results of the parliamentary elections at the end of 1991, elections which were themselves the consequence of the FLN's panic in the face of the popular uprising of 1988.

Following the first round of the parliamentary elections on 26 December last year, the fundamentalists of the Islamic Salvation Front (FIS) were all but assured of a majority in the National Assembly in the second round, scheduled for 16 January. Rejecting the policy advocated by Chadli of power-sharing with the FIS, the ANP put forward its own brilliant "solution": relieve the president of office and send the tanks onto the streets of Algiers.

Since then, the country has been subject to special courts. There have been numerous arrests and the recently won limited democratic freedoms have been attacked. All

this is in strict conformity with the dictatorial order to which the ANP generals had become so accustomed.

Yet there is a difference this time. The social forces unleashed will not easily be confined again within the narrow bounds of a military dictatorship. The Algerian masses have changed in the last few years. They have had a small taste of freedom which they will not quickly forget. There can be no doubt that they will fight to regain it and to resist the effects of government economic policies. But in their fight they have to find a political leadership that can defeat not only the FLN but also the party which has gained most from the FLN's bankruptcy, the FIS.

The rise of the FIS represents a double rebuff for the FLN. Firstly, it expresses a resounding rejection of the nationalists' austerity policies. With unemployment at over 25% there was a lot to protest about. Secondly, the FIS, which was the most important external factor in the collapse of the FLN, is by and large a monster of the FLN's own making.

A combination of its long standing reliance on Islamic ideology and on the big landowners, its nationalist limits and the atrocious living standards imposed by the IMF and rigorously implemented by the FLN, created the conditions under which the fundamentalists were able to posture as a radical opposition to the government. From the beginning the FLN and, behind it, the ANP have proved to be firefighters who only poured petrol onto the fundamentalist flames.

The FIS was officially set up in February 1989, claiming three million members on the day it was founded!



But its roots lie in the history of post-independence Algeria and are thoroughly bound up with the FLN's policy in relation to Islam. From 1956 onwards the FLN sought to make Islam the cornerstone of Algerian identity.

This was legally codified in 1976 when the FLN ratified a National Charter, Article Two of which declares that "Islam is the state religion". It goes on to say that the president must be a Muslim and codifies the FLN's understanding of its own role as: "the building of socialism in Algeria is identical with the flourishing of Islamic values".¹

During the struggle against imperialism Islam, like many other elements of Arab culture, contributed to the masses' sense of identity in the face of the French. Nor should the determination of the French state to root out native Algerian culture be underestimated. In 1938, Arabic was officially classified as a foreign language in Algeria.

The FLN leadership, shrewd populists that they were, used Islamic rhetoric and the influence of the *imams* to gain support for their struggle for independence.

Nevertheless, this stress on Islam was not simply an expression of national culture and tradition. It also expressed the petit bourgeois nationalists' deep fear and hatred of the growth of class ideas and class organisation amongst the Algerian proletariat. Many Algerian workers had been influenced by the revolutionary politics of the Communist International and then by its Stalinist replacement.

Thus, the nationalists were obliged to use the slogans of socialism but, at the same time, stressed their Islamic identification by hitting out against the "godless, atheistical communists". Of course, they were aided in this by the French Communist Party's disgusting pro-imperialist stance during the Algerian War. Despite their rhetoric, the FLN had no intention of breaking from private ownership of the means of production, seeking instead a "third way" of compromise between the contending classes.

In reality, this was a form of state capitalism suited to a semi-colony with a weak bourgeoisie but numerous petit bourgeois, each eager to become big time exploiters via the good offices of the state.

"Algerian socialism" turned out to be little more than a series of concessions to the factory workers, even if the

"self-management" system was enough to convince pseudo-Trotskyists like Michel Pablo and Ted Grant that Algeria was a workers' state.

Between 1964 and 1966, inspired by the Egyptian Muslim Brotherhood led by Sayyed Qutb, Algerian fundamentalists were drawn into activity around a review, *El Qiyam* (Values). Their objective was to counter the influence of the left in relation to the countryside, education and "self-management". Their first victory came when Ben Bella, claiming to represent "Islamic socialism", introduced compulsory Islamic doctrine lessons in state schools. Although Boumedienne's *coup d'état* put an end to the fundamentalists' appearances in public, the concessions to Islam remained in force.

During the 1970s Boumedienne introduced policies which continued the FLN's policy in relation to Islam: a series of concessions to the fundamentalists' demands combined with repression of the fundamentalists themselves. The aim was to reinforce the Bonapartist position of the FLN in general and of the president in particular.

Fearful of the reactionary, anti-government momentum that their opponents might have harnessed in the countryside, the FLN decided to steal the fundamentalists' political clothes. Thus it was that, in September 1970, the Minister for "Eternal Teachings and Religious Affairs" launched a mass campaign against the "degradation of morals" (meaning Western influence) targeting in particular "cosmopolitanism, alcoholism and snobbery".² A few months later a campaign of Arabisation, the fundamentalists' other war horse then and now, was launched by the FLN.

In February 1971, Boumedienne, in search of left credibility, announced that 51% of each of the five French petrol companies would be nationalised. Ten months later private land ownership found itself in the firing line with the implementation of the "agricultural revolution".

Although apparently aimed at the 3% of the population who owned 25% of all land, this policy was in no sense revolutionary. The reform's main purpose was to rationalise land distribution and to scale down some of the larger holdings. Expropriation was never on the agenda as landowners were guaranteed reimbursement over fifteen years and were given interim annual interest of 3.5% on the value of their property.³

Inevitably, this reform was greeted with cries of indignation among the big landowners who would tolerate no change, however minor, in the balance of class forces in the countryside. They were supported in this at both an organisational and ideological level by the fundamentalists who systematically visited the big landowners to offer their support.

Worse still, the reform's natural allies, the peasantry and the agricultural proletariat, were equally hostile to the FLN, as much because of the manner in which the "revolution" was carried out as because of its subsequent outcome. For example, co-operatives, the fruit of state reform, were left

under-funded and struggling to function, not even allowed to decide how to use the land at their disposal (that was the state's prerogative). Equally, the FLN failed to mobilise the peasants and the agricultural proletarians against the remains of feudalism and colonialism. Nevertheless, government policies did lead to a fundamental restructuring of Algerian society. Throughout the 1970s, there was nothing short of a rural exodus. Rapid urbanisation combined with industrialisation to cause an explosive growth of the slum towns around Oran, Algiers and Constantine where more than 500,000 workers lived in the early 1980s.

These new workers, recently arrived from the countryside, did not have the same traditions as those who participated in the campaigns for "self-management" of the 1960s. The mid-1970s marked a turning point in Algerian working class history: "what took place was nothing less than the substitution of one working class by another".⁴ In any case, the FLN saw to it that the workers were prevented from voicing their discontent. For the FLN, the working class was a tool, at best a counterweight in its struggle to force concessions and toleration from imperialism and the Algerian bourgeoisie.

From the rhetoric over the agricultural reform to the bureaucratic policies of the trades union congress, the UGTA, the FLN always sought to contain any possible eruption of working class anger: "The chief objective of the Algerian state was to deny the working class the possibility of any independent action or framework for self-determination. Viewed from this angle, unions had a special role to play."⁵ Left high and dry by the FLN, ignored or manipulated by the UGTA, Algerian workers had nothing to hope for from the regime.

The FLN soon realised that the situation was starting to spiral out of control. Fearful both of the reaction in the countryside and the mounting influence of the Socialist Vanguard Party, the nationalists in the government decided once more to make a right turn. In 1976, the campaign of Arabisation was relaunched.

At the same time, a wave of mosque building began all over Algeria, a trend which has gathered increasing momentum for 15 years. Financed for the most part by the big landowners,⁶ these mosques had the benefit of tacit acceptance from the state. In that period, the fundamentalists generally worked more secretly, infiltrating community life by setting up cultural and sporting associations which, once again, had the declared or covert support of the state.

As Sunni Muslims, Algerian fundamentalists have naturally rejected the influence of Shi'ite Iran. Yet the fervour which spirited Khomeini to power in the wake of the 1979 revolution and the fall of the Shah inevitably gave hope to Muslim fundamentalists the world over, and nowhere more so than in Algeria.

In 1981, Mustapha Bouyali, a veteran of the old FLN underground, founded the Armed Islamic Algerian Movement (MAIA). In the course of various armed actions, it succeeded only in embarrassing the government which, nevertheless breathed a sigh of relief when Bouyali was killed by the army in 1987.

The rise of the Berber independence movement at the beginning of the 1980s was a natural response to the Arabisation campaign and it was greeted with bloody repression by the FLN. All cultural events were banned and a general strike was put down by the police. The government's policies were now of a piece with the fiercely Arab chauvinist anti-Berberism of the fundamentalists.

The highpoint of this policy of reactionary concessions to Islam came at the beginning of 1980 when the new Code of Family Law ("Code de Famille") was being debated and finally adopted in 1984. According to one article, a woman must "obey her husband, treat him with the respect due to the head of the family" and "respect the parents of their husband and those close to him". A divorce deprives the woman of the roof over her head. Child custody automatically goes to the husband when the child is more than ten years of age. And, as seen in the 1990 local elections, a husband was entitled to use his wife's vote!

The bitter fruits of this legalisation of bigotry and misogyny were not long in appearing. Long before the fundamentalists were organised on a national scale, the early and mid-1980s were marked by a series of attacks by the fundamentalists on women—often students—who were "indecently dressed" (either because they were not wearing a hidjeb or their dress was too short). Hundreds of girls and young women were subjected to insults and beatings and some were sprayed with acid by these men of God.

Similarly, clashes between left and right activists, especially at the universities, became more violent. The most significant of these took place on 2 November 1982 on the campus of Ben Aknoun university in Tizi-Ouzu when fundamentalist students murdered the Trotskyist Kamal Azmal, a member of the United Secretariat of the Fourth International (USFI). The anti-fundamentalist repression which followed Azmal's murder led to a protest meeting being held in Algiers on 12 November at which the text of a Muslim Call to Action was voted on and accepted.⁷

Signed by among others, Abassi Madani, the currently imprisoned leader of the FIS, the document called for the complete adoption of Islamic law (the Sharia) and concentrated on traditional fundamentalist questions such as the defence of private land ownership and expresses opposition to women's participation in the labour force, mixed schools and "the degeneration of the family unit".

The signatories were immediately imprisoned but demonstrations showed the support that existed for them. The organisers of the demonstration, including Ali Belhadj another key FIS member, were then imprisoned.

This repression created the conditions in which the next phase of development of the fundamentalist movement could begin. Under the grip of the "only party", the fundamentalists set to work both clandestinely and openly. Making the most of the regime's complacency, they found that "in the shadow of the minarets and the makeshift places of worship they were able to plant the seeds of revolt".⁸

Yet, when revolt did finally rear its head, the fundamentalists were not behind it. Tragically, however, it

was they who gained most from the revolutionary period which opened up in Algeria as a result of the mass uprising of autumn 1988 and the regime's constant vacillations.

The mass uprising in October was first and foremost a protest against the government. The deal it had struck with the IMF over the repayment of the national debt had led to massive increases in unemployment, particularly amongst the youth, as well as food shortages, tax increases and a relentless undermining of social welfare rights. The working class, which had swelled in size from 13% of the population in 1966 to 29.2% in 1983,⁹ was the first to suffer the blows of unemployment. During the 1980s the number of jobs created fell by 40% each year.

This situation was worsened by the slump in petrol prices that took hold of world markets in 1986. Given that petroleum-based products accounted for 98% of the value of Algerian exports, what happened in 1987 was inevitable: state revenue from foreign trade fell by 30%. Constantly seeking an agreement with imperialism and never a confrontation, the FLN got on its knees once more and then passed the bill on to the masses.

The central position of the working class in any revolutionary movement was demonstrated in Algeria during the October 1988 events. A strike in the SNVI industrial vehicle plant at Rouiba involving 10,000 workers was the catalyst that brought together the mass movement of youth, whose repression by the ANP led to the massacre of more than 500 people. A general strike was quickly declared and the youth, starved of food and freedom by the FLN, took to the streets.

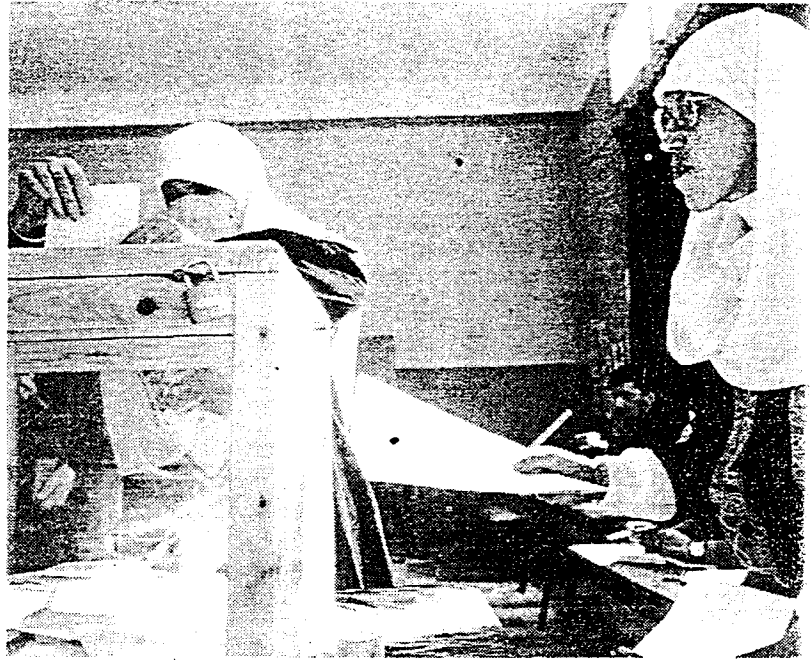
One of the toughest battles with the ANP took place around the Bab-el-Oued mosque where Ali Belhadj was a preacher. The fundamentalists were content merely to follow the actions of the masses, secure in the knowledge that they were well placed to benefit from them. Belhadj, Madani and Co were known to have been vocal in their criticisms of the government and now they were rubbing shoulders with demonstrators. Small wonder they were perceived as the voice of the oppressed in the face of a ferocious and obstinate regime.

Nor was it simply the masses who perceived the fundamentalist leaders that way. In November 1988 President Chadli, deeply shaken by the ferocity of the October revolt, initiated the process of political reform which eventually led to the coup of January 1992. One of his first acts was to meet with the three main fundamentalist leaders, Madjani, Belhadj and Nahnah.

The FLN was already aware of the possibility that the fundamentalists might initiate an independent mobilisation of the masses. Two years earlier, in November 1986, Chadli had issued a warning to fundamentalists and municipalities about mosque building without planning permission.

To counter the fundamentalists' rise, the government decided to increase the number of *imams* appointed by the state. In Constantine, for example, the number went up from 100 in 1985 to 191 in 1987.¹⁰ But this attempt to reclaim religion for the state was quite ineffective.

Emboldened by their popular success and by the recognition given them by the regime itself, the fundamentalist leaders used the mosques for their anti-governmental agita-



WOMEN AT THE BALLOT BOX

tion and moved to organise. Their first concern was to set up an essentially religious organisation, the Rabitat al-Da'wa (Preaching League).

This was a far cry from the more political organisation some of them wanted and so, largely under the influence of Abassi Madani and Ali Belhadj, the FIS was established in February 1989. Belhadj argued for the creation of a United Islamic Front. The more cunning Madani wanted to emphasise "salvation" to make the movement's religious side more prominent.¹¹ Those who did not want to fall in behind these rival fundamentalists set up other, supposedly more "moderate", organisations such as Hamas and Nahdha.

Once censorship restrictions on them had been eased, the FIS launched a fortnightly, *EI-Mounquid* (The Saviour) in October 1989 which they claimed had a print-run of 100,000 copies. The fundamentalists did not waste any time discussing a programme. The FIS's internal structures are totally authoritarian, it has never held a conference and has no intention of ever doing so before an Islamic state is set up.¹² Yet it quickly won influence in the mosques, gaining control over around 80% of them.¹³ It rapidly became the country's main opposition forum, with the support of hundreds of thousands of declassed unemployed youth and sections of the bazaar bourgeoisie and intellectuals.

The FIS is a deeply reactionary, theocratic organisation bringing together a number of diverse political currents. There is a clerical fascist wing known as the Salifiya (fundamentalists) led by Ali Belhadj and Abdelkader Moghni, which is fiercely opposed to elections, with two other, more "moderate" wings, the Jazara (the "Algerianists") and the Bennabists (named after a "moderate" *imam* who died in the 1970s). It would appear that Abbassi Madani straddles all these tendencies and thus defines the FIS's politics.¹⁴ The differences between the various wings were revealed in the attitude towards the regime, on the question of participating in the elections in 1991 and, after the coup, in negotiations for a settlement with the military.

The FIS is built on a populist basis. It bewails "the lack of justice which the workers are subjected to" and speaks of "the urgent necessity to put an end to the disturbing rise in unemployment".¹⁶ But the purpose of these positions is to conceal the FIS's real politics: the defence of private property,¹⁶ "the distribution of land to the deserving"¹⁷ and the "re-examination" of public property (i.e. denationalisation).

The bedrock appeal of the FIS is to the vast numbers of the rural population who flooded into the cities expecting to find a better life. Instead, at best, they found exploitation in the factories but no independent and militant class organisations to fight it. Over the past decade they suffered IMF-inspired austerity measures and a decaying urban infrastructure and bad housing.

For those who did not find regular employment there was the utter insecurity and misery of life in the "informal economy". Not finding a militant class leadership, many of the urban poor, the students and some workers fell under the influence of the fundamentalists, who offered a utopian vision of social justice mediated through the traditional rural values of religion.

It is clear enough why this "opium of the people" should have found ready buyers amongst the deprived, angry and disillusioned youth. It also found converts amongst the formerly "westernised" intelligentsia and amongst workers, primarily because of the failures of "Algerian socialism" and Stalinism.

A fundamental element of the FIS demagogy is the rejection of anything western, good and bad alike. Thus Madani, in time-honoured far right fashion, takes up the cudgels against "modern western thought" which he sees embodied in the writings of Machiavelli and Marx and in the notorious anti-Semitic forgery, the "Protocols of the Elders of Zion".¹⁸

His objective is the reversal of fundamental democratic achievements of the Enlightenment, the bourgeois revolutions and a century and a half of struggle by the working class and the oppressed; namely the exclusion of religious law, morality and dogma from exercising state authority or legal force.

The most wretched, lumpenised elements have also been won to the FIS by the authoritarian, neo-fascist line preached by the leadership and in particular by the clerical fascist Ali Belhadj: "The word freedom is a poison put about by Freemasons and Jews, designed to corrupt the world on a grand scale . . . The idea of popular sovereignty fundamentally contradicts many verses of the *Koran*."¹⁹

In place of "popular sovereignty", Ali Belhadj favours the setting up of a fascist theocracy where the right to change laws: ". . . belongs to neither governor nor people, but to wise men who know the laws of interpretation as well as the temporal conditions in which society lives."²⁰

This clearly means that for Belhadj the FIS would establish a bloody dictatorship under which all democratic rights would be suppressed and to which the mass popular base of the FIS would give a particular efficacy in smashing to atoms the workers' organisations and hunting down socialist and working class militants.

As Belhadj fulminated from his prison cell: "If the Berber is allowed to speak, the communist will speak too, along with everyone else, and our country will become an ideological battlefield against the hopes and wishes of our people."²¹

At the beginning of this year the FIS clearly expressed its vision of an Islamic state at an exhibition in Algiers. According to the FIS such a state would be entitled to "spread the faith at home and abroad by persuasion and terror."²² This is a horrendous prospect for women, workers and any member of the population seeking an answer to the current crisis not found in the *Koran*.

From October 1988 onwards, the FLN found itself caught between Scylla and Charybdis. On the one hand, there were the masses, crushed by the ANP but nonetheless a threat. On the other was the IMF, imperialism's own debt-collecting agent, insisting that there could be no let-up despite the fact that further austerity measures were bound to cause bloody social conflict.

The solution found by Chadli and the FLN was to implement a policy of political reform based on the liberalisa-

The FIS and women

Like the ideas of most religious people, those of the fundamentalists of the FIS are full of hatred and contempt for women, especially working class women.

Ali Belhadj, the clerical fascist leader of the FIS, is a ferocious misogynist: "Women are there to produce men, especially those most essential of men, Muslims: they are not there to produce material goods. It has been scientifically shown that it is impossible for a woman to reconcile a job with her family obligations. Divorce is the outcome."¹

"Let women stay at home in an atmosphere of chastity, reserve and humility and let them not go out except in those cases of necessity that the Lawgiver has defined. In order to avoid sexual violence, it is necessary to demand segregation between the sexes among schoolteachers and pupils. Mixed schooling is an abomination."²

In other documents the FIS has described mixed schooling as "one of the indicators of AIDS"³

All wings of the FIS are agreed on the subject of women: they can stay at home and shut up.

Any women who seek to assert their democratic rights, or even the limited social equality that they have already won, can expect anything from verbal abuse to physical attacks.

Under an Islamic state it would be the duty of the state forces to carry this out as law enforcement.

It is not Islamophobia, as some foolish leftists say, to stigmatise these bigots as seeking to return women to a state of mediaeval barbarism.

1 Horizons 23/2/89 Quoted in 'Peuples Méditerranéens' 52-53, 1990, p.75

2 El-Mounquid Number 9. Quoted in M. AL-Ahnaf et al, p.135

3 El Mounquid, Numbers 25, 27 and 28, quoted in M. AL-Ahnaf et al. p. 255.

tion of anti-democratic laws and the promise of parliamentary and presidential elections. This would also win imperialism's approval in its present "democratic" phase.

At the moment, the USA, France and Britain see pluralism as the best arrangement in the semi-colonies for speeding up de-nationalisation, dismantling protectionism, "reducing corruption" (i.e. the cost to them of bribing state officials) and generally opening up these countries to political manipulation and economic dictatorship.

Once Chadli's term of office had been renewed for another five years it was deemed safe to amend the constitution. Press censorship was lifted, political parties, including those on the far left, were unbanned and, for the first time ever, the ANP withdrew from the central committee of the FLN. At the same time, the economy was opened up to foreign investment, indigenous capitalists were given better access to foreign trade and the Dinar's exchange rate continued to plummet. The imperialists, naturally enough, looked on all this very favourably.

The FLN, like its friends in the old Eastern Bloc Stalinist parties, was attempting to undergo a deathbed conversion to "democracy". It was also counting on the ability of a fraction of the anti-FIS forces (opposed to the latter's anti-women line) to mobilise the masses against the fundamentalists. Following a demonstration of 100,000 people against fundamentalists' attacks on women in December 1989, the FIS responded with an even bigger demonstration of its own, with thousands of veiled Muslim women at the front of it.

The FLN's deathbed conversion failed to redeem it in the eyes of the masses as the 1990 local elections, the first more or less free elections since independence, revealed. The FIS took control of all the major town halls with 54% of the vote (against the 28% polled by the FLN) mainly on the strength of its denunciations of the FLN and promises about housing.

Profoundly shaken, with the parliamentary elections only twelve months away, the FLN now had its back against the wall. It was counting on two things. Firstly, the FIS's inability to deliver on its electoral promises and secondly, election rigging. It was decreed that ten times more votes would be needed for election to urban constituencies (where support for the FIS was strongest!) than to rural ones (where the FLN could still bribe or coerce the voters).

The FIS, meanwhile, were not without their own problems. It was deeply embarrassed at the beginning of the Gulf crisis when not-so-covert financial backer, Saudi Arabia, was seen welcoming infidel armies onto its "holy ground". This had serious implications for the FIS which had presented itself as the incorruptible defender of Islam and the Arab nation.

Eventually, they decided that to lose all credibility in the eyes of the anti-imperialist masses was a greater loss than the Saudi petro-dollars, primarily because the former would be irrecoverable. Thus they won all back by declaring their support for Iraq at a 100,000-strong demonstration. In February 1991, Belhadj went so far as to appear in a military uniform to attack the ANP for its inaction and called for a *jihād* against the Americans and their allies.

The FLN continued to manoeuvre in the hope of



FIS DEMONSTRATION IN ALGIERS

weaning away fundamentalist votes on the strength of its own commitment to "Islamic values". Thus, at the beginning of January 1991, a new law was passed outlawing the transcription of Arabic into roman letters. The same law also provided for the Arabisation of the whole of education by 1997 and a ban on imports of roman alphabet typewriters!

In late May 1991, with less than a month to go until the elections, the FIS suddenly changed its line. Having intended to stand for re-election in spite of the FLN's large scale ballot-rigging, they decided to go for a confrontation. Fearful that victory might elude them, they called for a general strike to bring down the government. A demonstration of 100,000 fundamentalists marched through Algiers, calling for immediate presidential elections and demanding the setting-up of an Islamic state.

But the strike was a flop. The FIS had proved its inability to mobilise the workers or to head the opposition forces, and was on the verge of a split. One wing of its ruling council, the Madjliss El-Shora, around Said Guechi (subsequently Minister for Employment!), publicly called for an end to the strike. In total chaos, Madani and Belhadj convinced activists it was now or never and they took to the streets in the hope of getting a re-run of October 1988.

At least one of their wishes was granted: the army attacked the demonstrators killing at least twenty of them. A state of emergency was declared, the elections were called off and the FIS leadership, including Madani and Belhadj, were arrested for their calls for *jihād* (Madani) and the stockpiling of arms (Belhadj).

Despite significant participation by the youth of the slum towns against the ANP, the FIS was unable either to mobilise the masses or to shake the discipline of the army. The FLN and the ANP had won this round. From June to January, after the collapse of the FIS's general strike, the situation became clearer. The army installed a "non-parti-



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san" government headed by Ghozali, a member of the Central Committee, who promised elections "as soon as possible".

Differences emerged between Ghozali, backed by ANP commander General Khaled Nazzar, and Chadli, alongside a faction within the FLN. Chadli wanted to do a power-sharing deal involving himself and the fundamentalist party. He thus encouraged Madani to make sure the FIS took part in the elections scheduled for the end of 1991.²³ But Chadli's proposed compromise was anathema to the ANP which was, for several reasons, particularly hostile to the FIS.

The FIS had promised a purge in the ANP's upper ranks and had repeatedly proclaimed itself to be the sole legitimate heir of the war of independence. More significantly, the ANP had played a key role in implementing the rule of the hated FLN. Equally, the FIS's love of things medieval did not endear it to the western-trained ANP leadership, reluctant to relinquish access to the best modern weapons. In an attempt to recover popular support, ANP generals attacked the FIS's authoritarianism, saying that it was "unthinkable that a government which came to power democratically should be allowed to lead the country into dictatorship."²⁴

Such words, however, counted for little beside the ANP's anti-democratic record since the founding of the Algerian state.

On December 14, the majority faction inside the FIS won the internal battle and the fundamentalist organisation announced its decision to take part in the elections. It had recently shown its strength in a monster demonstration of 200,000 fundamentalists in early November. The events which followed were almost inevitable. By 5 December the parliament, still dominated by the FLN, had passed a law allowing civic authorities to use the army "to maintain public order". The ANP had clearly signalled its unwillingness to see a repeat of June 1991, still less of October 1988.

On 26 December, in an election in which 41% of all voters abstained, the FIS won 188 seats out of 430. Its campaign, conducted on the slogan "Neither Charter nor Constitution but the *Koran* and the Sunna (Islamic law)", was supported by 25.4% of all registered voters—48% of those who did vote, in all 3,200,000 people. But the FLN were the big losers, receiving only 13.8% of the vote.

Despite the claims of the FIS, in no way could this be interpreted as a democratic mandate to establish a theocratic dictatorship.

In the second round, scheduled to take place on January 16, it seemed clear that the FIS would gain an overall majority of seats despite the fact that less than 26% of the population had voted for it and despite the FLN's bureaucratic attempts to subvert the electoral process. In the first round, voters marked a cross beside the name of the candidate they wished to support. In the second round they had to put a cross beside the name of the candidate they wished to reject!²⁵

Two possibilities were discussed in the smoke-filled rooms of Algiers. Chadli had initiated secret talks between his lieutenant Abdelaziz Khellif and the provisional leader of the FIS, Abdelkhader Hachani. This power-sharing proposal was supported by the oppositionist Ait Ahmed. More openly, the bourgeois leadership of the Rassemblement pour la Culture et la Démocratie (RCD) called for strikes and demonstrations in the hope of provoking the army into intervening to prevent the second round from going ahead.

On 2 January a large demonstration of around 300,000 people was called by, among others, the Socialist Forces Front (FFS) and the RCD "to safeguard democracy". Berbers from Kabylia were very well represented, fearful that the fiercely anti-Berber FIS might be about to take power. The UGTA once more showed its class-collaborationist reflexes by supporting the formation of a "National Committee to Save Algeria" which included sections of the employers. It was correctly attacked by workers at the petrol company Sonatrach for compromising class independence in the struggle against the FIS.

On 11 January, five days before the second round, the ANP brought the waiting to an end. In a *coup de théâtre*, Chadli resigned, under pressure from General Nazzar, Prime Minister Ghozali and the ANP. A state of emergency was declared and the ANP took power under the guise of the "High State Committee" (HCE). Mohamed Boudiaf returned from exile to take charge of a government in which the real reins of power are held by the ANP.

In the weeks which followed, the FLN split, uncertain which position to take in relation to the coup. A few middle class elements and intellectuals were relieved that the FIS threat had been repulsed. To sweeten the pill among the masses, Boudiaf announced a major anti-corruption campaign. After a few weeks, details of the scale of the corruption within the FLN and among sections of the ANP emerged in a series of well-organised leaks to the press. General Belloucif, a former secretary general at the Ministry of Defence, was charged and there were rumours that the same fate awaited Chadli.

Immediately after the coup, the FIS responded to the ANP's provocations with attacks on police stations. Its leadership and more than 5,000 members were arrested and imprisoned without trial. A state of emergency was officially decreed on 9 February. The FIS announced more than 150 dead in the course of the military repression. A few weeks

later the FIS was officially banned by the HCE even though a few of its leaders were freed. In May 13 of its members were condemned to death.

The imperialists reacted unenthusiastically to the coup. Immediately, the Credit Lyonnais bank said it would not be allocating the country credit on the agreed date and subsequently refused to allocate credit altogether. In late March, the Algerian Energy Minister went to Paris for discussions with the then Minister for Finance, Pierre Bérégovoy. He turned a deaf ear to Algerian pleas to reschedule an \$8 billion debt, 20% of which was owed to France.

The continued exploitation of Algeria by France—through the purchase and sale of agricultural produce, the provision of heavy goods and of course the debt—was used both as a carrot and a stick to make sure the new government stayed in line. The imperialists' position, from Washington to Paris, is simple: they have no confidence in the long term stability of the country.

They are right. The HCE and its state of emergency cannot last. The FIS is for the moment in a weakened state as a result of the repression. Certainly the enthusiasm of its mass support does not stretch to taking on a still hostile army. Its calls for a protest demonstration (14 February) and for a popular uprising (5 May) have been ignored by the population. Yet all the while the economic and cultural situation of the masses gets worse by the day.

The HCE itself has been obliged to promise that some time in the not too distant future democratic freedoms will be restored. What will become of the three million FIS voters

until then? It is highly unlikely that they have had their minds changed by the ANP tanks. The fundamentalist threat is not going to disappear with the wave of a field marshal's baton. Military rule is an impasse.

The assassination of Boudiaf on 29 June, probably the result of a conspiracy of parts of the state machine itself, reveals that the *coup d'état* did not even resolve the inner differences of the military over how to deal with the growing crisis of their rule.

There is little sign that the designation as new president of Ali Kafi, like Boudiaf a old veteran of the war of independence, will solve this.

However, the coup also seems to have deepened the divisions within the FIS. In its first statement after the assassination it lamely declared itself to be "prepared to have a real, serious and responsible dialogue"²⁶ with the government. Two days before, Rabah Khebir, founder of the FIS had emphasised the "need to forget bitterness and differences, and to work together for an Algeria where Islam will have its place".²⁷

On the other hand FIS bulletins are more bloodthirsty, calling on the masses "to kill a thousand policemen and magistrates". It claims that clandestinity is hardening the organisation and weeding out weak elements. According to *Libération* the Algerianists are getting weaker—one of their leaders said he was surprised they hadn't yet been attacked as "traitors". The Algerianists want the armed struggle wing to leave the FIS. At the same time, they urge the government to take up their offer of negotiations by claiming that this

The FIS and the workers

When the fundamentalists set up their own union, the Islamic Labour Union (SIT), in summer 1990 they advertised it as "a union of struggle".

They made a few disguised criticisms of the UGTA's effectiveness and suggested that in the absence of any formal agreement with the bosses:

"The union should unleash a general strike based on collective action. Partial strikes have weakened the workers, dispersed their ranks and made them unable to confront the forces of injustice and tyranny."¹

A few concrete examples, however, can often be more instructive than any number of abstract statements of principle. During the Algiers refuse collectors' strike of June 1990 Abassi Madani came out against the strikers. He accused them of "turning the country into a dustbin" and likened them to pro-imperialist terrorists:

"It's just like in the days of the OAS. It's very destructive for our country's

economy . . . you don't have the right to commit sabotage, to sabotage our country."²

When the UGTA called a general strike in March 1991 in protest at the degradation of living conditions, the FIS and the SIT broke the strike, playing the role of unexpected allies to the FLN.

In the absence of a revolutionary leadership able to challenge the half-heartedness of the UGTA from the left, the bureaucracy's betrayals enable the SIT to benefit from workers' disillusionment and winning seats as 'worker participants' in elections to factory boards. For example in August in the SNVI factory at Rouïba, the SIT won 15 out of the 16 seats, with only 15 % of workers bothering to vote.

At the root of the FIS's understanding of the trade union question is a systematic pro-capitalist corporatism: "Our goal is to use this union to set up Islamic businesses"³ and again:

"Islam advocates . . . management based on the *shora*, mutual respect and a sense of responsibility shared by all workers in an enterprise."⁴

These are politics which lead to the relentless exploitation of the workers. They would be denied independent class organisations either trade union or political.

The clergy and their spies and agents would control workplace Islamic *shoras* and a charity based welfare system would control the unemployed. In essence, the Islamic fundamentalists are offering to police the workers for the bourgeoisie, offering to cloak the capitalist system in an "Islamic" disguise.

The FIS and the SIT are threatening to destroy the gains of the working class as well as its class independence.

1 Press conference announcing the setting-up of the SIT, quoted in M. Al-Ahnaf, B. botiveau and F. Fregois, «L'Algérie par ses islamistes», Paris (Karthala), 1990, pp194-195

2 Es Salaam, 21.6.90. Ibid pp. 202-203

3 Ibid.

4 FIS economic programme, Ibid. pp181-182

alone could really stop their extremist wing from eventually seizing power.

The growing resort to individual terror and "armed struggle" shows that this is not just an idle threat. The clerical fascist wing is thus laying claim in deeds to the heritage of the Algerian revolution. Virtually every day sees attacks on the armed forces, especially against policemen. Over 150 policemen have been killed since February. Apparently, there have been organised attacks on post offices and food companies.²⁸

In short, an embryonic guerrilla warfare is developing. Of course, the Islamic clerical fascists are no revolutionaries, any more than was a Hitler or a Mussolini. The terror tactics, like the mass movement, are being utilised to produce a split in the ruling class and in the army high command, not to overthrow them. It is, of course, far from impossible that when they see that the road of repression is exhausted, some forces in the army and in the FLN could open the road to power for the FIS.

Neither the former FLN regime nor the present military dictatorship are capable of permanently halting the growth of fundamentalism in either its "moderate" or clerical fascist forms. Nor can the FFS, which espouses an even more pro-IMF, neo-liberal economic programme, offer an alternative to Algeria's workers. A popular front of these forces with the unions is a dead end strategy which can only strengthen the hold of the clerical fascist demagogues over the impoverished masses.

A real opposition to Islamic theocracy and the black night of oppression must combine resistance to the brutal economic attack of imperialism with the defence of democratic rights and social gains. Algerian society is in a deep social crisis whose outcome will not be a stable capitalist parliamentary democracy. It will be revolution or counter-revolution. Though the social forces for revolution are strong they are hardly conscious of the need to take this road.

Faced with the rise of Islamic politics, it is necessary to put forward revolutionary solutions capable of meeting the needs of the masses and particularly the unemployed youth, in the spheres of jobs, housing health and education, showing that workers, youth and women can take control of their own destiny and shape a better future.

It is at the same time necessary to boldly defend a democratic and secular social culture where no clerics can interfere in people's personal lives. It is vital to defend the right of all young men and women to read or see what films they like, to dress, dance, drink, participate in sport and organise their own social and sexual lives as they wish. All of this personal and sexual liberation must be linked to the liberation of women.

But there is no separate stage of democratic struggles in countries like Algeria. To fulfill these democratic and cultural tasks requires the control of massive economic resources, resources that can only be gained by taking over the means of production, the imperialist companies, the big landholdings, by renouncing the foreign debt and stopping its repayment and by creating a planned economy in which "workers' management" is not a hoax. Only the working class striking out to fight for its own class rule can do this.

To achieve this task it is necessary to build a revolutionary vanguard party, rooted in the factories, in the workers' districts and in the shanty towns, which could lead the oppressed and exploited masses in establishing their own power. To organise and mobilise the urban and rural masses a network of factory, enterprise, shanty-town and peasant councils needs to be created. Their delegates need to be elected and recallable by mass meetings of the rank and file with no interference by, let alone privileges for, bureaucrats or mullahs.

Only such democratic organs of the working masses can take and wield state power. Through the creation of a social system based on workers' council power, the Algerian masses can win the fight for emancipation that their parents began four decades ago.

NOTES

- 1 Quoted in A. Lamchichi, 'Algérie en crise', L'Harmattan (Paris, 1991), p310
- 2 A. Rouadjia, 'Les Frères et la mosquée', Karthala (Paris, 1990), p21
- 3 R. Tiemceni, 'State and Revolution in Algeria', Zed (London, 1986), p126
- 4 S. Chikhi, 'L'Ouvrier, la vie et le prince, ou la modernité introuvable' in A. El-Kenz, 'L'Algérie et la modernité', CODESRIA (Paris, 1989), p181
- 5 S. Chikhi, 'La classe ouvrière aujourd'hui en Algérie', in Les Temps Modernes 422-433 (1983), p65
- 6 A. Rouadjia, op. cit. p284
- 7 Reproduced in M. Al-Ahnaïf, B. Botiveau and F. Frégosi, 'Algérie par ses islamistes', Karthala (Paris, 1991), pp45-48
- 8 A. Rouadjia, op. cit., p82
- 9 S. Chikhi (1989), op. cit., p179
- 10 A. Rouadjia, op. cit., pp86-187
- 11 M. Al-Ahnaïf et al., op. cit., p30
- 12 A. Madani, quoted in 'Le Monde Diplomatique', February 1992.
- 13 Middle East International, 24.1.92
- 14 Arabies, February 1992
- 15 Platform of the FIS, El Mounquid, Number 16. Quoted in M. Al-Ahnaïf et al, op. cit. p50
- 16 A Madani, quoted by A. Rouadjia, op. cit. p283
- 17 Economic Programme of the FIS, quoted in M. Al-Ahnaïf et al, op. cit., p179
- 18 Quoted in M. Al-Ahnaïf et al., op. cit., p80
- 19 El-Mounquid, Number 23, quoted in M. Al-Ahnaïf et al., op. cit., pp90-92
- 20 Ibid, p94
- 21 Le Monde 15.1.92
- 22 L'Humanité 13.1.92
- 23 Interview with Madani in Algérie Actualité 6.6.91
- 24 Editorial in the ANP review, quoted by M. Al-Ahnaïf et al., op. cit., p126
- 25 Le Monde 12.1.92
- 26 Libération 13.7.92
- 27 Libération 13.7.92
- 28 Le Monde 21.7.92

The working class movement in South America today

The São Paulo Forum of the "New Left" met in Managua in July. Keith Harvey explains how it failed to come up with either a diagnosis or a cure for the continent's ailments.

It has become commonplace on the Latin American left to root its present crisis in two related events—the collapse of Stalinist ruling governments in Eastern Europe and the USSR and the defeat of the FSLN in the 1990 Nicaraguan elections.

Whilst the Moscow-backed Communist Parties in Latin America were not militant or mass forces in most countries, their role in the leadership of the trade unions was often significant. Their disintegration or political transformation into more nakedly pro-capitalist ideologies has clearly contributed to the general sense of retreat, demoralisation and confusion.

Only 13 years ago the overthrow of Somoza by the FSLN had seemed a decisive blow against imperialism, providing once more a strategic model for revolutionary advance in the region just as the Cuban revolution had in the 1960s. Indeed, it seemed as though a wave of revolution might advance again on a continental scale.

But in a few short years this generation of uncritical pro-Sandinista lefts watched with sinking enthusiasm as, after 1985, the FSLN government turned more and more upon the workers, attacking their living standards in order to stabilise and strengthen capitalism inside Nicaragua.

Despite this record virtually everyone on the left was shocked by Violetta Chamorro's defeat of the FSLN in the 1990 elections, and at the sight of the Sandinistas peacefully relinquishing power. Earlier pledges to "govern from below" proved empty demagoguery as leaders of the FSLN instead used their control of the armed forces to police the hand over of power and discipline the masses in the face of privatisation and austerity.

The impending catastrophe for Castro in Cuba following the withdrawal of aid by Yeltsin has struck yet another

blow against the left with their illusions in the Stalinist model of "revolution".

There can be no doubting the present state of the ex-Stalinist and petit bourgeois nationalist left. As one writer recently put it: "the left in Latin America is on the defensive. Revolution has lost its allure, and in nearly every national electoral contest the left has either self-destructed or gone down to ignominious defeat."¹

But the dire state of the left and of trade union organisation in country after country cannot be simply explained away as the result of external events. While these have acted as a catalyst to the crisis they could not have had such an impact were it not for the serious defeats already suffered by working class and popular movements in Latin America before 1989-90.

Throughout the continent political and trade union organisations were already in a serious state of decline and disorientation. The rise of neo-liberalism was already crushing the left and the unions. From 1988 it became the universal weapon of the Latin American bourgeoisie, and has become so apparently unstoppable that sections of the left have turned to embrace it, bemoaning its consequences for the poor but making enormous concessions to its pro-market, anti-statist ideology.

Over the last 13 years or so there have been at least two distinct phases of struggle in Latin America. Broadly speaking, the years between 1977/78 and 1985 were ones in which dictators were either overthrown or forced to relax the severity of their dictatorships.

In this period the mass movement was on the increase, the political influence of the left was increasing and the mass



FUNERAL OF MASSACRED BANANA WORKERS IN COLOMBIA

organisations grew in strength. Imperialism, despite having launched the "Second Cold War" against Soviet global influence, found itself in a defensive position in the semi-colonial world. Obviously, the forward dynamic of this first period was not uniform. It affected different countries with variable force and timing.

In Central America the victory of the FSLN promoted forward movements by the left in Honduras, El Salvador and Guatemala. But by mid-1982 this tide of advance had already been stemmed and the left was in retreat, a process starting in Guatemala and Honduras and then spreading to El Salvador and Nicaragua itself.

The grim statistics of this retreat hardly need to be repeated: the heavy toll of the death squads in Guatemala and El Salvador, the growth in electoral influence of rightist parties, the turning of Honduras into an armed encampment of the USA, the political retreat of the FSLN after 1985. It would be the height of folly to console ourselves with the illusion that this was merely a defeat for the petit bourgeois leaderships and not for the masses.

In the total absence of a revolutionary alternative, uncompromised by accommodation and subservience to these misleaders, it did not prove possible to halt the retreat. Where centrist left wing alternatives did exist, they could not take advantage of the disorientation of the Stalinist and nationalist forces. Instead they too became demoralised and contributed to the retreat.

In South America a similar pattern occurred. Examples are plentiful. The rise of the left in Peru and Bolivia in 1977-78; mass mobilisations by the workers' organisations in Argentina, Paraguay and Chile which played an important role in forcing a retreat of the military regimes; the creation of the Workers' Party (PT) in Brazil after the two year strike wave for union rights, workers' control and wage increases launched by São Paulo engineering workers during May and June of 1978.

But the advances of the mass organisations and the mounting tide of democratic gains cannot simply be understood as triumphs over imperialism. They have to be seen in the context of a crisis of existing rule. The old regimes were in many cases a product of US policy in the 1960s, but were

no longer regarded by the imperialists as the best way of defending its interests in the region.

The USA was seeking a safe and controlled transition to forms of bourgeois democratic representation with a multiplicity of parties in these countries. This had two aims. First, to impose a more stable social system of exploitation by trying to defuse armed struggle and incorporate bourgeois workers' parties into the constitutional system. Secondly, after 1982, the imperialists sought to break up the economic and political monopolies controlled by the state capitalist and military sections of bourgeoisie. Without this their neo-liberal model would fail.

In this context the imperialists hoped that the mass organisations—largely dominated by reformist leaders—could be co-opted into playing an auxiliary and supportive role. This would legitimise a controlled transformation, modelled on the democratic transition which followed the Franco era in Spain in 1975-77.

In Argentina, Paraguay and Chile this project of a controlled transition proved successful. Thanks to the efforts of the Stalinist, socialist and trade union leaderships revolutionary democratic measures and independent proletarian class demands were subordinated to the bourgeois transition process.

This is not to deny that important gains were made in the process—the increased scope for legal trade union activity, the open operation of the political parties of the working class and far left. In addition in some countries the working class was able to use its new rights to good advantage and increase wages, and political representation in various national and municipal parliaments was gained.²

But the only real example of a transition process which escaped control of the imperialists in this fashion has been Haiti. Here the downfall of the Duvalier regime in 1986 led to a level of popular mass mobilisations that erupted continually over the next five years before a major defeat was inflicted on it in September 1991.

The failure to control this transition was due to the absence of stable and large trade union and political parties that could act as a counter-weight. This in turn was a product not only of the vicious rule of the regime but also of the

acute poverty of the country, the small size of the labour unions and the explosive militancy of the declassed urban and rural poor. If Chile was analogous to the transition process in Spain, then Haiti was closer to that of the Philippines except that there was no serious well-rooted bourgeois opposition capable of restoring stability.

That period of offensive, albeit relatively controlled, mobilisations has not been sustained. The proletarian and poor peasant struggles in Latin America over the last five years have had a different character. There have been strikes, demonstrations, blockades, riots. But on the whole they have been *defensive* not offensive; they have been motivated not by the possibility of bringing down dictators, of enlarging the scope for proletarian democracy and better wages and conditions, but rather by the need to halt the onslaught of the transitional or new democratic regimes on jobs, wages and welfare rights.

Some of these strikes, for example in Uruguay, have been very large and important, and some have forced regimes to re-formulate their plans or re-route their offensive. But none of them have yet managed to put the plans of the new bourgeois regimes into reverse.

And in more recent years the bourgeois governments have taken further advantage of the "democratisation" process by legislating anti-working class measures (including anti-trade union laws) which gain more effectiveness in that they carry the gloss of a democratic mandate.

The main reasons why the workers' movement has been put onto the defensive since around 1985-86 are all too familiar. They lie in the change in economic strategy imposed by the IMF, often in willing collaboration with the governments of Latin America. This began with Mexico in 1986 where the government based itself on the "successful" balance sheet of neoliberal measures in Chile after 1977. Since then this new policy has made headway in every country of South America.

The full implementation of neo-liberal measures is least advanced in Brazil, Paraguay and Uruguay but it is under way nonetheless. Mexico, now a long way down the road, has finished its privatisation programme and is now tackling land reform; Brazil and Argentina—having signed Brady Plan agreements in mid-1992 over their debt repayments—are poised to go faster down the path of privatisation and cuts in the state budget.

Everywhere the working class organisations have put up some form of resistance, but they have not succeeded in preventing the growth of mass poverty, a sharp decline in trade union numbers, and the lowering of real wage levels over the five year period.

In the case of Bolivia and Peru heavy defeats have been inflicted. These defeats in the economic and political struggle were soon reflected on the electoral terrain. Across the continent elections in the years 1988-90 saw rightist or populist parties win.

At the beginning of the 1990s the proletarian movement is in a worse situation on the whole than at the start of the last decade. No one can seriously deny there has been,

overall, a deterioration in the balance of class forces to our disadvantage.

The early 1980's saw a generalised economic crisis throughout Latin America, with the partial exception of Colombia and later Chile. Like the crisis in the 1930s much of the blame for the crisis can be put down to structural problems in the economy, but the significant difference is that this crisis was caused directly by imperialism attempting to overcome their own crisis by the application of "adjustment" policies to the economies of Latin America.

Between 1981 and 1989 per capita GDP declined 23.5% in Argentina, 24.7% in Peru, 25% in Venezuela, 9.2% in Mexico and 4% in Brazil. In contrast it grew 14% in Colombia and 9.6% in Chile. While real growth rates for the whole region had averaged nearly 6%p.a. in the 1970s, continental GDP was down 1% in the 1980s, and *per capita* GDP declined by 7%.

Alongside this economic slump went hyper-inflation, afflicting at various times Bolivia, Peru, Argentina, Brazil and Nicaragua. In 1990 Argentina registered 1,343%, Brazil 1,794% and Peru 7,649%. Inflation in most countries was "conquered" through inflicting savage austerity programmes upon the masses.

The 1980s were also marked by a massive flight of capital. As a result of servicing the debt during the 1980s Latin America suffered a huge "negative resource transfer" equivalent to 3% of the continent's GDP in 1989 alone. Despite some new economic growth and investment after 1989 the following year still saw a net transfer of capital out of the region of \$5 billion.

Only Chile and Mexico saw more capital come in than go out. Even in Mexico, the showcase of imperialist investment, only a small amount of investment is in productive capacity. The vast majority is speculative investment in the stock markets, repatriated capital, with a smaller amount going into the service sector.

Virtually everywhere this crisis led to the slashing of living standards and dramatic rises in unemployment, underemployment and official poverty. In Bolivia 1984-86, Chile 1983-84, and Peru in the late 1980s workers suffered dramatic drops in living standards and increases in unemployment. During the 1980-85 period average real wages fell by 27% in Mexico, 43% in Peru and 12% in Chile. The real minimum wage in Brazil fell 11.8% between 1980 and 1988.

Rocketing unemployment, poverty and illness has accompanied huge cuts in education and health budgets. As a proportion of public expenditure the percentage spent on these items fell from 10% in 1979 to 7.9% in 1987 in Argentina and from 22% to 10% in Mexico. According to the Conference on Poverty held in Quito in 1990, 50% of the Latin American population now live below the poverty line.

These years of economic crisis and neo-liberal transformation have led to significant structural changes in the working class itself. The proportion of full time industrial and service workers with stable employment in the urban

economy has declined significantly. The main reason for this has been the rise in the numbers employed in the so called "informal sector". This vague term encompasses a large range of economic activity, defined in one recent article as including:

"The mass of self-employed workers; sporadic and seasonal employed workers; workers employed in small, including family, enterprises; undocumented workers; and housemaids, artisans and laid-off factory workers performing odd jobs."³

Far from being a marginal sector on the fringes, the informal sector is large and in some countries even constitutes a majority of the labour force. In Argentina, Brazil, Colombia, Mexico and Venezuela it comprises about 40% of the workforce. In Peru and in Central America it reaches 75-80%, and in Haiti up to 92%.

As a result of its growth, the number officially registered as unemployed has actually been reduced but the combined total of unemployed and underemployed has increased to 40-42%. The number working less than 24 hours a week has doubled in Argentina, Colombia and Panama. The use of casual workers has increased everywhere. In Brazil one study reports that the proportion of casual workers employed in enterprises increased from 18% to 28% between 1983 and 1988.

The social vanguard of the proletarian revolution—the wage-earning working class—has thus undergone important structural changes over the last ten years. Whilst the actual number of wage labourers has not declined, a large number of them have nevertheless lost stability and continuity of employment, creating serious overall problems of union and political organisation in country after country.

The heterogeneous informal sector, however one chooses to define it, clearly has a function for semi-colonial capitalism and its imperialist masters. It serves to undermine organised labour. It further aims to offload the cost of reproducing labour power onto the back of the working class itself by sharply reducing the costs that normally fall on the capitalist state and are thus paid for at least in part by taxing the profits of the bourgeoisie. All in all the informal sector operates to drive down the value of labour power. This is an essential part of the strategy of the neo-liberal governments. On the basis of low wages they seek to attract capital into export-led industries that can then compete on the international (or at least regional) market.

Limited but real wage growth made a certain sense for the capitalist class in the context of an economic strategy that depended to a considerable degree on producing for and stimulating the growth of an internal market. The turn to neo-liberalism abandons that strategy, and the successes scored by the "national" bourgeoisie and the multinationals in reducing real wages have already been striking.

In the modern industrial sectors of the Latin American economy real wages have declined by about 7% in the years 1980 to 1989. But for workers in small enterprises and for those in the public sector the fall was much bigger; in both cases over 30%. In the informal sector itself the fall is estimated at around 42% whilst incomes in agriculture have fallen by around 20%.⁴

According to the United Nations Economic Commission on Latin America average real wages in Chile were the same in 1988 as in 1980; in Argentina they were 3% less, in Paraguay 14% less, in Peru 48% less.

In Argentina wages in 1990 were 54% down from their 1984 peak; in 1991 wages were frozen and inflation eroded their real value by 25%. The *Latin American Press* reports that in Uruguay real wages dropped 9% in 1991, and Lacalle plans a further 10% cut in 1992. The government gave the workers a 12% pay increase in early 1992 to recompense them for the austerity programme of 1990-91, but the unions said that 12% was nowhere near enough to compensate for what they had lost.

In Venezuela, the journal *Economía Hoy* reported a study in 1992 which concluded that in order to recover the purchasing power of the wages earned in March 1989, the minimum wage would need to be raised to \$183. The government has set it at \$140. Over the last three years prices have gone up 159% while wages have risen only 81%. In June this year the Venezuelan unions claimed a 45% increase for all private sector workers to try and regain some of this loss, but Perez rejected pressure in his AD party and granted a ceiling of 20% for this coming year.

In Brazil there are also signs that the continental trend is beginning to show at last. After fighting to make real wages 47% higher in 1988 than in 1980, real wages in São Paulo plummeted by 14% in 1990 and by a further 15% in 1991.⁵

This real wage erosion is seen in all the neo-liberal regimes, but the unions have failed to resist or successfully offset the attack. A deterioration in living standards can be accompanied by, or even help cause, a radicalisation in the political consciousness of the masses or its vanguard.

However, if the workers' political and trade union organisations fail to protect stable employment and do not prevent the lowering of real wages then these organisations themselves will decline and disintegrate. The organisations of the workers and poor peasants have in general failed to defend the masses against these savage attacks. This constitutes a serious defeat for class organisation and ultimately for consistent class—i.e. revolutionary—politics.

Economic recessions and slumps do not automatically radicalise the masses and their organisations. Such radicalisation depends on the state of the organisations and their recent history of struggles; it depends on the nature and strength of their leadership. Workers' organisations can respond with self-confidence and strength to an economic crisis, determined not to let themselves be punished for the failure of the bosses' system.

Alternatively, they can react with fatalism and passive resignation, unsure that they can achieve anything at all by fighting. The latter approach, that of reformism, has characterised the labour movements of the continent faced with the onslaught of the last period. In Brazil in the late 1970s the São Paulo workers reacted in a different way. But the levels of militancy and resistance of 1991 do not compare with the late 1970s. Why? Fundamentally because of the changes that have taken place within the Brazilian union federation, the Unified Central of Workers (CUT), its leadership and vanguard in the intervening years.



MEXICAN TEACHERS' DEMONSTRATION

The nature of the leadership of workers' organisations and its response to new attacks and previous defeats is the key to understanding the present state of the labour movement in the continent.

Starting in South America around 1985-86, the high point of the workers' and poor peasants' resistance gave way to a period in which the initiative was regained by the right and the workers' struggles increasingly took on a defensive character.

In Bolivia the high point of a revolutionary crisis in 1985 was the occupation of La Paz by the miners. The reformist leadership of the COB and the miners' union allowed this revolutionary situation to pass by. In 1985-86 the miners and the rest of the proletariat went down to defeat at the hands of the new "democratic" MNR-ADN government. A strategic defeat was inflicted on the Bolivian working class in the following years.

The miners, the mass vanguard since the early 1940s, were decimated by closures of the tin mines. Whilst the miners and other sectors of the proletariat have not stopped fighting, the workers are engaged in a series of *defensive* struggles—against privatisation plans, against state budget cuts in the health and education sectors.

In Peru the failure to generalise the mass struggles of the late 1980s (e.g. national miners' strikes) into a revolutionary general strike and the struggle for power allowed the ruling class and imperialism to re-group and take the offensive under a "democratic" cloak. During the highpoint of the mass mobilisations the reformist union and party leaders directed all their efforts into the electoral channel of achieving victory for the Izquierda Unida popular front, only to see it fall apart before the decisive elections.

So demoralised were most of the left that, faced with the "threat" of the openly Thatcherite Vargas Llosa winning the presidency, they fell in behind the maverick bourgeois populist Alberto Fujimori as the "lesser evil". In fact, the election of Fujimori in 1990 opened up a period of outright reaction all the more damaging in its effect due to the left's support for Fujimori.

In the second half of the 1980s there were different periods of response to the neo-liberal offensives. In some

countries there were initial periods of mass resistance and even gains for the left in elections (e.g. Brazil, Uruguay), but eventually the ineffectiveness of the traditional leadership's fightback against the neo-liberal project resulted in a strengthening of the right and a new phase of retreat in the last two or three years. The high point of recent resistance has been followed by a decline both in its level and its effectiveness.

In Argentina after the election of Menem in 1989 the unified trade union federation—the CGT—split into pro and anti-Menem parts. This in itself was a blow, but could have been compensated for if the "rebel CGT" (i.e. the anti-Menem one) had succeeded in leading class struggle resistance to the government. The rebel CGT did in fact try and organise opposition to Menem's neo-liberal policies.

During 1991 and early 1992 there were some bitter and protracted strikes against the results of Menem's plans. In the spring of 1991 the largest manufacturing plant in the country—Somisa—struck against job losses and flexibility due to privatisation. Due to the treacherous role of the CGT the strike was lost and "a grave defeat was suffered".⁶ Over the course of 1991 the number of workers in the factory was reduced from 14,285 to 5,733 and a brutal reign of discipline was imposed.⁷

Later in the year a three month struggle over wages and productivity in the FATE plant—described as "one of the most important struggles for Argentinian workers in the last years" ended in defeat.⁸

The failure to defeat the government and the high costs borne by the workers led the rival CGT to fuse again on 26 March into one main federation. In policy documents for this fusion, the "rival CGT" argued that they needed unity because the trade unions had lost support, because they had failed to stop the deterioration in real wages.

It argued that they needed to combine to deflect Menem and his government from pushing ahead with two anti-trade union pieces of legislation; one of them seeking to deprive the unions of their control over social security funds and the other wanting to put an end to national industry-based pay bargaining and replace it with company by company negotiations. In the end the Menem government re-



BRAZILIAN PT LEADER LULA WITH SUPPORTER

warded the unified CGT bureaucracy for its united role in scabbing on workers' struggles by allowing them to keep their privileged control of the funds.⁹

Brazil undoubtedly has the most positive situation for Latin American trade unionists. Yet even here the best moments for seizing the initiative from the bosses and the Collor government were lost—in 1989—and now the trade union movement is increasingly on the defensive.

Formed in 1983, the CUT organises around 15 million of the 23 million or so Brazilian trade unionists and has about 1,600 unions affiliated to it.¹⁰ During the 1980s it scored notable successes helping organise successful pressure on the Sarney government to get some of the more reactionary anti-union aspects removed from the new Brazilian Constitution adopted in 1988. It eliminated the power of the state executive, via a labour ministry, to interfere in the trade unions. It enshrined the right to strike which was extended in 1989 to include workers in essential industries.

Perhaps the high point of the CUT's success was its role in organising a two day general strike in 1989 which brought out 70% of all organised workers and which successfully scrapped the Sarney government's proposed wage freeze package.

But the best chance for trade union unity was missed as early as 1981. At that time many trade unionists—building on the success of the 1978-80 strikes—convened a National Conference of the Working Class (CONCLAT). Its express purpose was to found a single trade union federation. It failed in this because of deep ideological differences between the participants that ranged over several issues: attitude to negotiations with the government, to political party affiliation, to internal democracy, to international trade union relations, and so on.

The outcome was the continuation and even the deepening of the divisions in the trade union movement.

In addition to the CUT there is the General Confederation of Workers (CGT) formed in 1986 on a specifically pro-state, paternalistic intervention line and for a pro-ICFTU outlook. Today the CGT organises around eight million.

Worse still was Union Power (FS), formed as a boost for the Collor government in March 1991. It is composed of about 400 trade unions from the car and steel plants of São Paulo. Its leader is an ex-CGT leader and it is backed personally by Collor who has ensured that FS has received \$4.3 million in state aid in the course of its short existence.

This trade union division has helped the bosses and the government. It is no accident that the FS has been totally useless at resisting the massive wave of sackings in São Paulo in the last year.¹¹ This division has not helped when it comes to resisting the erosion of real wages either. In 1981 50% of national income went to wages; today it is only 35%.

The social inequalities between rich and poor are worse in Brazil than anywhere else in Latin America and possibly the world. In 1990-91 Collor let prices soar and at the same time pegged wages, thus cutting purchasing power drastically.

In recent years the legislative reforms won by earlier struggles of the working class have been shown to be inadequate. The bosses still have decisive weapons when they need to offload the recession onto the workers and prepare for privatisation of state industry. The power to intervene in strikes has simply been transferred from the executive to the legislature.

In September 1991 workers in Petrobras, the state oil company, struck for better wages. The courts quickly decided that the strike was an "abuse" of its rights after arbitration and allowed the company to sack all the workers and fine them! The workers were forced to go back on the basis of the original offer.

All this led one leading PT member to say in April this year: "The recession has made the trade union struggle more difficult. First and foremost, in the big units of production where the most combative trade union movement has accumulated its greatest capacities of mobilisation and organisation—in the 500 biggest private enterprises—the number of employees has fallen 16.5% since the coming to power of Collor . . . In the big state enterprises, the privatisation offensive has not been challenged by serious mobilisation."¹²

Indeed instead of turning to class struggle policies to arrest the decline in real wages and halt escalating unemployment, the CUT and the other two trade union federations have now appealed for a popular front with the employers to halt Collor's liberalisation programme!¹³

In Uruguay the unified trade union federation—the CNT—still retains the capacity for large mobilisations,¹⁴ but decisive confrontations lie ahead. In May 1992 we saw the sixth (36 hour) general strike in recent years protesting against the privatisation and austerity measures of the Lacalle government. Such mobilisations are deepening divisions in the ruling Colorado Party to such an extent that President Lacalle cannot get a stable working majority in Congress. He needs one to support budget-cutting measures to severely curtail

social security payments and raise indirect taxes.

Despite the fact that the neo-liberal assault is progressing more slowly there than elsewhere in Latin America, one Uruguayan centrist noted recently that the trade union movement "is going through a very deep crisis, a fall in membership, and is experiencing numerous organisational setbacks".¹⁵

Once the leaders of the unions and popular movements had played out their treacherous supporting role in the "controlled transition" from Pinochet to Alwyn during the years 1986-90, the mass movement was demobilised. Far from a "democratic" regime reversing Pinochet's pioneering Thatcherism, it has continued and intensified the attacks. The unions have failed in their resistance to privatisations.

The workers' experiences in the trade unions are a very important indicator of the balance of class forces today. But to study class consciousness through the prism of the trade unions provides only a partial and distorted picture. It is also necessary to study the fortunes of the parties of the political left in comparison with those of the right.

The third continental-wide meeting of the São Paulo Forum "new left" took place in Managua in July this year. Representatives of over 100 parties from 17 countries in the region testified to the fact that there has been a growth in social democratic ideas amongst the old Stalinist and petit bourgeois nationalist left.¹⁶

This has followed the defeats of the guerrilla movements, the collapse of Stalinism and the collapse of state capitalist projects. This "new left" (embracing such forces as Cardenas' bourgeois nationalist PRD in Mexico, the FSLN in Nicaragua and the PT of Brazil) is the meeting ground for retreating former Stalinists, guerrillaists, the main tendencies within the PT, the municipal left such as Frente Amplio in Uruguay and a myriad of popular and indigenous organisations.¹⁷

The sponsors of the São Paulo Forum claim they are promoting a dialogue and sharing experiences and prompting a debate over failed models for regional advance. In fact they are doing much more. They are redefining the reformist project in Latin America and the Caribbean for the 1990s.

These forces are *consciously* rejecting the legitimacy of revolutionary violence, *consciously* abandoning the project of radical transformation of the state from outside its existing institutions, and *consciously* rejecting the idea of seizing state power in backward countries.

This amounts to a *retreat*, not just for the left but for the popular forces that are influenced by them. They are able to play this role because no alternative exists to their left, which would be capable of helping the vanguard of the masses draw the correct lessons of the last ten years. What is worse, these "new lefts" actually dress themselves up as a major advance for the left, willfully ignoring the defeats inflicted on mass organisations.

They console themselves in the belief that their dialogue is an advance, and hope that the masses will not notice the role they played in preparing these defeats.¹⁸

The Forum argues that the rise of the ADM in Colombia in the 1980s was a sign of left advance. But this "advance" was based on the abandonment of armed struggle, the result of which has been to abandon the masses to the death squads of the government and the landowners. The number of deaths of the left has doubled from the first to the second half of the 1980s, and doubled again from 1990 to 1992.¹⁹

And what has been gained by the M-19 (now ADM) and the Patriotic Union (UP) as a result? In mid-1990 the left—gathered around the UP—lost several of the parliamentary seats and seven of the 16 municipalities that it had won in 1988. The high point for the UP was 1985, since when it has been in constant electoral decline.²⁰

When M-19, the ex-guerrilla group, gave up their arms and participated in the May 1990 elections they received half a million votes. This climbed to 900,000 in December 1990 elections. But since then they too have been in decline as the conservative opposition and even the ruling Liberals have strengthened themselves. So, in October 1991 the M-19 only received 400,000 votes in the municipal elections. In March 1992 in the same elections their vote fell again and they lost two of their three mayoralities.

In conditions where the armed struggle has been abandoned by two groups and they have been incorporated into the constitutional system this brief electoral support for M-19 can hardly be seen as a great advance for the workers' movement.

Rather, there was a profound disillusionment with the ADM and the development of widespread cynicism. The masses tended to fall back upon the survival organisations of the *barrios* and leave the terrain of broad political struggle. This is a phenomenon that we can see in other countries of the region as the left discredits itself and no revolutionary alternative can fill the gap at present.

The Frente Amplio (FA) in Uruguay probably occupies the strongest position of any reformist leftist current in South America today outside of Brazil. It controls the municipality of Montevideo, the capital city with a third of the country's population. It is having some success at present in organising a campaign for a referendum on the Lacalle government's privatisation programme. It looks as though the FA will get the signatures it requires and force a referendum before the end of this year, which will be a considerable obstacle to Lacalle's project.

As the left parties, movements and trade unions have declined in size and effectiveness the focus of attention has shifted to the various popular organisations that have mushroomed in the expanding urban centres of the 1970s and 1980s. Noticing their undoubted resilience and growth in the face of economic decline, some of the left have pointed to these organisations as offering the best hope for a revival of a popular challenge to the Latin American bourgeoisie and to imperialism.

All the sponsors of the São Paulo Forum, for example, are agreed that they want to replace the vanguard party with a multi-class party which gives priority to mass grass-

roots participation.”²¹ This sentiment is not new. In the early days of shanty town development several left wing, guerrilla and even Trotskyist groups suggested that the squatters would become a strong political force with the potential to threaten the state.

Land invasions are a highly militant form of action, which require initiative and courage on the part of those involved. But in most cases the land invasion represents the peak of the revolutionary tactics and consciousness of those involved. In general, the leaders’ further energies went into consolidation, into reformist and even popular frontist “politics” whilst the masses embroiled in the struggle for day to day survival, had less and less time or opportunity for political mobilisation.

Although this sector has rarely produced a highly organised and successful political movement, it is increasingly becoming a source of protest, which is gaining significance in Latin America (especially as the trade unions fail to lead the struggles of the unorganised). Popular protest movements originating in the shanty towns and poor urban neighbourhoods are becoming more common.

These social movements express new forms of struggle, which have arisen out of the failure and political betrayals of the Stalinist and reformist parties. Such *movimientos de pobladores* have certain characteristics in common in most of the Latin American countries. Instead of being located in a work situation, they are usually based in a community, often a neighbourhood or some form of local grouping which organises people to address a common practical problem.

These movements organise around specific demands, such as the need to defend the legality of land holdings, the desire to get access to water and electricity, or the need to protect each other from arbitrary arrest and detention. Based on communities, these movements are often crossclass, in that they include workers, the unemployed, traders and even small employers, all united around community demands. Many have been instigated and led by women, and have adopted innovative and militant tactics.

In general these movements have remained localised, but in some areas, including Chile, Mexico and Peru, they have been joining up to form networks of organisations of the urban poor. They have often been so dynamic because they operate at a grass-roots level, involving people in the most urgent questions that directly affect them.

At the same time, the factors that contribute to their dynamism are also disadvantages. They focus on narrow, local, small scale issues, and their achievements are limited to that level. They rarely broaden out to tackle political questions.

In many cases success on the specific question has led to the disbanding of the movement, or its transformation into a less militant, reformist non-militant community group, such as mothers’ clubs which are often dominated by church organisations.

The lack of organisation too, although contributing to the involvement of members, makes it difficult to expand and develop at any sort of national level. In general these movements represent a multi-class force for piecemeal reform,

and because of that, have in general been limited in their achievements.

In Chile the *movimiento de pobladores* includes a broad array of organisations such as soup kitchens and associations addressing housing issues and utility bills. These shanty town and urban movements were involved during the 1980s in many spheres: the development of community subsistence, the presentation of demands to the authorities, utility payment strikes and illegal electricity hook-ups, land seizures for housing, raids on supermarkets and warehouses, raids on passing trucks and trains, organising the street vendors and occasional workers, demonstration and street actions with the erection of barricades and street fighting, destruction of government related offices and symbols in shanty town neighbourhoods and self-defence actions.

Through all these actions against the dictatorship, the shanty town movements contributed to Pinochet’s shift toward electoral concessions. But such movements face two diametrically opposed options. On the one hand they can become the subordinated clients of nationalist, reformist, and even bourgeois parties for partially solving their basic problems. Indeed without a class perspective, without the leadership of conscious revolutionaries these movements can even be diverted into support for reactionary bourgeois populist adventurers.

In Bolivia in the last three years the rapid growth of reactionary populist parties such as CONDEPA and UCS has been in part based on their ability to direct the day to day struggles of the shanty town dwellers or informal sector for basic amenities. Here the left, having abandoned the community organisations to their fate, is reaping the rewards.

But on the other hand these organisations could become a key part of a militant fightback. This will only happen if the left take up the fight for the demands of the popular movement and seeks to fuse them with the broader struggles of organised workers over jobs, wages and conditions. The popular movement could then ally itself with the working class around its revolutionary programme and in this way smash the capitalist order that gave rise to its problems in the first place.

The organisations of the Latin American workers and poor peasants are going through an extremely difficult phase. The political and economic initiative lies with the bourgeoisie and imperialism. The left has been weakened and the unions are facing grave difficulties. In this or that country the trend is better than other cases. But even here—the PT in Brazil and Frente Amplio in Uruguay for example—the strongest achievements took place two or three years ago.

The masses are struggling for daily existence often in “survival” organisations without effective strategic political direction. The unions are striking and demonstrating in many countries—for defensive demands to try and reduce the effect of the neo-liberal policies. Nowhere today is the class on the political or trade union offensive, nowhere is the left scoring greater victories than two or three years ago. In many countries social democrats have become neo-liberals and nation-

alists are giving way to populists.

Much of the Latin American left, including its "Trotskyist" component, are part of the problem rather than the solution to the weakened state of the working class.²² It is too much to expect that those who spent the 1980s in adulation, or refrained from criticism, of either Stalinism or petit bourgeois nationalism will come up with the answers. They only wail that the game is up and there is nothing left to do but forge a loyal constitutional opposition to the ascendant neo-liberal regimes.

One commentator argued recently that "Self-styled revolutionaries, with rare exceptions, have got to get beyond the state-centred vision of socialism so discredited by the experience of the Soviet Union and the Latin American populism."²³

But disillusionment with the state flows also from the experience of the huge, bloated and corrupt bureaucracies that mushroomed in the post-war years when the state capitalist project was the favoured development strategy of the nationalist bourgeoisie. Its failure created a mass of alienated workers and underemployed who could be used as an electoral base for the rising neo-liberal and populist parties of the right. Reflecting this pressure one leftist typically concludes:

"The left's traditional discourse which casts the state as the central aspect of change is no longer in synch with reality . . . We must devise a new relationship between the market and the state, an alternative to both neo liberalism and the chronic statism of nationalists."²⁴

From this perspective we are asked to conclude that the state cannot be used as a vehicle for revolutionary change and therefore we should not seek to seize hold of it, still less smash it and create a proletarian dictatorship. From the demise of the USSR and the bankruptcy of "third world" development strategies of the 1950s onwards we are asked to recognise that state ownership of the economy and nationalised property does not bring greater economic benefits than the market and we must renounce this dogma too.

Even the São Paulo Forum argued that the role of the state must be confined to playing "a central regulatory role, and promote social equity, without forsaking the management of the economy to the vagaries of the 'supreme will of the market forces'".

This is nothing more than a weak social democratic promise to tinker with the power of the bourgeoisie and not take that power from them. It is the old tune of the "new left" as it adjusts itself to the latest triumphs of the right.

Many of the ex-guerrillas such as the ADM and FSLN today insist that, having lost the guiding light of other models of socialism we have to think up an "ethical" basis to a "new socialism", one which denies the need for political parties organising and leading masses; one that argues for renouncing the idea that state power is important for self-emancipation, that claims the solutions all lie in popular organisation in civil society.

Far from being new, of course, these strategies pre-date in origin and failure by at least 100 years the Stalinist and petit bourgeois nationalist strategies that have now proven, in their turn, so bankrupt.



A SOUP KITCHEN IN SANTIAGO

What was wrong with the Stalinist conception of "socialism" in the USSR and in Cuba alike, was that it was a "socialism" in which the toiling masses were systematically excluded from any political decisions, a "socialism" in which the idea of social equality was mocked by the bloated privileges of the huge caste of bureaucrats who plundered the property of the state for their own ends.

It was a "socialism" that could make no transition towards a classless society because the blind and inefficient planning of the ministries was bound to create increasing disproportions and fail to develop labour productivity, a "socialism" that recklessly despoiled the environment, that suppressed rather than celebrated cultural diversity. It was a "socialism" that called on the masses still suffering under capitalism to merely support the USSR or Cuba, indeed to systematically subordinate their revolutionary struggles to this end.

To indict the goal of socialism on the evidence of the miserable failure of this system of parasitism and oppression is perverse. To raise one—essential—feature of this society, namely the abolition of private property in the main means of production, whilst ignoring all the others mentioned here, and to insist that this is what is to blame is deceitful. Yet this should not surprise us, since these latter day critics were often the most shameless apologists of the parasitical, criminal and wasteful aspects of the Stalinist states.

And what are we to conclude from the failure of the guerrilla or "insurrectionary" road to socialism and national independence? Contrary to what is argued by the new left, what failed was not the attempt to use the state, that is, the capture of political power, for emancipation. No, what failed was the attempt to seize hold of the existing capitalist state in Nicaragua and use it to protect the "mixed economy" (i.e. capitalism) from the workers rather than destroying that state

root and branch and enforcing the power of democratic and accountable councils of workers and poor peasants.

What is being destroyed right at this minute by the practice of Humberto Ortega is not the illusion that socialist revolution is impossible in the "Third World" because of economic backwardness and isolation, but the illusion that a thousand Humberto Ortegas are clever enough to diplomatically manoeuvre between the different imperialist countries and between the two "camps" and so be allowed to rebuild the nation.

The only real alternative, the revolutionary one, was to pursue a strategy that recognised from the outset that the Nicaraguan revolution had to be placed at the service of the regional and continental revolution if it was to stand a chance of delivering a final death blow to capitalism. The revolution should have placed its prime emphasis—even at the risk of going down to an earlier defeat—on inspiring and leading the exploited and oppressed to rebellion and revolution.

To raise the left out of its presently marginalised state in Latin America it is essential to fight now for what has always been needed but was renounced consciously by those

who pandered to the Stalinist and petit bourgeois nationalist left throughout the 1980s.

The first, second and third priority is the fight to build a revolutionary party, a Trotskyist party, integrated as a section of a revolutionary international. To renounce this project in the name of the spontaneous struggles of the popular masses in civil society is to doom these struggles to sectional, albeit occasionally spectacular, *protest* movements.

Angry, even insurrectional in content at times, these protests have the character of a tremendous moral indictment of capitalism and the misery it brings to millions. But without a party to focus their actions, to draw lessons for the next round of struggles, to discipline and discard the secondary and diversionary aspects of the fight, these protests will remain precisely that: an anguished cry for a better and more just world, doomed to ultimate impotence.

To state what is, as Trotsky said many times, is a revolutionary virtue, a precondition for further advance. That is why the LRCI is not a sponsor of the "new left" in Latin America which is a refuge for the demoralised Stalinists, defeated guerrillas and disoriented left social democrats. Our comrades in Latin America will struggle alongside all forces for their basic needs while aiming to draw the best fighters into the project of building a revolutionary party. ●

NOTES

- 1 "The Latin American Left; a painful rebirth", Report on the Americas (ROA) Vol 25 No 5, p12
- 2 In Argentina there were several general strikes in the years 1984-87 against Alfonsín's economic policies. In 1984 and 1985 the workers were able to recoup some of the wage losses suffered under the military; they also swept many old corrupt Peronist bureaucrats out of office in the CGT.
- 3 "The Informal Challenge", E Córdoba, in Hemisphere Vol 2 No 2 1992, p14
- 4 See "World Labour Report 1992" p44
- 5 Matters are not any better if we look at the state of agricultural workers. One commentator has noted recently that "No Latin American country has a farmworker movement powerful enough to set a minimum standard for wages or working conditions". "New Terrain for Rural Politics", Jonathan Fox in ROA Vol 25 No5
- 6 This was the balance sheet of the MAS, Solidaridad Socialista 407 (8 January 1992), p10
- 7 A bitter regional railworkers' strike in the spring of 1992 provoked by the government to prepare it for privatisation suffered the same problems.
- 8 Solidaridad Socialista 411 (26 February) p10
- 9 A small part of the union bureaucracy refused to fuse. Called Encuentro Sindical and launched in December 1991, it professes to want to struggle against Menem's policies.
- 10 This is an impressive total when one considers that the total number of registered full time workers in the formal sector is no more than 34 million. Many more millions—and growing—are in the informal sector.
- 11 There have been more than 800,000 sackings in São Paulo engineering plants since early 1991
- 12 International Viewpoint No 226 (13 April 1992) p19
- 13 By the middle of 1992 Collor's presidency was under severe challenge from another direction. Growing public evidence of corruption involving Collor and his clique was spurring a growing movement supporting his impeachment. As we go to press his hasty exit from the scene appears imminent.
- 14 It has long been clear that the existence of single unified trade union federation—uncommon in South America—has been a distinct advantage for the progress of workers' resistance.
- 15 E Herrera, of the PST (section of the United Secretariat of the Fourth International) in International Viewpoint 224, 16.3.92, p13
- 16 There were also 43 observers from other non-Latin American countries around the world. The first such conference was in São Paulo in July 1990, sponsored by the Brazilian PT, the second last year in Mexico City. Just how "broad" this "left" is can be seen in the statement of one participant, summing up the various views of the sponsors that "for some, capitalism is the 'end of history' and they aim to make it more democratic." Report of the São Paulo Forum, V Amaya of the FMLN in the UK.
- 17 The growth of indigenism in the 1980s is a result of the failure of the left in the unions and peasant organisations to articulate and lead the indian peasants around them.
- 18 Far more significant in some ways than the "new left" at this stage is that the present vacuum of ideas and strategy has been to some extent filled by the advance of religious movements in Latin America, especially evangelical currents in the sprawling shanty towns.
- 19 In the first half of 1992 there has been a dramatic increase in the acts of the death squads against guerrillas and radical leftist journalists, all designed to cow the unions and force the remaining four guerrilla groups to an early capitulation.
- 20 See International Viewpoint 183, 23.4.90, p18
- 21 V Amaya, op cit.
- 22 See the article on Morenoism in this issue.
- 23 ROA, op cit p12
- 24 ibid, p18

In defence of October

by **Dave Stockton**

Seventy-five years ago the Russian masses, organised in workers', peasants' and soldiers' councils, and led by the Bolshevik party, seized power. No sooner had they done so than they were under siege, both physically and politically.

The physical attack took the form of a terrible civil war which lasted three years, involved invasions by all the major imperialist powers and which left millions upon millions dead. Only the heroism of the Soviet masses, their determination to defend their revolution, enabled the Bolsheviks to hold state power.

The political attack lasted somewhat longer. Indeed, it continues up to this very day. In the imperialist countries, and perhaps more importantly, within the ex-USSR itself, every available journalist, historian and intellectual is being mustered for what the bourgeoisie think will be a final ideological attack on the legitimacy of the Bolshevik Revolution. February, most agree, was just and necessary. But October led directly to the triumph of Stalinism.

The most insidious of these attacks come from within the labour movement itself. Not primarily from the social democrats or indeed from the Stalinists, who openly proclaim their defence of capitalism, but from those who, in one form or another, claim to be socialists.

Anarchists and ultra-lefts have long argued that there was a direct continuity between Bolshevism and Stalinism and have attacked the Bolsheviks as being responsible for the decline in soviet democracy after 1917. Centrist "Trotskyists" such as the United Secretariat of the Fourth International have adopted theses which emphasise the need

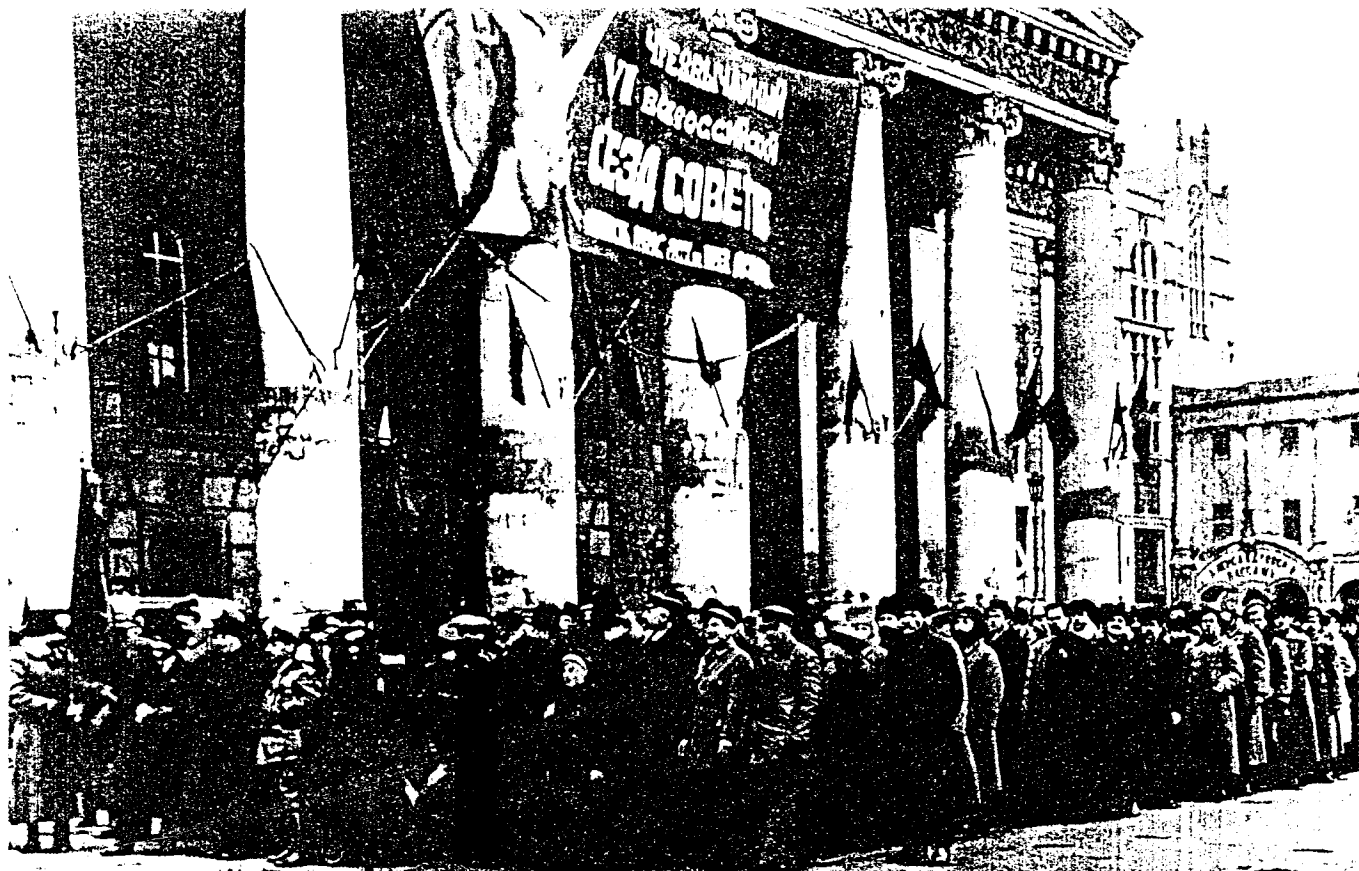
for "plurality" and which implicitly attack the Bolsheviks' record. All these arguments, plus many of those touted by bourgeois historians, have been re-hashed and are currently the centre of a debate on the centrist left.¹

At the heart of all these positions we find two inter-linked errors. Firstly, our armchair critics at the opposite end of the century find it all too easy to use a normative method: they describe what a workers' state should look like, compare it to the post-1917 reality and thus dismiss the Bolsheviks as laying the basis for Stalin's dictatorship.

This method leads to the second error: a tendency to ignore the terrible reality of the post-1917 soviet state. The civil war was not the Bolsheviks' doing, but it conditioned the subsequent development of the revolution. Without understanding the distortions produced by the imperialists' policy, we cannot understand the final and terrible rise of Stalinism, nor appreciate the qualitative break that existed between the party of Lenin and the party of Stalin.

One of the major criticisms levelled against the Bolsheviks concerns their attacks on the democratic rights of other political parties, such as the suppression of the Menshevik papers, the banning of their deputies from the soviets and the arrest of leaders, and the weakening of soviet democracy which resulted.

The legality of all soviet parties is an essential part of any full, healthy or stable proletarian democracy. Moreover, the Bolsheviks tried hard to preserve this in as far as it was possible to do so whilst defending soviet power. But the fact



DELEGATES TO THE CONGRESS OF SOVIETS, MOSCOW 1918

is that in the months after the October Revolution all the other parties refused to play the role of an opposition *loyal to the undivided power of the soviets*. They adamantly refused to recognise that the working class had expressed its confidence in the Bolsheviks.

At the October 1917 Congress of Soviets Martov—a “left” Menshevik—led a walkout and subsequent boycott of the leading Soviet bodies. Refusing to recognise the validity of the October Revolution he sought to subordinate the soviets to the reactionary Constituent Assembly. The Menshevik papers called for a struggle against Bolshevism during the period when the proletarian dictatorship was trying to consolidate soviet power. The Right Socialist Revolutionaries (SRs) and Right Mensheviks passed straight over to the side of the counter-revolution.

The Left SRs, led by Maria Spiridonova, were the most determined of the non-Bolshevik left and after a short hesitation did join the Soviet government. But even they demonstratively left the government after the signing of the Brest Litovsk Treaty in March 1918. In June 1918 they attempted an armed insurrection against the Council of People's Commissars, a government confirmed in office by two successive Soviet Congresses.

After a miserable failure they resorted to a campaign of individual terror against Bolshevik leaders, assassinating Volodarsky and Uritsky and severely wounding Lenin. This in a situation of civil war when the White counter-revolution was making giant strides forward.

The soviet is an organising centre of the class struggle, not an open forum of debate between the class enemy and its agents and the revolution. In conditions of insurrection and war that debate is conducted with rifles not with resolutions. Its democracy is not abstract and general, but militant and partisan.

Any class conscious trade unionist knows you do not let strike breakers attend strike committees or address mass

meetings in the name of democracy. In war there is a price attached to working class democracy: it has to be clearly on the right side of the barricades.

Whilst Bolsheviks defended the fact of single party rule—a fact imposed on them by the treachery and vacillation of all the other parties—they never elevated it into a principle. On the contrary, they repeatedly attempted to draw the other parties back to the side of the revolution and thus back into the soviets.

Thus when in October 1918 Martov and the Menshevik Internationalists voted to recognise the October Revolution as “historically necessary” and promised “direct support to the Soviet government against foreign intervention”, all their soviet rights were restored. The same applied to the Left SRs when a congress in Petrograd decisively rejected “any attempt to overthrow the soviet power by any armed struggle”. This legalisation of their organisations and press lasted till the end of the civil war.

Lenin's high hopes of 1917—full multi-party soviet democracy, direct self-administration, an end to most if not all bureaucracy—proved unrealisable in the extreme conditions of civil war and economic collapse, which also terribly weakened soviet democracy.

The soviets suffered the effects of mobilising the maximum number of experienced and class conscious workers to administer and defend the workers' state. Soviets are executive, not just deliberative bodies. Their size, the frequency and duration of their meetings, the effective use of the mechanism for recalling deputies were all affected. But the soviets were not the only instruments of proletarian power or democracy: both factory committees and the party itself played this role.

Of course, the proletarian dictatorship is not only a dictatorship, it is also the widest extension of democracy to

the toiling masses. That this democracy will be qualitatively superior to bourgeois democracy is true in terms of the whole transitional period, but it is not necessarily an accurate picture of an isolated proletarian dictatorship, struggling to survive. The 1917 Revolution was built on the prospect of international revolution. But in the meantime the soviets had to maintain power, and the Bolsheviks, as the elected government, had to do all in their power to prevent the triumph of the counter-revolution.

In September 1918, as the civil war gathered pace, the Red Terror was launched. Overwhelmingly it fell on the bourgeoisie, the landowners, the rich peasants, the grain hoarders and on their dupes and agents as well as on lumpen and criminal elements who sought to exploit the masses and disorganise the war effort. The appalling situation inside the country posed the Bolsheviks with the key question: what measures are justified in order to ensure the survival of the revolution?

Faced with the unbridled savagery of the counter-revolutionary forces, it was legitimate and necessary to strike back with crushing force. The alternative would have been to open the road to the White Terror. This happened in Finland, where tens of thousands died, and in the Ukraine in 1919, where hundreds of thousands were killed. But today such acts of barbarity are conveniently "forgotten".

It is a cruel and terrible fact that in war there is little or no time for police investigations, gathering and sifting evidence or prolonged trials. Conditions at the allied front during the imperialist war of 1914-1917 proved this beyond all doubt! The Bolsheviks did want to introduce such legality—they abolished the death penalty in October—but faced with the imperialist counter-offensive, such measures proved to be premature.

Faced with White terror, with bloody civil war, with hundreds of thousands of foreign troops on Soviet soil, the secret police or Cheka was formed, in order to carry out repressive measures against those acting against the revolution. The Bolsheviks never for one minute glorified these measures. They clearly recognised and stressed their exceptional, extraordinary character. Hence the very name of the Cheka, the *Extraordinary* Commission which was seen as a necessary expression of the dictatorship of the proletariat in times of civil war, and over which the party exerted as much vigilance as possible.

Sometimes the Cheka committed excesses. Some of its members proved to be criminals or sadists. Capital punishment of Chekists took place. The cruel work broke the nerves and morale of many of its members. As soon as the civil war ended the Cheka's powers of summary arrest and execution were removed. There was no methodological continuity between the revolutionary Cheka and Stalin's GPU. The first acted to defend the fledgling revolution; the second to extend the bureaucratic counter-revolution.

Today's critics hold that it is impermissible *in principle* to apply repression to whole categories of people, bourgeois as bourgeois, officers as officers, members of parties because of what their party is engaged in. They make a categorical imperative of the norms of bourgeois right (innocence until proven guilty, *habeas corpus*, etc).

But as every workers' insurrection shows, from the Paris Commune 1871 to Bucharest 1989, the ruling class or caste does not lie down the day after they lose state power. They launch what Marx called a "slaveholders' rebellion". To crush this requires a real dictatorship, or as Lenin termed it, a power "unrestrained by any law". To do otherwise would be to accept defeat. The revolution would be doomed before it had taken place.

After the revolution the Bolsheviks initially wanted to carry out a policy of "state capitalism" under workers' control. Lenin thought that it would be possible for the factory committees to act as agents of this control, for the consumers' co-operatives and the trade unions to work together under a Supreme Economic Council. This proved utopian following the outbreak of economic crisis and civil war after March 1918.

The workers, responding to mounting capitalist sabotage of production, took over the enterprises and demanded that they should be nationalised. These nationalisations, which completed the expropriation of the bourgeoisie, were a prime conquest of the October Revolution.

This embryonic workers' control did not co-ordinate production on a national scale; instead each enterprise tended to function as an autonomous unit, selling, exchanging raw materials or machinery vital to continued production. In conditions of acute economic shortage and developing civil war this was not at all in the interests of the survival of the proletarian state.

The committees all too often acted like private owners, concerned before everything to make a profit, to compete, to survive. The anarchists and the left Communists saw nothing amiss with this "creativity". But in fact it was the short road to hell, to the collapse of the soviet dictatorship.

From March 1918 onwards Lenin began to advocate a return to "one man management", piece rates and the use of bourgeois specialists. He clearly recognised this as a defeat for the Bolshevik programme. He called it "some kind of departure from the principles of socialism", "a retreat from the principles of the Paris Commune" and "a step backward" which could not be hidden from the people.²

In early June 1918 the first All-Russian Congress of Economic Councils set up a *troika* system of management, composed of a factory manager, a technician and a commissar appointed by the soviet government. An advisory committee was elected on an equal tri-partite basis between production workers, employees and trade union representatives.

The factory committee still continued to have important powers but it lost its absolute control and the factory thus lost the "autonomy" beloved of the anarchists and the libertarian communists. This collegial system lasted until early 1920 when food shortages grew dramatically and Denikin's White army approached Moscow.

At this point the factory committees were deprived of all power to obstruct or veto production decisions emanating from management of the Supreme Economic Council. Harsh measures were also taken against the peasants. They were

taken to ensure that the workers did not starve and to prevent the bloody carnage that would result if the Whites were to take any of the large industrial centres.

The crude measures of "War Communism" (above all grain requisitioning), which were designed to feed the cities and their terribly depleted proletariat, were quite simply unavoidable. "Market forces" are of no use when the workers' factories are producing no goods to exchange with the rural population and when the country is being criss-crossed by fighting armies.

The Bolshevik party was not only the party of the insurrection, it was also the party of the revolution after October. As such, it formed an integral part of the system of workers' democracy which flowered after 1917 and which suffered during the Civil War years.

Not even the most rabid opponents of Bolshevism claim that the party was "monolithic" between 1917 and 1923. The industrial working class was about 30% of its pre-war size; many of these workers were fresh from the countryside or were the least class conscious. The proletarian dictatorship and proletarian democracy, became largely identified with the mass party of the proletarian vanguard.

Tragically, the party was forced to neglect its work in the ravaged factories. Its best members were on the far-flung fronts of the civil war or involved in the administration of the soviet state. Its factory cells became small, often composed of administrators and managers.

When the civil war was over and the party turned to the task of restoring and raising production, it found that it could not lead the shrunken, hungry and demoralised industrial proletariat by voluntary means.

The party as a whole, with Trotsky as its most passionate advocate, turned to the "militarisation of labour", introducing labour conscription and military style discipline into the factories. This was dangerously wrong, as was the continuation and intensification of grain requisitioning. The Petrograd strike wave, the peasant uprisings and finally the Kronstadt revolt in 1921 all testified to this. It forced the great retreat of the New Economic Policy (NEP).

War Communism and NEP were far from embodying the programmatic norm or the general character of the proletarian dictatorship for the entire transition period. In the last year of his active life Lenin recognised the dangerous bureaucratisation that NEP had unleashed in the party itself. He set out to elaborate a policy of reform for both state and party. As early as 1921 he realised that the soviet state had grave bureaucratic deformations.

It was nevertheless still the dictatorship of the proletariat, with specific distortions caused by the fact that it

was a workers' state in a backward country, forced into a long term alliance with the small-property owning peasantry, ravaged and distorted by civil war and isolation.

The health and internal democracy of the Bolshevik party were a prerequisite for restoring flourishing democracy in the soviets, the trade unions and in the factory committees. What other party could have carried out this task?

To enable the Soviet masses to rediscover the revolutionary road, the party itself had to be saved. This not only involved purging the burgeoning bureaucracy from state and party apparatus, but also required the political renovation of the party. The internationalist outlook of 1917 had to be reforged. The centrist deviations within both the party and the Comintern had to be challenged and defeated. Bureaucratism had to be uprooted.

This was the task the Trotskyists set themselves. The first revolutionary opponents of Stalin were also those who saw the clearest the origins of the growing bureaucratic dictatorship and how to defeat it. Whilst the anarchists and social democrats cried that 1917 had all been a big mistake, the Trotskyists realised that only a return to the politics the Bolshevik party had been built around would enable the revolution to be saved.

We claim that tradition as our own. We are not blind to the mistakes the Bolsheviks may have committed, nor do we glorify the necessary acts of dictatorship which the imperialist civil war forced upon the young soviet state. But we do accept and endorse the overall policy of the Bolsheviks.

For the exploiters everywhere October 1917 cast a long shadow over the whole twentieth century; for the exploited it lit up the path of liberation. Its effect will continue to be felt into the next century, until class exploitation has been destroyed.

The downfall of Stalinism is not the last chapter in a now closed book. On the contrary, Stalinism's demise has historically vindicated the struggle of Trotskyism, forged as it was in the struggle to defend the political, economic and social gains of October against Stalinist dictatorship. The challenge is to turn it into an organising centre of the vanguard and through this a mass force. Our understanding of the defence of the revolution after 1917 and the measures it necessitated is an integral part of that struggle. ●

NOTES

- 1 See S Farber, *Before Stalinism* (Polity Press 1990) and *International Socialism* 52 and 55
- 2 E H Carr, *Bolshevik Revolution* Vol 1 p180

Stalled at the crossroads

Since 1990, the capitalists have seemed to be winning hands down in Eastern Europe. However, as Martin Suchanek explains, their plans to introduce workers to the wonders of capitalist exploitation are running into trouble.

For the last two years those bourgeois commentators keen to monitor the progress of capitalist restoration in Eastern Europe have focused on three countries: Hungary, Czechoslovakia and Poland. As compared to the Balkans or even the disintegrating USSR, they were expected to blaze a trail for others to follow. Each of the three possessed advantages over other countries in the region.

Hungary had behind it a decade of developing piecemeal, pro-market legislation and infrastructures and numerous small entrepreneurs. Poland alone had a consciously counter-revolutionary, pro-capitalist leadership at the head of a mass movement during 1989-90. Czechoslovakia was one of the more industrially sophisticated and "successful" of the degenerate workers' states.

Two to three years after the Big Bang, the Velvet and Silent Revolutions, where do these regimes stand on the road to capitalism?

One promise the governments elected in 1990-91 have kept was that the transition would be painful for the masses. Prices would rise and wages would fall; unemployment and closures were inevitable. This at least has happened.

In 1990 and 1991 GDP fell between about 12% in Hungary.¹ Poland, whose economy shrank more than 20% in the same period,² now shows some signs of stabilisation. In Czechoslovakia, NMP-fall³ is estimated to be 20.2% in 1991 alone.⁴ Living standards declined dramatically and unemployment rose to 15% in some countries. But most politicians suggested that by now things would improve, the sacrifices would be beginning to pay off. Not so.

The transition from a bureaucratically planned economy to capitalism is proving much more difficult than expected: making the law of value the central regulator of the economy once again is no mere technical detail.

In the degenerated (as in the healthy) workers' state, the law of value is effectively subordinated to a variety of planning mechanisms. The allocation of the means of production and the workforce is not determined by profit maximisation. Measures are taken to ensure this: the na-

tionalisation of banking and of industries manufacturing the means of production; their co-ordination through centralised planning and the state monopoly of foreign trade.

Because the Stalinist bureaucracy deprived the working class of any control of the formulation and supervision of planning, despite some successes, it only managed to drive the economy of the workers' states into the sand. Stagnation in the late 1970s and early 1980s gave way to terminal crisis in the second half of the decade.⁵ Nevertheless, to overthrow this moribund system requires conscious political action.

The abolition of central planning ministries and the abolition of the monopoly of foreign trade are necessary but insufficient actions. In themselves they do not mean the immediate destruction of the workers' state, nor that the law of value automatically becomes the major regulator of the economy.

The transitional period is characterised by the substitution of the central planning agencies by *ad hoc* arrangements directly between the main enterprise directors over supplies and finished goods. To start with they are roughly proportionate to what they inherited from the old system.

Barter, a piling up of inter-enterprise debts and borrowing money at no costs from the central banks, ensure that the law of value fails to impose itself definitively in this period. In Hungary, Czechoslovakia and Poland the impeccably bourgeois governments are having the greatest difficulty in realising their programme and bringing this transitional period to an end.

The restoration of capitalism requires a political regime and a state apparatus willing and able to transform the economy. Although minority factions of the Stalinist castes have been working consciously in this direction for years, by the 1980s the whole leading stratum had adopted policies that had the logic of preparing the ground for capitalism.

Growing foreign debt, reliance on credit, further marketising reforms and/or severe attacks on working class living standards were increasingly evident. The bureaucracy proved incapable of developing the productive forces beyond a certain point. The illegitimacy of the dictatorship was widely felt by the masses. The bureaucrats' self-confidence ebbed away, leading to growing fragmentation and disorientation, especially after Gorbachev came to power in the Soviet Union.

The depth of this inner crisis of the bureaucracy was most sharply revealed in 1989-90, when the popular mass movements brought down the parasitic regimes with unforeseen speed and ease.⁶ These movements opened a revolutionary period throughout Eastern Europe, a period which posed the alternative: working class power exercised by workers' councils and a democratically planned economy or bourgeois social counter-revolution.

The absence of a revolutionary leadership proved crucial in enabling restorationist forces of various origins to gain leadership and use the mass hatred of the Stalinist dictatorship to propel themselves into power. In 1989-90

bourgeois workers' governments⁷ or popular front governments replaced the old Stalinist regimes.⁸

Some of them had rather brief lives⁹ and were rapidly replaced by open bourgeois governments. By mid-1992 open bourgeois governments had been installed throughout Eastern Europe, with the exception of Serbia, Macedonia and Romania.

With the consolidation of open bourgeois governments the new regimes began to remove the old top ranks of the *nomenklatura* from power. The purges took different forms and were carried through to a different extent in various countries. They were most thoroughgoing in the former GDR, where the army was simply abolished, with 90% of the officer corps banned from entering the federal army. Generally the purges concentrated on party officials, the party and factory militias and leading officials in the state administration and security apparatus (secret police, army).

In the enterprises and the revamped economic ministries, however, many of the former bureaucrats remained in place. This reflects the fact that a more thorough-going "decommunisation" is actually dysfunctional for the restoration process itself because of a lack of personnel with adequate skills to replace them.¹⁰

The task for the newly established restorationist regimes was to transform the economies. Many of them rapidly abolished the central planning ministries and the state monopoly of foreign trade, introduced price, currency and banking reforms. The IMF and the World Bank insisted on programmes to stabilise and recapitalise the economies.

Poland became famous for its neo-liberal "Big Bang" approach, whilst Hungary tried to follow the path of a smoother transformation—from "goulash-communism" to "goulash-capitalism". Privatisation played a key part in all these schemes. Equally importantly, the three countries differed in that Czechoslovakia under Klaus and Poland both tried to carry out an integrated programme to transform the economy, whilst Hungary never developed "any coherent overall economic policy".¹¹

When the restorationist regimes came to power one of their tasks was to abolish centralised planning itself. The starting point differed considerably in the various countries.

In Hungary the central plan had been effectively irrelevant since the banking reforms of 1987. The Polish restorationists dismantled the plan in 1989-90. In Czechoslovakia it was nearly one year after the Velvet Revolution—the beginning of 1991—before the central planning ministry was abolished. Planning, however, is not just one institution, the planning ministry, but a whole series of mechanisms, including taxation and control over the banking and credit system, which together co-ordinate state industry under the bureaucratic dictatorship.

Finally, in all these economies the workers occupied a role inside the factories that, while falling far short of control over production, did include a relationship with the enterprise directors which involved mutual compromises over staffing and pay. This relationship fell far short of the kind of subordination of labour to the production process that is typi-



POLISH MINERS PROTEST AT ENERGY PRICE RISES IN JANUARY THIS YEAR

cal and essential for capitalism and it was, therefore, a key target for the IMF reformers.

The easy part of the stabilisation programmes proved to be the price and currency reforms, progress in stabilising the budget deficits and slowing inflation. Currency reform and the dismantling of the foreign monopoly of trade have been undertaken in Poland and Hungary and are being followed by Czechoslovakia.

However, the success of these reforms should not be overestimated. The country that went fastest and furthest down this route was clearly Poland, which had already freed about 90% of all prices by the end of 1990. Other countries lay far behind this. Even Hungary maintained a large part of its subsidies and former artificial prices, especially for housing and energy.

Despite the above measures the three countries under review here were far from effective in forcing the state-owned firms and the banking and credit system to act according to profit criteria. Banking and credit reform as well as "commercialisation"¹² of the state-owned enterprises became a critical question for capitalist restoration in Eastern Europe. The abolition of the monopoly of foreign trade and the initial small-scale privatisation¹³ helped create some competitive pressures and explains the massive slump in output in some sectors. Currency and price reform also helped to establish market prices and a measurement of the real value of products and enterprises.

This was accompanied by legislation on ownership rights, privatisation laws,¹⁴ bankruptcy laws and new legislation on credit financing according to which credit should be extended by banks to make a profit, thus ensuring real interest rates for money borrowed by firms.

In turn this would accelerate industrial restructuring and the bankrupting of enterprises. In many countries the state bank thus had to be restructured. The credit bank and the currency bank were divided, regional banks and special banks were established. In addition, private banks and creditors were legalised, although only a few very small ones were really established, due to lack of capital.

The results, however, were far from those expected

or hoped for. Enterprises usually did not go bankrupt, credit was not given on a profit basis and, last but not least, the enterprises resorted to barter. All this promoted a tremendous rise in inter-factory debts.

This even applies to the most advanced countries on the way to capitalist restoration. For example, in Hungary "inter-enterprise debts had reached 400 billion forints (approximately \$5.2 billion) in the first quarter of 1992".¹⁵ Similar results had been experienced in Poland and the other countries throughout 1991-92.

This has had a terrible effect on the ability to distinguish between profitable and unprofitable enterprises and to estimate the price of particular enterprises for privatisation. First, the high degree of centralisation and connection between the enterprises means that to close highly indebted enterprises can easily mean that a whole series of others will be forced into bankruptcy because of bad debts. This will not only drive uncompetitive enterprises out of business, but can have the same effect on potentially profitable ones which would survive if their inherited debts were eliminated or restructured.

Secondly, the established barter system between the enterprises and the monopoly position of many of the big factories means that the effect of price liberalisation is limited. A large amount of goods which are exchanged between state enterprises are still quite often paid for by "artificial prices" or by barter and by reciprocal indebtedness.

Higher "real" prices for goods which have to be bought outside the state sector (especially raw materials on the world market) are simply added to the price of the goods irrespective of market conditions (i.e. low effective demand). Capitalism is a system of production for profit to an unknown market; the transitional states seem to produce at a loss for a non-existent one.

Under these conditions it is little wonder that privatisation did not go forward as rapidly as projected in early government statements. On the contrary, apart from an initial wave of *nomenklatura* privatisations there had been relatively few successful privatisations of larger state enterprises. Deals like Skoda in Czechoslovakia, where

Volkswagen holds 31% of the stock and exercises management control, are a rare exception and, in relation to the economy as a whole, quite insignificant.

Clearly, some countries have been quite successful in establishing a private sector with hundreds of thousands of small property holders. At the end of 1991 there were 1.2 million private enterprises in Poland, some 921,000 in Czechoslovakia and around 600,000 in Hungary.¹⁶ The number of state owned enterprises in 1991 can be estimated as follows: Hungary had about 2,300, Poland 7,500, Czechoslovakia 4,800.¹⁷

However, if we look at the weight of these enterprises in the whole economy, it soon becomes clear that the state sector is still dominant. Most of the private enterprises, be they found outside the state sector or privatised, are small and middle size firms and mainly to be found in service, trade and construction, whilst the largest part of industry remains in state hands.

In mid-1991 about 25% to 30% of the Hungarian and 40% of the Polish economies were estimated to be in private hands.¹⁸ At the same time "private businesses still account for less than 2% of GDP in Czechoslovakia.¹⁹ However, only 24.2% of Polish industry²⁰ and about 20% of the Hungarian²¹ had been privatised by the beginning of 1992 and there are no big changes expected on this front.²²

Even more important the maintenance of large parts of the state sector was accompanied by an extension of the "traditional" operation of the credit and banking system in Eastern Europe: "The state banks, which continue to dominate the banking system, want to lend to the firms (and often to the managers) they know best: namely the state firms. The state banks are also under political pressure to lend to the big firms to keep them from going bankrupt."²³

With regard to Hungary, the "financial system does not increase interest rates to reflect rising prices". This also means that the "SOEs [state owned enterprises] exacerbated the soft budget policy by engaging in 'queuing' with one another, thereby an SOE does not pay its bills, and is extended credits by other SOEs, with the SOEs granting credit not having to worry if the SOE extended credit repays."²⁴

As long ago as the start of 1991 some realised the centrality of putting an end to this situation:

"The government in all countries have been relatively slow to enforce bankruptcy and liquidation procedures, with Yugoslavia having gone farthest. To some extent, enterprises have been operating on the basis of increasing inter-enterprise credit; in addition, banks have had little choice but to extend more credit to enterprises in financially precarious conditions, even if they do not have a clear perspective on their own restructuring and recapitalisation."²⁵

But over 18 months later the situation has still not been resolved. Poland and Hungary seem to be furthest down the road to restore capitalism, and yet: "Until now, no large or medium-sized state enterprise has gone bankrupt and many are keeping going by involuntary inter-enterprise credits, built up through a chain of non-payment which has to be broken if inflation is to be reduced and the banking system kept afloat."²⁶

Another study stated: "There has been a lot of selling,

a lot of reconstruction, and some liquidation; but the hard core of the Hungarian industrial structure has not been affected."²⁷

The function of the banking and credit system and the weakness of internal private competition mean that the statified enterprises are not obliged to function according to the law of value. The means of production in this central part of the economy does not function as capital yet.

Although some voucher schemes have been tried and some of the enterprises have gone onto the stock markets, the existing remnants of the planned economy protect the statified industries in the Eastern European states from being governed by the law of capitalist accumulation, that is from being integrated in the circulation process of capital.

Clearly, the reforms strengthen the pressure on these industries. But they have not yet succeeded in qualitatively changing the relations of production regulating state industry. Initial results of the Czechoslovak voucher scheme show that this method is not a miracle solution to the problems of the restorationists. It can even have counter-productive effects:

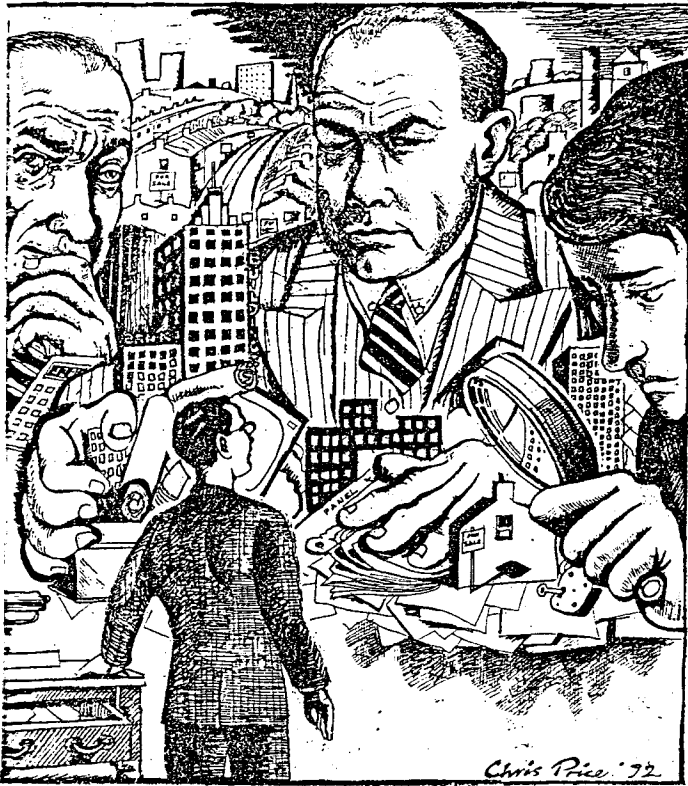
"Rather than the desired equity-owning democracy, however, the scheme seems likely to produce confusion. Most of those who have bought vouchers entitling them to shares have entrusted them to private investment funds promising inflated returns. These barely regulated funds are neither ready nor willing to inject the management expertise so badly needed by state enterprises; in consequence many of the old industrial bosses remain in control. And if the promised returns fail to materialise, the result could be a crisis of financial and economic confidence."²⁸

When the democratic mass movements brought the restorationist forces to power two or three years ago many different social interests were merged. Necessarily, these movements fragmented, reflecting the different interests of existing or embryonic classes or layers of such classes.

The Civic Forum (Czechoslovakia) and Solidarnosc (Poland) are probably the clearest expressions of this tendency. The old Stalinist parties, whose followers remained in power for some time, went through a similar fragmentation over the speed of the restoration process.²⁹

In Poland and Hungary we can see an extreme degree of fragmentation in the political arena. The Polish elections were probably the most clear example of what is a trend throughout Eastern Europe. No party received more than 13% of the vote and the elections, far from solving the governmental crisis, led to months of political instability. In Hungary the ruling HDF is well down in the opinion polls and lost seats in recent by-elections. The next elections will see a similar, although not so drastic, split of the vote.³⁰

This fragmentation poses major problems for the restoration process which requires firm and conscious leadership. But that is exactly what the various restorationist forces usually do not provide. They are fragmented into different parties or fractions in parties (or a combination of both). Czechoslovakia provides a partial exception, but only due to the highly costly risk of breaking the country apart and because of the



fact that at about 3%, unemployment in the Czech Lands is still very low.

The underlying problem is that these parties, although committed to capitalism, usually reflect the sectional interests of one or other stratum of society, of this or that entrepreneurial group, but not of the restoration process as a whole. Although new governments have been formed and the state apparatus is loyal to capitalist restoration, a "general" capitalist interest has not been constructed.

Parties are prepared to obstruct measures which are necessary to promote restoration but at the same time hit their social base. This was demonstrated by the Olszewski government in Poland and the failure of even the parties who supported it to agree on a budget, and by the fate of the successive Hungarian governments.

Many of the small capitalists and petit bourgeois entrepreneurs cannot cope with real competition, especially from foreign capital. Hard credit policy, necessary to commercialise the statified industries, also has a disastrous effect on private enterprises, because it makes credit expensive and, especially under the conditions of recession and high inflation, nearly unpayable. The cost of credit means that they are not able to raise productivity through investment in new processes. Many of them, especially in the agricultural sector, are opposed to many of the restorationist measures.

Furthermore, the fact that many of these enterprises rely on the state sector for distribution of their goods and sometimes also as the major buyer, means that closures in the state sector or reductions of state spending reduces their own business. There are some small success stories of private capitalism, but these are quite often based on semi-legal methods and on inherited connections with parts of the old *nomenklatura*, who in turn form an important layer of the new entrepreneurs.

Last but not least, the managers and high command of the statified industries, the banks and so on, themselves form probably the most well organised sector of business men and women in these countries, and this is reflected in

the social composition of the open bourgeois parties, which very rarely incorporate the new small capitalists into their ranks.³¹

In considering the duration and form of the restoration process, paramount emphasis has to be given to the political and economic intervention of imperialist governments, of their multilateral agencies such as the World Bank, IMF and EBR and of private multinational corporations.

Given the absence of a significant native capitalist class and the self-interest of the old economic management of the bureaucracy, imperialist assistance to the bourgeois governments is absolutely central. There have been no shortage of free market economists, taxation and accountancy consultants and armies of advisers to help shape the necessary tax legislation and market infrastructures.

But there has not been a lot of capital. A Marshall Plan for Eastern Europe, proposed by some social democrats, was and is nothing more than a utopia. The drawn out and difficult character of the structural transformation process is, in large measure, due to the weakness of imperialism. Leaving aside the effect of various conjunctural political considerations such as the US elections, the fundamental reason for this weakness is the broadening and deepening world capitalist recession. Beginning in the USA and UK in 1989 and spreading to the rest of the EC and then Japan by late 1991, it has cast a long shadow over the restoration process.

Firms in the west, with a far higher productivity than is to be found in most Eastern European enterprises, are failing. Outside of a few areas of specialised products (e.g. Hungarian consumer electronics) or industries with proven comparative advantages (e.g. Polish shipbuilding) the vast bulk of East European industry cannot compare with average western levels of productivity. With massive global over-production of capital even the development of greenfield sites utilising skilled cheap East European labour is not enough of a temptation for the imperialist corporations.

Consequently, either huge credit and loan capital has to be extended by the commercial banks (unlikely given the recent experiences with debt write-offs) or by central banks and multilateral agencies. But no neo-liberal government is going to give this for productive investment when private capital will not do it.

Moreover, the scale is simply daunting and beyond reach. What aid that can be given for currency stabilisation and project development has to be carefully monitored to make sure that it is not used by the governments for narrow political advantage.

Imperialist investment in Eastern European business since 1989 has been estimated at about \$3-5 billion. It was highly concentrated in Hungary, Poland and Czechoslovakia, "focused on a narrow range of industries, mainly service, including the media and hotels, or consumer goods, including foodstuffs, tobacco, cosmetics and pharmaceuticals. Other targeted areas have been construction materials, especially glass and cement, or the automobile and

component industries . . . There are few takers of the vast engineering plants which frequently are the main or sole source of income for entire communities.”³²

Hungary attracted over 50% of this investment—about \$3.3 billion since 1988³³—but given the total value of the statified industries, this will not be sufficient to transform ownership structures. Furthermore, these investments are only set to increase marginally: “Even on the most optimistic assumptions, Eastern Europe will attract only \$7 billion direct investment by 1995, and a total of \$ 21 billion from both aid agencies and private banks.”³⁴

Given the inability of imperialism to take responsibility for this restoration process, the bourgeois governments of Hungary, Poland and Czechoslovakia are in a dilemma. Huge recessions are underway and massive destruction of productive capacity has occurred, already leading to low double digit unemployment and a savaging of living standards. And yet this has still not been enough to turn these countries into capitalist market economies.

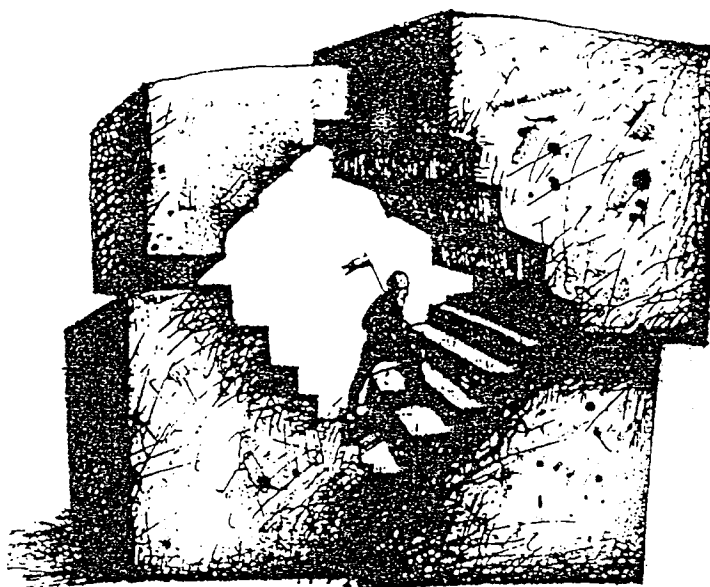
Consequently the governments retreat, continuing to pursue an expansionary and inflationary budget policy to provide negative interest rates and credits to industry. The alternative seems at this stage too much to contemplate: a doubling or more of unemployment and the irrevocable loss of firms or industries which may be able to survive profitably with small capital investments outside of the semi-slump conditions of world capitalism. The restoration process remains trapped in a parallelogram of forces where the political will of the national governments runs up against the economic malaise of global capitalism.

One major advantage the restorationists could count upon when they came to office was their ability to hegemonise or at least pacify the workers’ movement. The atomisation of the proletariat by the Stalinists was of incredible value for the social counter-revolution. The false identification of the degenerated workers’ state with socialism, the supposed practical proof that any alternative form of society to capitalism was ineffective and undemocratic had a strong impact amongst the workers.

In the early phases of the stabilisation programmes a certain fatalism and passivity was evident in the masses, who believed that before the fruits of the market could be enjoyed some pain was necessary. Other factors too intervened to dampen resistance. Many people were able to use savings accumulated over years or decades as some small protection against the price rises and wage freezes. The pro-capitalist nature of many trade union leaders also ensured that many local struggles would have difficulty finding a leadership to sustain them in the short term.

But it is also true that the restorationists have not fully pressed home their attacks on all fronts and thereby provoked more resistance. The marriage of convenience established between enterprise director and works’ council or trade union has still not been fully broken up.

This is reflected by the fact that most of the unemployment in Eastern Europe has not resulted from bankruptcies or sackings in the state industries, but from young



IMPASSE FOR RESTORATIONISTS

workers not being employed. At the end of June 1991 only 20% of Polish unemployment resulted from group sackings:³⁵ “Individual layoffs represented the largest component of the stock of unemployed, but also significant were school leavers and those coming into the areas of wage labour from outside, particularly peasant farmers.”³⁶

In many East European countries, employee councils and the trade unions still have a lot of say with regard to redundancies, restructuring and privatisation. Sometimes these are codified rights (as in Poland); elsewhere they reflect the inability of the restorationist forces to execute their anti-working class policies against the sectional economic resistance of the workers.

By the end of 1991 signs had emerged of a growth in working class resistance against restorationist measures in many East European countries. Wage freezes, which have eaten up savings, are increasingly being understood to be a permanent and not a transitional pain. The privatisation experience is not producing great gains for the workers. The myth of “popular capitalism” is proving a minor detour along the road of concentration of capital in the hands of the great financial institutions.

In Poland energy price rises were met with a nationwide warning strike by all the major trade unions. Even more important was the strike of the Nova Huta steel workers in December 1991 and January 1992, which forced the government to withdraw their redundancy plans and to guarantee that production would continue and credits be given to enlarge steel production.³⁷ In summer 1992 a new wave of resistance emerged in Silesia, where workers occupied the Fiat car plant and some mines. Led by the OPZZ, they threatened the government with an all out strike in the region. Strikes against the tax on wage increases are erupting once again.

In Hungary austerity measures by the government were met with resistance by the taxi drivers’ blockade in October 1990. Attempts to raise prices for electricity and

heating triggered a national warning strike by the National Federation of Hungarian Trade Unions (MSZOSZ, the former state union) on 12 June 1991. Although the strike was boycotted by trade unions who support the open bourgeois parties, "the strike call was very effective and led to a number of governmental concessions (e.g. 15% of funds from privatisation to create new jobs), whereupon the union withdrew its threat".³⁸

During the summer of 1991 in Czechoslovakia, a wave of protests in the countryside emerged, particularly in Slovakia. Farmer workers demanded the restoration of at least 80% of the state subsidy. After they threatened to block all roads the government promised a reassessment of its policy and the protests ended.

On 23 November 1991 the Confederation of Trade Unions of the Slovak Republic held a one hour warning strike. This was a response to the government's failure to stick to agreements with the unions to keep wages broadly in line with prices. Furthermore, the unions demanded a halt to unemployment and measures to stop real wages falling by more than 10%. This was followed by protests from air traffic controllers and transport workers in the winter and spring of this year. Threatening the new bosses with industrial action, the workers at Skoda-Volkswagen were able to gain wage rises of about 10% twice in 1992.³⁹ But generally the Czechoslovak trade unions remain quite passive.

These examples reveal some of the strengths and weaknesses of the workers' organisations in Eastern Europe and the problems for the development of further working class resistance. It is the successors of the ex-state trade unions which are strongest in membership (4-6 million in Poland, 1.3-2.5 million in Hungary, 6 million in Czechoslovakia) and which are central to most significant working class mobilisations.

Furthermore, the elections in Poland, in Czechoslovakia and the by-elections in Hungary revealed a growth in electoral support for the ex-Stalinist parties: the Democratic Left in Poland, the Socialist Party in Hungary, the Communist Party of Bohemia and Moravia and the Democratic Left in Slovakia. They are in the process of strengthening their links with the trade unions.

The growth of trade union resistance and the move towards the reformist parties (at least on the electoral level) led the restorationist governments to begin attacking them at a legal level.

The most dramatic example is the Czechoslovak government, which made illegal all communist activity as anti-human and threatened all potential left wing and revolutionary resistance to its policy with repression and confiscation of party property.

The Hungarian government similarly alighted upon the idea of expropriating the ex-state trade union and handing its assets over to all those unions loyal to the government's policy, though even then not according to their membership strength but to their "support amongst the population".⁴⁰

However, the major problem for the labour movement is its political weakness, its still existing disorientation and inability to oppose the road to capitalism as whole, rather than this or that reform. Apart from small centrist groupings

no current exists in the labour movement which openly wants to oppose capitalist restoration.

Whilst the growth of reformism in the working class demonstrates the elementary tendency and necessity for the working class to defend itself collectively against the attacks of the new bosses and governments, it also embodies the danger of being led into severe defeats once again by new, and often not so new, bureaucratic misleaders and their conciliatory reformist politics.

It would be false to think that the World Bank and the various imperialist advisers, such as Jeremy Sachs, approached a major historical task such as the restoration of capitalism with the naive perspective of turning around these economies within a few years. The World Bank, for example, envisaged a time-scale up to ten years for these countries.⁴¹ However, their problem is that the process as a whole slowed down alarmingly in Eastern Europe.

The fast track privatisation course has failed and is unlikely to achieve results in the major industries in the foreseeable future. Even the voucher-privatisation scheme in Czechoslovakia—which has already seen investment funds controlling 71% of the vouchers—only touches a small proportion of industry.⁴² Compared to even this the Polish mass privatisation scheme of Lewandowski was a failure. But he has once again become privatisation minister in Poland and is making a second attempt at a voucher system.

What is clear for the restorationists is that on the economic level capitalist restoration needs the introduction or continuation of stabilisation programmes. For the masses this means a further decline in living standards, most notably a further reduction or abolition of subsidises, social services, pensions and unemployment benefits for the growing reserve army of labour. Even now unemployment is still quite low compared with an estimated "overstaffing" of between 20% and 30% in most industries and services. But the success of these programmes, although having savage consequences for the workers, the small and middle peasants and parts of the urban petit-bourgeoisie, will only be temporary and insufficient from the standpoint of capitalist restoration if the function of the statified sector cannot be changed qualitatively.

We have outlined the key structural changes that will be necessary for capitalism to be finally imposed on these advanced transitional countries, or moribund workers' states. How—*post festum*—might we recognise when this has been effectively carried through?

Through the deceptive prism of bourgeois economic indicators certain features should be observable, for example, when national production bounces back out of the depths of its present slump in Eastern Europe to the extent that a clear cycle of recovery is obvious; when this growth is non-inflationary and accompanies a reduction in budget deficits.

If all these conditions emerge together then factory output is finding a buyer at a profit without the state having to recklessly overextend the money supply and extend non-commercial credits to allow the purchase of goods.

It also presumes that banks themselves, in the process of their own commercialisation and independence, have

been restructured to write off considerable swathes of their irrecoverable enterprise debts, a process that itself will involve banking closures and a centralisation of capital.

If all this occurs in the context of continued integration into the world market then we can presume that banking capital has imposed its imprint upon the cycle of industrial production, in which case we can speak of semi-colonial restorationist state capitalism having wrestled itself free from the ruins of a destructive transitional phase.

However, to carry out a strong state capitalist restructuring policy is very difficult under the present bourgeois leaderships. It will require a strengthening, unification and preparation of the restorationist forces in order to be able to defeat

potential working class resistance. Therefore, we will most likely see a rise of Bonapartism or, at the very least Bonapartist measures.

The tempo of events its hard to predict. The social forces are still in a process of forming their parties, their organisations for the decisive battles which lay ahead of us. The future of Europe lies in the East—not only for imperialism, but also for the working class.

For the working class to resist these measures and prevent a historic defeat from happening in Eastern Europe the absence of revolutionary leadership must be put right immediately or it will be too late to reverse the course of events. ●

NOTES

- 1 Economist Intelligence Unit (EIU) Country Report on Hungary No 2 1992, p6
- 2 EIU Country Report on Poland No. 2 1992, p3
- 3 NMP (Net Material Product) is the East European equivalent of GDP
- 4 EIU Country Report on Czechoslovakia No. 3 1992, p3
- 5 Between 1980 and 1989 GDP grew only 2.1% in Hungary, 1.4% in Poland, 0.5% in Yugoslavia and 2.0 % in Czechoslovakia.
- 6 This also affirms Trotsky's analysis of the Stalinist bureaucracy as a caste. See *Trotskyist International* No5 for a fuller explanation.
- 7 Mazowiecki in Poland in 1989, Modrow in the GDR, Nyers followed by Nemeth in Hungary in 1989, National Salvation Front government in Rumania.
- 8 "Government of National Understanding" in Czechoslovakia in 1989, BSP/UDF coalition in Bulgaria in 1990.
- 9 Government of National Understanding, Modrow, Nyers/Nemeth.
- 10 This also explains why reactionaries like Walesa, a man with a genuine anti-communist record, refused to allow the Olszewski government to publish files of the secret police archives, which could have proved the collaboration of leading army and state officials as well as parliamentarians with the Stalinists.
- 11 Radio Free Europe/Radio Liberty Research Report (RFE/RL RR) 17.7.92 p44
- 12 By "commercialisation" we mean making state owned enterprises juridically independent, self-financing and profit making public corporations, a transitional step to privatisation.
- 13 There are different forms of privatisation referred to in the literature and economic strategies. Small-scale privatisation is one of them: this means privatisation of small shops, housing units and other small-scale firms and property to private individuals or investors. Sometimes long term leasing of these facilities to individuals is also included. Large-scale privatisation is applied to the middle and bigger enterprises and usually means their transformation into joint stock companies and the distribution of the stock to private investors through sales at estimated market prices up to the distribution of shares. Voucher privatisation is one form of this. In all these cases the state controls the privatisation process and the estimation of the value of enterprises or shares. It does not attempt to play such a role in spontaneous privatisation, which is often one of the first forms of privatisation and frequently takes the form of *nomenklatura* privatisation. Quite often this form of privatisation does not have any deep impact on the functioning of the enterprises, which are often parasitic to the state sector once privatised.
- 14 Although this has been achieved in most countries, quite often important legislation is still missing. One aspect is the question of property expropriated by the Stalinists in the Second World War. Slovenia has no privatisation law yet and Hungary has yet to establish a legislative programme for agricultural privatisation.
- 15 RFE/RL RR 17.7.92 p45
- 16 Financial Times Survey on Privatisation in Eastern Europe, 3.7.92, p5
- 17 Economist Survey Business on Eastern Europe, 21.9.91, p10
- 18 Ibid. p14
- 19 Ibid. p9
- 20 EIU Country Report on Poland No. 2 1992, p. 11
- 21 J. Angresano, "Political and Economic Obstacles Inhibiting Comprehensive Reform in Hungary", *East European Quarterly*, March 1992, p. 63
- 22 How much legal frameworks and social reality can differ is demonstrated in the case of Romania: "In spite of adoption of an ambitious law last August, the country has yet to privatise a single company in the state sector which still accounts for more than 90% of industrial production." *Financial Times Survey on Privatisation in Eastern Europe*, 3.7.92, p6
- 23 RFE/RL RR 31.7.92, p45
- 24 Angresano, op. cit., p60
- 25 U. Thumm, "World Bank Adjustment Lending in Central and Eastern Europe", in: Corbo et al., *Reforming Central and Eastern European Economies*, World Bank Washington 1991, p57
- 26 *Financial Times* "Survey on Poland", 28.4.92, p9
- 27 RFE/RL RR, 17.7.92, p47. Whilst the legal framework to harden enterprise credit and, if necessary, to enforce bankruptcies formally exists in these countries, other countries even have not reached this stage. Slovenia, far from finishing the restoration process through separation from the Yugoslav republic, is just trying to break the old Yugoslav structure which enabled enterprise managers to be represented on the board of the banks and thereby ensure credit was given to their firms irrespective of their state. See *Financial Times* "Survey on Slovenia", 30.3.92, p3
- 28 *Financial Times* 21.8.92 p12
- 29 This applies also in an early phase to the Hungarian HSWP as well as to the Romanian NSF and the Bulgarian SPB. Even though the latter two could retain their unity on an organisational level, their internal divisions are clearly growing because they still incorporate the hard-line Stalinist wings of the old CPs.
- 30 In Slovenia too the governing DEMOS block incorporates more or less all non ex-CP forces who, standing on their own, are estimated to have a "Polish" share of the votes.
- 31 Concern about this is voiced by many bourgeois commentators. K. Okolicsanyi's hopes with regard to Hungary are expressed thus: "I believe that incorporating entrepreneurs and representatives of the private sector into the party system is crucial to political progress. FIDESZ could, perhaps, be taken over by entrepreneurs." RFE/RL RR, 17.7.92, p50
- 32 *Financial Times Survey on Privatisation in East Europe*, 3.7.92, p2
- 33 RFE/RL RR, 17.7.92 p44
- 34 *The Economist* 21.9.91, Survey on Business in Eastern Europe, p24
- 35 That is, according to the figures, sackings of at least 10% of the workforce or of 100 or more sackings in enterprises with more than 1000 workers.
- 36 A. Kilmister, *Labour Focus on Eastern Europe* 1, 1992, p42
- 37 *International Viewpoint* 221, p8
- 38 *Labour Focus on Eastern Europe* 1, 1992, p53
- 39 EIU Country Report on Czechoslovakia No 3 1992, p24
- 40 C. Stenner, "Gewerkschaften unter Druck", *Ost-West information*, 1/92, Graz, p35
- 41 *Issues in the Reform of Socialist Economies*, p67
- 42 *East European Markets*, 7.8.92, p9

Opportunism and failed manoeuvres

Five years after the death of their leader, Nahuel Moreno, the International Workers' League is undergoing its sharpest crisis yet. Jack Tully examines its record since its foundation in 1982

In January 1982 the International Workers' League (Fourth International) (IWL) was founded at a conference of twenty delegates, held in São Paulo, Brazil and presided over by its leader, Nahuel Moreno.¹ The foundation of the IWL completed the transformation of "Morenoism" into an independent and clearly defined international tendency. Previously it had constituted a primarily Latin American adjunct to one or other of the major international centrist tendencies claiming the mantle of Trotsky's Fourth International (FI).²

According to the IWL, their international influence had grown substantially over the previous period. In 1969 they claim to have had only 65 members outside of Argentina. At its foundation the IWL claimed to have 3,500 members,³ with sections in twenty countries. The Argentine section, the MAS—by far the largest component—has claimed up to 6,000 members.

A decade later, the IWL has been rocked by a serious split in the MAS, a third of whose members have left, taking with them the organisation's parliamentary deputies. This followed hard on the heels of the IWL's recent World Congress, held in February/March 1992, where four conflicting tendencies proved unable to resolve their differences. A new Congress had to be scheduled for 1994, the fourth in five years.

The IWL claims to represent "orthodox" Trotskyism as against the revisionism of the United Secretariat of the Fourth International (USFI) and the other major tendencies. This is a false claim. The IWL is rooted in the common centrist degeneration which the Fourth International underwent between 1948-51. For this reason it commits exactly the same type of gross opportunist errors as its international rivals.

The IWL has been hit especially hard by the contrast between its wildly optimistic revolutionary perspectives and the serious reverses suffered by the working class and pro-

gressive forces in Argentina and the world after 1989. More specifically, it is suffering the consequences of a decade of opportunist electoral tactics since the Malvinas war and ensuing discredit and downfall of the military junta. The chase after electoral success in a rotten block with reformist figures led inexorably to the junking of more and more of the Trotskyist programme and the rejection in practice of the Leninist conception of a revolutionary party.

At its foundation, the most important section of the IWL was the Argentine Partido Socialista des Trabajadores (PST—Socialist Workers' Party). At that time the IWL saw its most important task as being the consolidation of the PST which had been working in clandestinity since shortly after General Videla's military coup of 1976.⁴

The unions and the left began to recover by the early 1980s. It was the recovery of the unions, including a major protest demonstration in March 1982, that drove General Galtieri to gamble on seizing the Malvinas. He was obliged to allow, indeed encourage mass anti-British demonstrations which clearly enabled the left and the workers' organisations to organise on a mass basis.

Ten years later the MAS would say that this badly calculated military adventure was doomed to failure given the determination of British imperialism. But at the time the PST overestimated the revolutionary, anti-imperialist potential of the war itself.

They argued that with the sending of troops in April, "there begins the most extraordinary revolutionary ascent which has ever occurred in the country . . . the socialist revolution is on the march".⁵

When the war ended in defeat in June 1982, the traditional bourgeois parties and the left shared in the disorienta-

tion and demoralisation and failed to press home the attack on the *junta*. The combination of a severe economic crisis, divisions within the ruling class and military, the revival of working class militancy, and the demonstrations of the Mothers of the Plaza de Mayo, all indicated that a pre-revolutionary situation existed. What was missing was a revolutionary leadership armed with a revolutionary programme.

The task facing Argentine revolutionaries in these conditions was to agitate around the key slogans of an action programme, raising demands to meet workers' economic

needs and democratic demands, focusing on the fight for a general strike to drive the military from power and convoke a sovereign constituent assembly. At the centre of all its slogans—economic, transitional and democratic—should have been the direct mass action of the working class.

In these conditions it was essential to pose the necessity of a break with the baleful legacy of Peronism, the building of a revolutionary workers' party and the fight for a revolutionary workers' government based on workers' councils. The PST's orientation was in sharp contrast to this.

Morenoism and the Argentine state

Morenoism's deep right opportunism, which underlies its left adventurist rhetoric, is most clearly seen on the question of the special bodies of armed men that constitute the capitalist state.

Whilst "orthodox" Leninist statements can be found in theoretical writings, there has been no translation of this into operative revolutionary tactics applicable to the Argentine armed forces.

In 1972, when Moreno's PST fused with Carlos Coral's Partido Socialista di Argentina (PSA), the fusion programme contained utterly reformist calls for "the democratisation of the armed forces", and for the end of "their use in the service of capital".

These "concessions" represented the triumph of the reformist wing over the "orthodox Trotskyists"!

The IWL were obviously convinced of the superiority of this position, at least for practical everyday work amongst the masses, because they reproduced it in the positions of the MAS.

At the end of 1988 the MAS weekly paper called for changes "leading to [the armed forces'] democratisation, so that they cease to be institutions of the exploiters, for the repression of the workers."¹

Not only does this actively foster illusions in the possibility of *reforming* the bourgeois state, it also represents a gross accommodation to the Peronist policy of merely punishing the officers responsible for the "dirty war" against the masses during the military dictatorship.

This dangerous nonsense is still peddled today, even after the leaders of the MAS have made their supposed *mea*

culpa for their past opportunism:

"The MAS propose a complete organic, political and social restructuring and democratisation of the armed forces, different from all the models of Menem, the bourgeoisie and imperialism . . . the armed forces must have as their only task defense against external imperialist aggression and must be completely forbidden from playing any repressive role inside the country."²

The fact that the MAS go on to talk of "the massive arming of the working population" and of "military training in the workplaces" is an attempt to cover up an unprincipled adaptation to reformism and nationalism with a few slogans culled from Trotsky's proletarian military policy.

This policy, adopted for the initial period of general imperialist war, was never intended as a replacement for the necessity of breaking up the bourgeois army by agitation in the ranks.

It is true that after Trotsky's death Cannon and the SWP(US) tended to present it as a constitutional procedure to democratise the army but this represented an impermissible twisting of a transitional slogan, whose core was the demand to arm and train the workers.

The IWL are however open in posing these disconnected "orthodox" slogans in the framework of a reformist strategy.

Together this mixture constitutes a wretched centrist evasion on the question of the state.

Hand in hand with this, the MAS have been at pains to distance themselves from any armed action against the armed forces, to the extent that they have repeatedly equated the violence of those rooted in the oppressed and

exploited classes with the violence of the oppressors and exploiters. They have even sided with the state against petit bourgeois guerrilla movements!

Once again, this opportunism, designed not to "put off" the Peronist and reformist workers, in fact blurs the decisive line between reform and revolution.

At the end of 1983, Monteneros guerrilla leader Mario Firmenich wanted to return from exile. The MAS argued that whilst he should be allowed to return, he should be judged like the military torturers:

"The orientation of Firmenich could be described as a *criminal policy* and a variant of *genocide*, with a different sign but an identical content as that of the generals who carried out state terrorism."³

When members of the ERP guerrilla group occupied the Tablada Barracks in 1987 and were subsequently massacred by the army, the MAS refused to defend the ERP, despite their misguided actions.

Instead they hurried to demonstrate their commitment to bourgeois legality, by distancing themselves from "putschism" and declaring proudly that "terrorism is not Marxism".⁴

In the weeks that followed the MAS even refused to participate in a demonstration against the "Dirty War" because it denounced the Tablada massacre by the army!

This refusal to give elementary solidarity to those imprisoned and killed by the state, however erroneous their methods, are hallmarks of an ingrained centrism, a centrism that lies deep in the roots of the Morenoites' whole method. ●

1 Cited in *La Aurora*, 2.2.89

2 *Solidaridad Socialista*, 14.11.91, p4

3 *Solidaridad Socialista* 52, article reproduced in *Tribune Internationale—La Vérité* 21.1.84

4 Cited in *Prensa Obrera* 260, p1

In July 1982 bourgeois political parties were legalised and the PST also began to work more openly. By September it had decided that this meant a central focus on electoralism. The PST argued:

"The phase which is opening is not only legal, but fundamentally electoral. The conclusion is obvious: *not only should we use legality by every means, but our main aim must be to intervene in elections*, as long as we do not consider that a new phase has opened, that of mass struggles. If we recognise and accept the fact that the phase which has opened will be essentially electoral, our politics must also be so."⁶

In fact, throughout the second half of 1982 and early 1983 it was the developing mass movement that dominated the political scene, not elections. The latter were not to come until October 1983 and then only after a very brief election campaign. This itself was due to the timidity of the Peronist and Radical bourgeois opposition parties which did not even insist on immediate elections in their negotiations with the military.

There were tax and rates strikes in opposition to the government. But it was the movement headed by the mothers of the "disappeared" victims of the military *junta* and then, towards the end of 1982, the trade unions which took to the streets in increasing numbers. This phase culminated in a general strike and 100,000 strong march on 16 December, sealing the fate of the military, which was forced to set the date for elections.

For Trotskyists, no phase of politics—except the campaign itself—can be "essentially electoral". To adopt this stance over a year before elections, months before they were announced, and in the face of a growing social protest movement, indicated a particularly crass electoral cretinism. In order to carry out this perspective, the PST began to cast around for electoral partners. They eventually found it in the shape of the Movimiento Al Socialismo (MAS—Movement Towards Socialism), a small social democratic organisation.

The idea was:

". . . to create a socialist front which will use legality and will stand in elections, with as its minimum basis, a socialist Argentina as its programme and independence of all the bourgeois or popular frontist parties or electoral fronts . . . Fundamentally, we want to attract thousands and thousands of workers and militants to a broad, non-sectarian socialist front, in which it will not be a condition to be a Trotskyist."⁷

More succinctly, Nahuel Moreno himself explained to the PST Central Committee that the aim of the MAS was to create "a reformist, non-revolutionary front or party".⁸

Consciously or not, this unprincipled scheme owed a great deal to Raymond Molinier and Pierre Frank's project of "La Commune", a "broad organisation" set up in France in 1935 in order to attract the masses to a centrist programme. The only difference was that whereas Molinier and Frank tried to found their organisation on a centrist basis Moreno set out to build his on a nakedly reformist programme.

The "La Commune" enterprise was bitterly attacked



by Trotsky in terms which therefore apply with double force to Moreno nearly half a century later:

"Quite often revolutionary impatience (which becomes transformed easily into opportunist impatience) leads to this conclusion: The masses do not come to us because our ideas are too complicated and our slogans too advanced. It is therefore necessary to simplify our programme, water down our slogans—in short, to throw out some ballast."⁹

After seven years of dictatorship Moreno considered that Trotskyism would be too difficult for the masses to grasp. Undoubtedly, in the first phase of the democratic opening it was unlikely that the revolutionary party could seize the leadership of the masses. Bolshevism itself was unable to accomplish this in February 1917, despite its deep roots and spotless revolutionary record. But it was essential to address the vanguard of the working class: to patiently help it regroup politically whilst at the same time putting forward slogans that could unite the whole working class for concrete actions.

Rather than fighting for a clear revolutionary alternative, Moreno and the PST assessed that there was a social-democratic space opening up in Argentine political life. Judging that Menshevism was the next stage for the Argentine workers they set out to become Mensheviks. Bolshevism and Trotskyism would be a sheer encumbrance now and were relegated to a future stage.

Trained in the years of centrist degeneration of the FI Moreno looked for roughly adequate vehicles to carry forward the "revolutionary process". One of the first items of ballast which Moreno threw overboard was the key Marxist position on the nature of the state and the armed forces. In its first May Day Manifesto (1983),¹⁰ which contains a long programme "for a socialist Argentina", the MAS managed to say *not one word* about the state! When a position was finally adopted, it was Moreno's old centrist formulation calling for the "democratisation" of the armed forces (see opposite)!

If you really want to appear to the masses as social



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democrats and co-habit with real reformists in a single party then indeed the Marxist position on the class nature of the state will have to be ditched. But probably in no country and at no time was such a policy more out of place than in Argentina, still reeling from the effects of brutal military rule which had claimed 30,000 victims.

The MAS centred its appeal to the Argentine working class around the old bourgeois nationalist slogan "For a second independence". For the bourgeois nationalists, the first "independence" was from Spain, the "second" will involve the creation of a native capitalism and a sovereign bourgeois state independent from imperialism. The MAS aimed to give this call a left twist with an "action programme" which called for the nationalisation of the banks and monopolies. What it studiously avoided were any demands for *expropriation* of the capitalist class and the formation of a workers' government that would be needed to carry this out.

Even one of the most burning necessities for Latin America, the repudiation of the external debt, was rejected in favour of the call "For the suspension of the payment of the external debt. For the formation of an international front of debtor countries to stop the payment of the debt."¹¹

The demand for "suspension" of the debt in Latin America is typical of bourgeois and reformist currents that seek not to pay the debt today but will be prepared to do the imperialists' bidding tomorrow. This was no "mistake" but a deliberate tailoring of the revolutionary programme to meet the needs of an opportunist alliance with social democratic and bourgeois national forces.

Perhaps most indicative of the MAS's whole orientation was its governmental slogan: "For the immediate resignation of the military government! For the immediate convocation of the 1976 Congress, which must elect a provisional government and call elections without any restrictions and without a state of siege."¹²

With the military dictatorship forced onto the defensive by a mass movement, the most these "revolutionaries" could find to say was to call on the discredited Peronist parliamentary majority of 1976 to form a new government! This was a criminal position not only because it abandoned the proletariat's historic and immediate class goals. It did not even address the growing democratic illusions of the masses.

The political tide was turning away from the Peronists

and towards the Radicals, clearly around the issue of "democracy not authoritarianism". Alfonsín was able to portray Peronist corrupt corporatism as being little different from the military that displaced it in the 1976 coup. The idea of appealing to the *status quo ante* was suicidal. Even working class members and supporters of the Communist Party were being drawn behind the Radicals' campaign.

Under these conditions the focus for political democracy should have been the call for a revolutionary constituent assembly, convened, supervised and defended by the mass workers' and human rights organisations. This would have cut against the shallow and deceitful calls for democracy by the Radicals, who nevertheless were only too happy to work within the framework dictated by the retiring military *junta*. It would have aided the working class to break free from the Bonapartist political structures of the Peronist movement. Most importantly, it could have engaged all those determined to prevent the military from getting legal backing for their judicial whitewash over the "disappeared".

But the MAS, when it came to political slogans, as well as its social programme, took its point of departure not from the revolutionary interests of the working class but from a schema based on a systematic centrist adaptation to Peronism's influence in the working class.

The platform of the MAS, like all centrist programmes, does include some elements extracted from the communist programme. This might tempt the unwary into thinking that here we have a qualitative improvement on reformism or nationalism. But the essence of the revolutionary programme does not lie in the excellence of one or another individual demands, but in the combination of them into a strategy for the conquest of power. A party, like the MAS, which routinely stands in elections on a platform that only includes disconnected parts of this revolutionary strategy and mixes them with parts of its direct opposite, the strategy of reform, is a party that would lead the working class to disaster in any serious test of the class struggle.

The October 1983 elections were a disaster for the MAS. Despite throwing thousands of members into the field, despite a supposedly vote-winning slogan of "A socialist Argentina, without generals or capitalists", despite

opening 600 local offices throughout the country,¹³ and despite a claimed 60,000 affiliated voters,¹⁴ the MAS only mustered around a third of the PST's share of the vote in the 1970s. They polled less than 1% of the popular vote.¹⁵

Meanwhile the Radical Party candidate, Alfonsín, swept the board with 52% of the votes cast. This outcome did not

sit easily with the MAS analysis, shortly before the elections, that Argentina had entered a revolutionary situation.¹⁶

Not only were the election results poor for the MAS, but the campaign had not led to any qualitative change in the structure and size of the organisation. The vast majority of members were still the "Trotskyists" of the PST. Both as

The First Congress of the IWL

In 1985 the IWL held its founding Congress, in which for the first time the leadership analysed developments on a world scale and gave a general programmatic response. The perspectives adopted at the meeting were confirmed at the Second (1989) and Third (1990) Congresses and were largely responsible for the growing confusion and disorientation which has marked the organisation ever since.

From its foundation, the IWL had tended to see "revolutionary situations" and great possibilities for growth where others could not. Argentina was not the only country to suffer from an excess of optimism.

For example, France after the election of Mitterrand in May 1981 was supposedly in the grip of "a pre-revolutionary situation in which the question of power is tending to be posed."¹ The IWL's Manifesto, adopted at the Founding Congress, extended this analysis onto the world scale, with hallucinogenic consequences.

The opening page of the document revealed that the Moreno leadership had once again become "drunk with success": "A mass uprising is shaking the world", we are told, thus creating "a worldwide revolutionary situation".²

"For forty years now, we have been experiencing a colossal socialist revolution on a world scale. Although imperialism has not been defeated in its fundamental centres, the struggles of the masses have managed to corner it, dealing it extremely severe blows, achieving spectacular victories, and obtaining significant strongholds throughout the world. Revolutionary workers and fighters must take account of what is happening because it is so immense it can blind us."³

Just in case the IWL thought some of its readers were stupid as well as blind, the nature of these "spectacular victories" and the location of these "signifi-

cant strongholds" of the "socialist revolution" were made absolutely clear:

"The downfall of the counter-revolution began in 1943. The soviet masses dealt Hitler his first crushing defeat in Stalingrad, initiating a period of rapid and massive upsurges which still continues today. The world map began to be coloured with the red of revolution, which proceeded from one victory to another. In the space of 42 years entire peoples have risen up against the strongholds of oppression and exploitation, ushering in the real epoch of world socialist revolution."⁴

These positions—still held by the IWL today—show how far they are from Trotskyism. For Moreno and Co, the politically counter-revolutionary social overturns of capitalism in Eastern Europe, Yugoslavia, China, Cuba and Vietnam simply become part of the world socialist revolution, the world October.

The fact that these overthrows were carried out by Stalinism against the rhythms and developments of the class struggle, frequently involving the violent crushing of independent workers' organisations, meant that their overall political consequence was not to "colour the world map with the red of revolution" but rather to extend the Soviet Thermidor and the Stalinist Bonapartist dictatorship.

This was in fact a tremendous blow to the world revolution and to its conscious vanguard.

This pro-Stalinist position was not new. In the 1960s Moreno had advocated Maoist and Guevarist guerrilla tactics.⁵ In his 1979 book *The revolutionary dictatorship of the proletariat*, Moreno sang the praises of Mao's bloody dictatorship and its bureaucratic trade unions, claiming that "the workers' revolution in China, although led by the bureaucracy, entailed a colossal expansion of 'workers' democracy'."⁶

In a 1985 interview, he claimed that "for the workers of these countries [China, Yugoslavia and Cuba], Mao, Tito and Castro were liberators because they liquidated the exploiters, shared out the land, removed hunger and illiteracy; concretely, because they led the socialist revolution in their countries."⁷

He also explained that there was a qualitative difference between these degenerate workers' states and the USSR because they were "workers' states where the masses had not suffered a historic defeat like that which the soviet masses had experienced".⁸

This analysis has nothing in common with Trotskyism and everything in common with the centrism of the degenerate Fourth International.

The qualitative leap in the centrist degeneration of the Fourth International came in 1951 when the Third Congress claimed that Tito was not a Stalinist, that he had carried out the socialist revolution and that no political revolution was necessary in Yugoslavia.

Moreno's positions in the 1980s were no different from Pablo's in the 1950s. Far from representing a break with degenerate "Trotskyist" centrism, the IWL, like all the other fragments of the Fourth International, has maintained the same centrist method which led the International to shipwreck over half a century ago.

For these "orthodox" Marxists the working class is not the only necessary agent of its liberation: other class forces (Castro, Mao, Tito) can act as a substitute. "If that is Trotskyism", Lev Davidovitch would surely have said,"then I for one am not a Trotskyist!" ●

1 "Programme d'Action de la LST", April 1982, p1

2 Working Class Opposition, June 1986, p8

3 Ibid., p31

4 Ibid.

5 See *Trotskyist International* 1, summer 1988 for our critique.

6 D. Karim (N. Moreno) *The revolutionary dictatorship of the proletariat*, Bogotá 1979, p93

7 *Tribune Ouvrière* 30, November 1985, p10

8 Ibid., p8



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an electoral front and as a recruiting stunt, the MAS was an abject failure. In these circumstances, the conversion of the organisation into an avowedly "Trotskyist" organisation was a simple affair.¹⁷

Nahuel Moreno recognised that one of his famous "self-criticisms" was called for. In the past they never resulted in any lasting change in political method, merely a temporary change in direction. Moreno accepted that there had been "an electoralist deviation":

"We became drunk with our successes and with the welcome we received, and we stopped being objective. We stopped seeing reality, we stopped listening, we stopped recognising what was really happening in the working class."¹⁸

In fact, the criticism was only prompted by the failure of the opportunism to bring the expected results. In typical centrist fashion the search for scapegoats began with the working class whose "political backwardness"¹⁹ was held to account, rather than the MAS' failure to relate to the key concerns of the working class.

The leadership's "self-criticism" was designed to preempt a more searching examination of the systematic centrist method that lay behind years of seemingly isolated tactical mistakes. Moreno swiftly shuffled off the blame: "It was a mistake by the whole party, by the rank and file as well as by the leadership."²⁰ Perhaps the leadership should censure the membership for failing to correct it, indeed for leading it astray!

The inconsequential nature of such "self-criticism" was clear from the next bout of opportunist electoralism. The first two years of Alfonsin's rule were dominated by the workers' economic struggle. Disillusioned by the IMF-inspired austerity programmes that the government imposed upon them workers were returning to the fray.

By mid 1985 inflation was 2,000% p.a. By August that year real wages were 27% down on July 1984. In July 1985 Alfonsin froze prices and wages and an immediate recession set in for the rest of the year, with many job losses.

Workers fought back. In 1984 there were 717 strikes involving 4.5 million workers. In January of that year the

CGT—which had split under the military—fused again. Moreover, a wave of new union elections strengthened rank and file organisation. In May 1985 the regime was rocked by two general strikes in protest against attacks on workers' living standards. However, despite these struggles the Peronist CGT leadership remained firmly in control and committed to a social contract with the Alfonsin government.

On the political front the failure of the Peronist Justicialist Party to regain power in the October 1983 elections had led to it splitting into thirty different currents. By 1985, with growing disillusion in Alfonsin and many dissident Peronists emerging in opposition to the CGT leaders' betrayals, the MAS was ready to return to the electoral arena, using the same method as before. Long negotiations with the Argentine Communist Party (PCA) and "Workers' Peronism" led to the setting up in Autumn 1985 of the Frente del Pueblo (FREPU—Peoples' Front).

FREPU's programme was essentially a duplicate of the reformist MAS programme of thirty months previously. Its "socialist" demands were limited to calls for a ten year moratorium on the repayment of the debt, nationalisation of the banks and monopolies and for land reform. The question of the state was once more dealt with reformist sensitivity to the class rule of the bourgeoisie: "For the full respect and application of the democratic liberties contained in the National Constitution",²¹ one of which, as in all bourgeois constitutions, was the right to hold private property!

Given the disillusionment with Alfonsin and the disarray in the Peronist Justicialist Party both main parties suffered a drop of 6% in their vote. The November elections indicated a polarisation of political life. The PI, a left split from the Radicals, got 6% in third place while FREPU won 360,000 votes (2%). On the right the UCD too doubled its vote over 1983.

But what did the workers vote for when they put a cross in the FREPU box? The lightweight reformist programme and the emphasis on state capitalist measures all corresponded to the bourgeois nationalist reformism of the Peronism. So too did the FREPU's "FP" symbol, which deliberately aped the V-sign "FP" of the Peronists! In political terms it was the Peronist workers who had won over the "socialists" to their programme not *vice versa*!

Thus the vanguard workers could express their dissatisfaction with the disarray of the Justicialist Party while still not breaking from the limits of the Peronist programme in its leftist guise.

For the PCA, this gross adaptationism was hardly surprising. Stalinism has made the class collaborationist popular front a hallmark of its anti-working class politics since 1935. Such lifelong reformists and the "Workers' Peronism" can agree on their fundamental perspective: the preservation and reform of the capitalist state. But for revolutionaries there can be no compromise on this question.

Revolutionaries win over reformist workers to their banner by united action around concrete struggles, and by an indefatigable struggle against reformist illusions, not by peddling such nonsense to the masses. But this was not the method of Moreno's centrism in 1985, nor before, nor afterwards.

The "revolutionary united front"

Between 1948 and 1951 the Fourth International made systematic centrist revisions to "the old Trotskyism" in the spheres of programmatic method, the role of the revolutionary party, the nature of perspectives, and the application of tactics.

All its various fragments since 1953 have maintained and deepened these centrist revisions. The IWL is no exception. From 1985 to 1992, each of the IWL's four World Congresses have centred their party-building perspectives on the construction of a "Revolutionary United Front": the application of Moreno's method on a world scale.

The IWL International Secretariat explained this centrist project in terms which would be equally apt in the mouth of Pablo, Mandel or Lambert at any time since the late 1940s:

"The revolutionary united front consists of achieving political-organisational agreements on the basis of common programmatic agreements that allow a joint intervention in the process of the class struggle and the fight for the leadership of the mass movement. The revolutionary united front that we are fighting for is a transitional step toward a revolutionary mass party . . . The building of a mass international, therefore, at this moment will take place through building national workers' and revolutionary mass parties. These parties will possibly not be Trotskyist nor will Trotskyists be the majority within them except under exceptional circumstances. They will be semi-Trotskyist organisations which tend toward Trotskyism although they don't go all the way."¹

Just as Pablo preached strategic entryism into the social democratic, Stalinist and nationalist organisations with the aim of turning them into "roughly adequate" weapons in the hands of workers; just as Mandel has advised many sections of the USFI to dissolve themselves in pursuit of a fictitious "recomposition of the international labour movement"; just as Lambert has dissolved his French organisation into an ersatz "Workers' Party", so too the IWL saw its strategy as being that of building "semi-Trotskyist organisations that don't go all the way".

What would have happened in 1917 if

the Russian masses had only had a "semi-Bolshevik party" which didn't want "to go all the way"? Thank God the Russian workers had a Lenin and Bolshevik party and not a Moreno and a MAS!

But the Argentine workers are no less deserving of a first class revolutionary leadership and not a centrist imitation that will let them down halfway. A few examples reveal the full implications of this method, which Moreno claimed had produced such "excellent results"²:

● In 1984 the biggest European section, the Spanish PST, proposed the following points as the basis for "revolutionary unity" with the fragments of Spanish Stalinism: Against the monarchy and the reactionary institutions; complete independence from the government and the Socialist Party; support for self-determination; support for all those fighting against imperialism, internal democracy and democratic centralism.³

This unprincipled overture was naturally contemptuously ignored by the "revolutionaries" who had helped betray one revolution (1936) and had just helped the Spanish bourgeoisie to make the transition to a constitutional monarchy.

● In France a youth paper was launched around three demands which the leadership described as "Trotskyist": Against the government; for the satisfaction of all demands(!); solidarity with all those struggling against imperialism and the bureaucracy.⁴

The absence of revolutionary "ballast" made no difference: the lightweight reformist programme attracted no youth and the project collapsed.

● In Colombia the PST helped to set up "A Luchar", a trade union front which mainly involved trade unionists linked to M19 and other guerrilla groups as well as members of the USFI.

Moreno claimed that A Luchar had "an extraordinary programme".⁵ Indeed! It did not extend to the little question of the party! This time it was not even a "semi-Trotskyist" party—it was not even a party!

Nevertheless, the Founding Congress agreed that the PST should cease production of its press and close its main branch. For about 18 months the PST was virtually absent from the political stage. The guerrillaists, meanwhile, turned A Luchar into a clearly political organisation backing their programme.

● In Mexico the IWL section, the Partido Obrero Socialista (POS) fused with a centrist localist group, Nuacapac, to set up the Partido dos Trabajores Zapatistas (Zapatist Workers' Party).

Moreno claimed that this organisation had an "ultra-revolutionary programme",⁶ but a year later the truth was revealed when the IWL admitted that its section had "surrendered to pressures . . . distorting itself and losing political independence."⁷ The programme, "ultra-revolutionary" or not, had clearly counted for nothing.

"Excellent results" indeed! The "revolutionary united front" is the wrong answer to the wrong problem. The IWL Founding Congress claimed that "the contradictions and battles that have accumulated on a world scale lead to the breaking out of revolutionary mobilisations practically at any moment and in any place on the face of the planet."⁸

They were wrong in 1985. They are patently wrong today.

Yes, there are massive class struggles around the world, but there is no "world revolutionary situation".

And faced with this supposed revolutionary upsurge, what is the IWL's programmatic answer? "Semi-Trotskyist parties", political compromise and organisational liquidation leading to collapse!

This method has been at the root of the IWL's decade of construction, and of thirty years of Morenoism before that.

All those who have been impressed by the IWL's claim to "Leninist orthodoxy" embodied in the refrain, "build sections in every country" would do well to reflect that it is not enough to build any kind of party; you must have a principled Leninist-Trotskyist programme around which to build it. ●

1 *What is to be done?* 4 (40) December 1984, p25

2 *Courrier International* 2, October 1986, p11

3 *Tribune Ouvrière*, April 1984

4 LST, Bulletin Interne 3.3.84

5 *Courrier International* 2, October 1986, p13

6 *Courrier International* 2, October 1986, p15

7 LIT Internal Bulletin, February 1987

8 *Tribune Ouvrière*, July 1988, p9

Argentina has always been the centre of the IWL's activity. An International Executive Committee meeting in April 1988 restated the position by claiming that "Argentina is the central axis of the world revolution"²² and that "the responsibility and the central task of the whole IWL-FI and in particular of its leadership is to maintain and deepen the political turn towards Argentina".²³

The economic and political situation in Argentina in 1987-88 was not stable, but in many ways the most militant working class challenges to Alfonsín had already taken place. The army was restless, both because of the failure of the government to control the working class and also because of Alfonsín's ambiguity faced with pressure to bring those responsible for atrocities and torture to trial. There were a series of barracks revolts (especially Easter 1987) and rumours abounded of an attempted coup.

In fact in April 1987 Alfonsín managed to steer a middle way by using the threat of a military coup to get all the major opposition parties—including the PCA—to sign a "Pact for Democratic Compromise" which involved fundamental concessions to the military.

The MAS refused to sign the pact and the FREPU electoral bloc with the PCA broke up. For the next period the MAS drifted with the stream, uncertain of how to orient itself. The September congressional and municipal elections of 1987 saw a revival in the fortunes of the Peronist party, which won important seats and major cities were brought back under its control.

Within a year, however, the decisive question of the PCA's pro-Alfonsín position was forgotten, and the MAS was courting the Stalinists once again. In October 1988 the Izquierda Unida (IU—United Left) was set up between the MAS, the PCA and a number of fringe bourgeois and petit bourgeois parties. As with the FREPU, the IU's programme was carefully tailored—first to suit the reformist politics of the PCA, then so as not to "scare off" the bourgeois nationalists.²⁴

The IWL hailed the IU as having "a working class, anti-imperialist and anti-capitalist programme".²⁵ Yet the programme envisages a parliamentary, reformist road to "socialism" (although the word is never mentioned!) Far from calling for the expropriation of capitalist property it only dares call for price controls on the leading companies "where they agree"!

In a situation where inflation was running at over 80% per month, the MAS did not even dare press the IU to raise the slogan of a sliding scale of wages! A strange form of "anti-capitalism"! Yet again the Morenoites jettisoned revolutionary baggage as the price of a rotten alliance with Stalinists and bourgeois nationalists.

In June 1988 the Third Congress of the MAS argued that the growing tensions in Argentine society would bring about:

"... the struggle of classes for political power. That is to say, the triumph of the workers' revolution, the socialist October, or the bourgeois counter-revolution. Because the aim now is not the change of regime but the change of the class in power, to establish a workers' state."²⁶

The May 1989 parliamentary elections bought a sweeping victory for President-elect Menem's Justicialist

Party. But also at long last it brought a measure of success to the MAS's electoralism. The IU garnered 500,000 votes, enough to win a national deputy's seat for the MAS public figurehead, Luis Zamora, and a regional deputy's seat for Silvia Diaz. The MAS felt the wind in their sails; the leadership felt even bigger successes lay just around the corner.

On 28 May 1989 the masses of Rosario, Argentina's second city, rebelled against the 12,000% p.a. hyper-inflation in a three-day riot which left 15 dead and hundreds of shops looted. Barricades were set up and a state of emergency was declared. The following issue of the IWL journal, *Correo Internacional*, proclaimed "The socialist revolution has begun" and went on to explain that:

"Without instructions or political leadership and without institutionalising as yet an alternative workers' power, they have made a massive popular anti-capitalist insurrection in the true Leninist sense."²⁷

This revolutionary hyperbole was as far from Leninism as the reformist electoral programme on which they won their parliamentary seats. What is an "anti-capitalist insurrection in the true Leninist sense" except the seizure of state power by the armed militias of workers' councils led by the revolutionary party? It is organised and planned action to resolve the duality of power which already exists in a fully developed revolutionary situation. Indeed, with an insurrection one can say that socialist revolution has been successful, not "begun".

What in fact occurred in Rosario was a mass spontaneous uprising against the misery imposed by the government's austerity measures. But without conscious, organised leadership it did not even develop into a nationwide strike wave let alone approach the creation of a situation of dual power. In short it did not herald the start of the socialist revolution but warned the bourgeoisie of the mounting tide of resentment to its policies.

This crass impressionism was codified at the Fourth Congress of the MAS, which drew a parallel between the Menem government and the Provisional Government set up by Kerensky after the February 1917 revolution. The implication was clear: if February was behind the Argentine masses, October could not be far away!

The MAS claimed that Argentina was characterised by "an atomised dual power" composed of various rank and file co-ordinating committees, trade unions and popular soup kitchens!²⁸

"We can win," they argued, "because the government and the regime are weak, because the masses are struggling, because Peronism has split apart and because the party is winning mass influence."²⁹ Are the masses then supposed to take state power armed only with soup ladles?

With a claimed circulation of 85,000 for the newspaper (but a membership stable at around 6,000) the MAS sought to orient towards Peronist workers disoriented and outraged by the actions of "their" government. This was of course absolutely necessary. The MAS proclaimed it had the intention of organising a "principled opposition":

"We can and we must organise these hundreds of thousands of workers; act so that they naturally choose to take their place in the groups or amongst our periphery, as



MAY DAY RALLY PLATFORM OF THE MAS

part of the party . . . Our proposal for action, which we address to the masses, and in particular to the Peronist workers who reflect the disarray of their party, is to call on them to build our party with us. We must do everything possible to encourage the Peronist workers to join our groups and branches! We must build the party with them!"³⁰

But the programme the MAS held out to these Peronist workers was as usual woefully inadequate. As well as overestimating the collapse of Peronism's influence in the working class and the weakness of the Menem government, the MAS's programme did not offer the critical Peronist worker a radical break with the politics they were supposedly gravitating away from.

The "revolutionary party" was to be built on a programme centred around four headings:

"Against the Menem government, for a workers' and socialist government; For rank and file control! For democratic self-determination and of the labour and popular movement!; For the unification of the struggles of the Southern Cone of Latin America; Build the party together!"³¹

As with the previous programmes put forward by the MAS for the masses, there was no call for the expropriation of the bourgeoisie, for occupations, a general strike or for the sliding scale of wages; there was not one mention of the nature of the state or of the need to create workers' defence squads to defend strikes and occupations and prepare themselves against the intervention of the army.

Most tellingly there was no programme for resolving the "atomised dual power" which the MAS claimed to be able to detect, no unifying or centralising demands that could overcome the atomisation and create, actual, developed dual power, i.e. genuine soviet-type bodies. No, for the MAS "rank and file control" was to be limited to the democratisation of the Peronist trade unions and support for the soup kitchens. This centrist paradox has always been a hallmark of Morenoism: a wild exaggeration of the revolutionary situation and a scandalously non-revolutionary programme for intervening in it.

Despite such intoxicating illusions it was not long before the real balance of class forces in Argentina after Menem's election made itself felt in the MAS. The riots in

Rosario were not the harbinger of revolution, the Argentine masses were not flooding into the MAS.

During the next two years Menem tore up many of the traditional planks of the Peronist-CGT alliance, rooted above all in state-owned industries and public sector services. Struggles against this did occur, often bitter and protracted ones. But the intervention of the CGT bureaucracy ensured their defeat and this pointed up the glaring crisis of leadership within the working class.³²

By the autumn of 1991, sections of the IWL leadership began to admit that all was not as they had foreseen. And, as always, the key was Argentina. Despite having suggested in 1990 that support for the MAS was running at 16% in the Buenos Aires region, in the October 1991 elections the MAS got a mere 2.5% of the votes. Peronism, far from being fatally split, gathered together its forces and won a decisive victory in the elections.

The IWL's explanation was straightforward:

"When Menem came to power he embodied the mass mobilisations and, for this reason, was weak. But the simple fact of staying in government and thus preserving the bourgeois democratic regime, despite the chaotic situation, enabled him to resolve the revolutionary crisis."³³

If the IWL had been more honest they would have said: Menem did not embody the mass mobilisations, rather he embodied the masses' illusions that a stop could be put to Alfonsín's programme by a return to traditional Peronist measures. In short austerity could be stopped without further mass mobilisations. The expected mass radicalisation did not come about. Menem was able to use his Peronist credentials and democratic mandate to take on and defeat the workers section by section.

The hold of Peronism over the union bureaucracy greatly aided the imposition of a horrendous austerity programme which made the Argentine masses pay for the defeat of hyper-inflation. "Menem will not be able to derail this movement" the MAS had boasted.³⁴ And yet that is just what Menem was able to do.

Nothing had happened the way the MAS had pre-

The IWL faced with the political revolution

The response of the IWL to the collapse of Stalinism was entirely consistent with their general method. They interpreted whatever movement that developed as an expression of the objective political revolution against Stalinism.

This movement and its leadership had only to be encouraged to pursue its struggle more vigorously. This was the February phase of the political revolution, in which any Menshevik, indeed any bourgeois nationalist or clericalist leadership would do.

The only danger was that such a leadership might not prove decisive enough in attacking the bureaucracy. The danger, or rather the certainty, that such leaderships would abort any attempt at political revolution, opening the gates to social counter-revolution was neither recognised nor fought against.

To keep up their pretensions to "orthodoxy", the IWL claimed from the outset that "the central task is to build our party",¹ but this was given no programmatic content, nor was it posed as a life or death struggle with the agents of the class enemy misleading the masses.

All that was required was "a massive campaign of solidarity with the political revolution"² based around "a body of slogans, not the complete Trotskyist programme for the political revolution".³

This campaign (1988) was to be entirely propagandistic with no calls for action, going no further than "Full democracy for the workers and people of the USSR... Socialism Yes, Bureaucracy No!"⁴ And, in a fashion which will have become familiar by now, what went unmentioned was the need for a political revolution, led by a revolutionary party or the creation of independent workers' councils.

When political revolutionary crises erupted in China and Eastern Europe in 1989, the IWL continued with the same method.

The key problem in China, it appeared, was not the bourgeois democratic political programme of the leadership of the Democracy Movement, but merely its lack of audacity in taking the road of the "February revolution":

"All triumphant revolutions have counted on the element of leadership which proposed to take power: for example, the Sandinistas in Nicaragua, or

Khomeini and the Ayatollahs in Iran. It is clear that it is not a matter of a leadership which is working class, socialist, internationalist, or affiliated to the Fourth International. It is simply about a leadership with the objective of overthrowing the existing regime, and knowing how to take advantage of the opportunity when it presents itself at the peak of the insurrection."⁵

This passive optimism faced with the key question of leadership went hand in hand with a refusal to understand the depth of the defeat inflicted on the movement by the bureaucracy, which the IWL characterised as "this limited defeat, momentary, and even superficial".⁶ For the Morenoites the political revolution was moving ever onwards, even under the tank tracks of Deng Xiaoping.

At the Third World Congress (May 1990), the IWL's analysis of the consequences of the collapse of Stalinism was marked by this same passive optimism. "The hour of Trotskyism has sounded", they claimed.

In Eastern Europe the revolutionary wave was sweeping all before it. It was solving nearly all the key questions by the spontaneous actions of the masses and the unfolding of the revolutionary process, argued the IEC in January 1990:

"With their struggle, the masses are building a new power, whether institutionalised or not, which does not allow the government to govern and which confronts against [sic] the privileges of the bureaucracy and the plans to restore a market economy. The workers are developing their own organisations and revolutionary leaderships, in the heat of this struggle, and soon they will fight to impose their power."⁸

All events were interpreted in the light of this objectivist scenario. Thus after the August 1991 events in the USSR the IWL claimed that "the attempted *coup d'état* launched by the top layers of the Stalinist bureaucratic apparatus provoked in response a genuine democratic revolution."⁹ In November 1991 the Editorial of *Correo Internacional* argued: "the only serious Marxist definition is that we are faced with a revolution".¹⁰

To describe Yeltsin's seizure of power in this way was positively criminal. What had occurred in the aftermath of the failed coup was not a proletarian, but a bourgeois political revolution.

That is a bourgeois restorationist government came to power, setting out to implement the economic measures that would if completed constitute social counter-revolution.

Of course, revolutionaries had no hesitation in defending democratic rights alongside forces led by Yeltsin during the days of the Stalinist coup, but that does not lead us to claim that what took place was a part of the "February of the political revolution", perhaps its completion. To take this line in fact was to give it some sort of support.

Events over the next months so patently falsified this line that in the 1992 Congress draft resolution the IWL, while reaffirming their analysis that the post-1989 revolutionary overthrow of Stalinism was the equivalent of the February revolution, argued:

"We are living a third moment in the revolutionary process in the ex-buffer countries. Although there are great differences, it seems that we are faced with an upsurge of defensive struggles faced with the austerity plans and the consequences of measures of capitalist restoration."¹¹

But the IWL was still only a breath away from extraordinary victories:

"The new extraordinarily positive element of the current stage is that the irreversible crisis of Stalinism, together with the right turn by the rest of the apparatuses and of the great majority of the leaderships of the mass movements, places us, in this sense, in an exceptionally favourable situation to carry out the struggle in order to win this vanguard to the construction of the revolutionary party."¹²

This passive optimism, this relying on the objective process, on the world revolution, to perform tasks that are precisely those of the revolutionary party is the infallible sign of centrism.

Centrism shuffles off the intransigent struggle against all type of reformism or centrism at every stage. Instead it hold out a perspective of its own rise to leadership in the not-too-distant future. The problem is that, like a mirage, this perspective constantly recedes. ●

- 1 *Courrier International* 3, November 1986, p9
- 2 *Tribune Ouvrière* 53, October 1988, p22
- 3 *Ibid.*, p23
- 4 *Ibid.*
- 5 *International Courier*, November 1989, p12
- 6 *Ibid.*
- 7 *International Courier*, March 1990, p1
- 8 *Ibid.*, p10
- 9 *Coordination* 9, September 1991, p2
- 10 *Coordination Supplément International* 4, February 1992, p2
- 11 *Coordination Supplément International* 2/3, August 1991, p25
- 12 *Ibid.*, p45

dicted. A culprit would have to be found. Stalinism fitted the bill perfectly. First, as far as Argentina was concerned, then on the world stage. As far as the MAS's failure was concerned, this was explained thus. The Argentine bourgeoisie, like its brothers and sisters all over the world, had launched an ideological offensive identifying Stalinism with socialism (something the Stalinists had been fairly keen on, and which the IWL had been ambiguous about).

Despite breaking the proposed joint list with the PCA shortly before the elections (because of allegations of corruption), the existence of this "electoral alliance with the Argentine CP, that is the agent of the Stalinist bureaucracy in that country, had also weakened the Argentine Trotskyists' ability to oppose this campaign of the bourgeoisie."³⁶

In other words, thanks to a lack of political differentiation by the MAS, the differences between Trotskyism and Stalinism were not obvious to the working class. The MAS's long-term electoral identification with the PCA had finally paid off—or rather backfired.

In December 1990 the MAS held an Extraordinary Congress. The leadership was split over perspectives and programme. At the subsequent Congress, held in spring 1991, around a third of the membership formed a "Moreno-ist tendency" arguing that the seizure of power was still close, that the crisis of Stalinism and of Peronism would inevitably bring their fruits and that the electoral alliance with the PCA must be maintained at all costs.

Not surprisingly, this grouping was led by those who had gained most from the strategic electoralist perspective of Morenoism, the MAS's two parliamentary representatives, Zamora and Diaz.

The Fourth World Congress of the IWL, held in February/March 1992 was fiercely contested. Split into four tendencies, the IWL began a process of blood-letting and factional feuding which still continues. In the firing line were the perspectives the organisation had been functioning with, which were, in fact, methodologically the continuation of those adopted in 1982.

The IWL leadership ignored this essential point and concentrated on the most obvious errors, rather than seeking to find the root of the problem. As in Argentina, the IWL pinned the blame fairly and squarely on Stalinism's ability to bewilder the poor Trotskyists by not collapsing in the way Moreno had predicted:

"At its Second and Third Congresses (July 1989 and May 1990), the IWL(FI) adopted an orientation which, today, the whole of the International agrees was 'globally mistaken'. The two previous Congresses had mechanically drawn from the terminal crisis of Stalinism the mistaken conclusion that 'the hour of Trotskyism' had sounded and that the possibility had thus opened of 'new Octobers'—that is of revolutions led by revolutionary Marxists. This superficial and 'objectivist' analysis led to the main sections of the International orienting themselves towards the 'construction of mass parties', also posing, in the case of Argentina, the question of the preparation of 'the struggle for power'. The balance-sheet adopted by a majority at the Fourth Congress indicated that

this orientation, ultra-left in its characterisations, had in practice led to a classic opportunist deviation."³⁶

The Zamora-Diaz tendency, organised into the International Moreno-ist Tendency (IMT), had around 15% of the delegates, and basically argued for the line to continue as before. No sooner had the Congress finished its work than the MAS split. Shortly before May Day the "Moreno-ist Tendency" (MT), led by Diaz and Zamora, left taking around one third of the membership with them.

This has provided the remaining MAS leaders with a perfect opportunity to restore their flagging left credibility.³⁷ In a speech to the 1 May rally MAS leader Ernesto González stated:

"In taking advantage of elections and other success, we forgot that our *raison d'être* was the workers' movement. We dedicated ourselves more to the election campaigns than to binding ourselves closely to our class. We adapted to a democracy which is not ours, which is not workers' democracy, but an electoral and parliamentary farce of the bourgeoisie and imperialism . . . We thought that the alliances with other currents that work in the labour movement, such as the Communist Party, were more important than the consolidation of the revolutionary party. At the same time we covered over this opportunist course with a shallow and foolish analysis of the world and Argentine reality. This got worse because, at the same time, in Europe the anti-bureaucratic revolution broke out. While the Berlin Wall fell and the workers started to crush the bureaucrats and the communist parties, we appeared in front of the masses arm in arm with Patricio Echegaray [PCA leader]."³⁸

There is more than a hint of opportunism in this. For decades many workers identified in the USSR and Cuba some kind of "socialism" and the MAS was happy enough to accommodate to this. Now that has changed and the MAS's previous electoral allies must be dumped.

The truth is the defection of Zamora is functional for the MAS leaders. But the critique of the electoralist deviation is still only skin deep. As long as the MAS leaders affirm the record of "maestro" Moreno up to his death, until they go to the roots of the centrist degeneration of the FI between 1948 and 1951 all the errors will return.

In the wake of the MAS's acknowledgement that the seizure of power was not on the agenda, the sections, which had all been faultless in their defence of the MAS's opportunism, suddenly discovered their voice and spoke out with a bitterness born of betrayal. One of the leaders of the French section, which for many years had been reduced to a publicity agency for its Argentine comrades, expressed himself in the following way:

"It was in Argentina the deviation reached its culmination. Misinterpreting the first developments of the political revolution in the East, losing their heads following organisational successes which could partly be explained by conjunctural factors . . . the leadership of the MAS launched itself into adventurist speculations about the possibility of a short-term seizure of power by the workers . . . The drift from a conjunctural tactic which should serve to break up the

obstacle represented by the Argentine Stalinist party to the conception of a quasi-strategic alliance (like the policy of the USFI), [was] spectacularly expressed at the May 1990 Congress of the MAS, when a section of the leadership went so far as to envisage the formation of a common party with the PCA."²⁰

More significant still, two tendencies—the Tendency for the Unity and Reorientation of the IWL, based in Brazil and Europe, and the Colombian section—criticised the IEC majority, arguing that programmatic re-elaboration was necessary.

If either of these two critical tendencies want to go to the heart of the recent errors then they must re-examine the very foundations of the IWL and the MAS. Agreeing to dissolve the tendencies and settling for another Congress in 1994 will not help the process of breaking with the past. Despite the recent turn, the IWL is far from having broken with its centrist method.

An opportunistically motivated break with *Stalinist* bloc partners is not the same as repudiation of the method of the "revolutionary united front" and the restless search for non-Trotskyist half-way homes to reside in. Without such a repu-

diation other bloc partners—such as Peronists—will be courted in the future.

Many of the criticisms voiced now inside the IWL were made three, four and even ten years ago by the LRCI. Our criticisms were indignantly rejected then by members of the IWL. Today they have adopted some of them. The IWL has said that one of the themes of its next Congress will be "programmatic re-elaboration". Three years ago, whilst the IWL was dreaming of taking power in Buenos Aires, the LRCI actually performed this fundamental programmatic task.

Our re-elaborated Transitional Programme, the *Trotskyist Manifesto*, provides many of the answers the revolutionary critics in and around the IWL are looking for. Our tradition, our intervention and our critical analyses can aid comrades who have seen through Morenoism but have not lost the ability to think and the will to struggle.

If we were to reach programmatic unity and a common democratic centralist discipline this would be a great leap forward in the work of reviving authentic Trotskyism. A starting point must be a critical examination of the whole history of Morenoism, and its roots in the centrist degeneration of the Fourth International. ●

NOTES

- 1 Less than a year earlier, amidst much pomp, they had fused with Pierre Lambert's international organisation to set up the Fourth International (International Committee) (FI-IC). The FI-IC had been greeted by its creators as "the greatest step forward since the creation of the Communist International". Within nine months the FI-IC had split into its component parts, blown apart by the political differences which it had sought to paper over.
- 2 See *Trotskyist International* 1, Summer 1988, for our critique of Morenoism up to 1979
- 3 LST (France) Bulletin Interne 4, p5
- 4 LST (France) Bulletin Interne, 29.9.83
- 5 Quoted in R Munck, *Latin America: The Transition to Democracy* (London 1989, p107)
- 6 "Projet de document national" (15.9.82) Bulletin Interne LST (France), N° 5, 1982, p9
- 7 Ibid., p12
- 8 Ibid. This opportunist project was not new. In 1972 Moreno had formed the PST by fusing with Carlos Coral's social-democratic Partido Socialista d'Argentina.
- 9 L. Trotsky, *The crisis of the French section* (New York 1977) p97
- 10 *Solidaridad Socialista* 22.4.83
- 11 Ibid.
- 12 Ibid.
- 13 MAS Internal Circular N° 27, 4.11.83
- 14 *Tribune Ouvrière*, 20.5.83, p4
- 15 This included 42,359 votes in the presidential elections.
- 16 *Tribune Ouvrière* 17, October 1983, p4. Despite this assertion, the key slogans advanced by the MAS for 1984, far from centering on the question of taking power as might be expected, were essentially economic demands calling for pay increases, for the reinstatement of workers sacked during the military *junta*, for factory meetings and the election of shop stewards. This failure to take its own analysis seriously suggests that, at most, Argentina was going through a pre-revolutionary situation in 1983-84. MAS Central Committee perspectives document 8.12.83
- 17 After all, Moreno had already gone through the process once before, following the failure of the initial PST bloc with Coral to attract the masses.
- 18 MAS Internal Circular N° 27, 4.11.83, p1
- 19 See R Munck op. cit.
- 20 MAS Internal Circular N° 27, 4.11.83, p1
- 21 *Tribune Ouvrière* 30, 29.11.85, p20
- 22 *Tribune Ouvrière* 52, July 1988, p12
- 23 Ibid.
- 24 For a reproduction of the IU programme and our full critique, see *Trotskyist International* 3, Summer 1989, p58-62
- 25 *International Courier* 38, January 1989, p37
- 26 *Courier International*, November 1989, p28
- 27 *Tribune Ouvrière* 59, September 1989, p2
- 28 *Tribune Ouvrière* 60, October 1989, p5
- 29 Ibid., p4
- 30 *Tribune Ouvrière* 60, October 1989, pp8-10
- 31 Ibid., pp9-10
- 32 See the comments on Argentina in the article on South America in this issue.
- 33 *Coordination* 10, November 1991, p7
- 34 *International Courier*, November 1989, p21
- 35 *Coordination* 10, November 1991, p8
- 36 *Coordination* 14, April 1992, p6
- 37 Hoping that the rank and file will not remember Moreno's conception of the MAS, they have had the cheek to claim that "the MT defended the conception of a 'party of action', the politics of which would be expressed in three or four slogans, as against the Leninist-Trotskyist-Morenoite(!) conception of a party of socialism with a transitional programme, building itself through a combination of agitational, propagandistic and organisational tasks."
- 38 *Coordination Supplément International* 5, May 1992, p23
- 39 *Solidaridad Socialista* 6.5.92
- 40 *Coordination Supplément International* 5, May 1992, p23

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