

socialist

February 1983:2
Issue 51 50p
Unemployed 25p

REVIEW

Monthly Magazine of the Socialist Workers Party



**CAN
THE**

WORKING CLASS

STOP

THE

BOMB?



Pay claims and inflation

Each month through 1982 the CBI announced that the average level of pay settlements was falling. By December the CBI said the average was 6.1 percent. **Stuart Ash** looks at what is happening and at the prospects for 1983.

The CBI has a pay databank which monitors pay settlements in private sector companies in manufacturing industries. During 1982 it used the results of its surveys to announce month by month that levels of settlements were falling steadily over the year. However, in the figures released in January this year it says that the average level dropped from 7 percent in the last quarter of 1981 to 6.1 percent in the last quarter of 1982. So the drop over the year was less than one percent. Hardly a dramatic figure, given that the annual rise in inflation fell from 12 percent in December 1981 to 5.4 percent in December 1982.

First phase

The fact is that during the first phase of the recession (1980-82), pay settlements in manufacturing industries slumped well below the rate of inflation with fights over jobs or fear of the dole having a decisive effect on expectations. Quite a lot of workers, particularly in engineering have had to accept temporary freezes on pay or deals around five percent when inflation was more than twice five percent.

But not everyone has had to suffer such cuts in real take-home pay (real—after accounting for inflation). The impact of the recession has been uneven and you cannot generalise from the experience of the worst hit sectors of engineering. Some companies have given increases nearer the rate of inflation, but then such deals have been done in the context of tough new productivity clauses and union agreement to job losses. Some managements have ruthlessly bought radical changes in manning and efficiency by dangling the carrot of real pay increases.

The picture is now changing, ushered in by



Though the private sector has matched inflation, health workers were forced to accept 4.5 percent

the government's success in bringing the annual rise in inflation down to five percent. The six month rise in inflation from June to December 1982 was just 0.8 of a percentage point. The government is jubilant that this has been achieved but we must emphasise that it is the consequence of a complete collapse of world commodity prices in the depths of recession and levels of unemployment that are without precedent for fifty years.

Despite this fall in inflation, wage increases have not fallen to the levels hoped for by the government. Early last autumn the Tories announced a cash limit policy for the public sector of 3.5 percent in an attempt to push expectations down even further. But the CBI has now told us that half of all private sector manufacturing pay deals have been for more than inflation. Their Databank says that most settlements in the last three months of 1982 were between five and eight percent and that 40 percent of the recorded settlements were for increases that were higher than the previous settlements twelve months before.

The government's policy is to drive all settlements down during 1983 and it doesn't like the fact that the private sector is matching inflation in its settlements. One

reason for the government's disquiet is that inflation will start to rise again from its floor of five percent in the second half of 1983 and workers' expectations might start to rise in step. The Tories are therefore out to force pay deals below five percent wherever it can in the public sector. The health service workers have already been forced to accept increases of 4.5 percent from this April. The council workers have been offered flat rate increases of £3.25, worth 4.5 percent on the pay bill. The civil servants have been told they can have whatever they like so long as it's 3.5 percent. Teachers have been told that they'll be lucky to get anything more than three percent.

Assault on pay

The trade union bureaucracy is paralysed by the assault on public sector pay. The resolution passed at last year's TUC on co-ordinate union action in the public sector looks a sick joke. Union leaders in the private sector are no different. Terry Duffy led the Confed in the negotiations which resulted in the 4.8 percent settlement of the national engineering agreement, a negotiation which was once important and now looks like being scrapped within a year or so.

There are company level negotiations where pay increases are less gloomy: in electronics, pharmaceuticals, chemicals, finance, brewing and even bits of mechanical engineering. But while quite large numbers of workers may keep pace with inflation during this year, the collapse of employment in manufacturing looks set to continue with a vengeance and young workers will be the subject of a major offensive on youth pay rates. The EETPU has reached agreement with the electrical contracting employers on a new scheme to end the old style apprenticeship and cut the pay rates for new entrants at 16 to £29.88 down from £41.62. Similar agreements are being sought in engineering and construction.

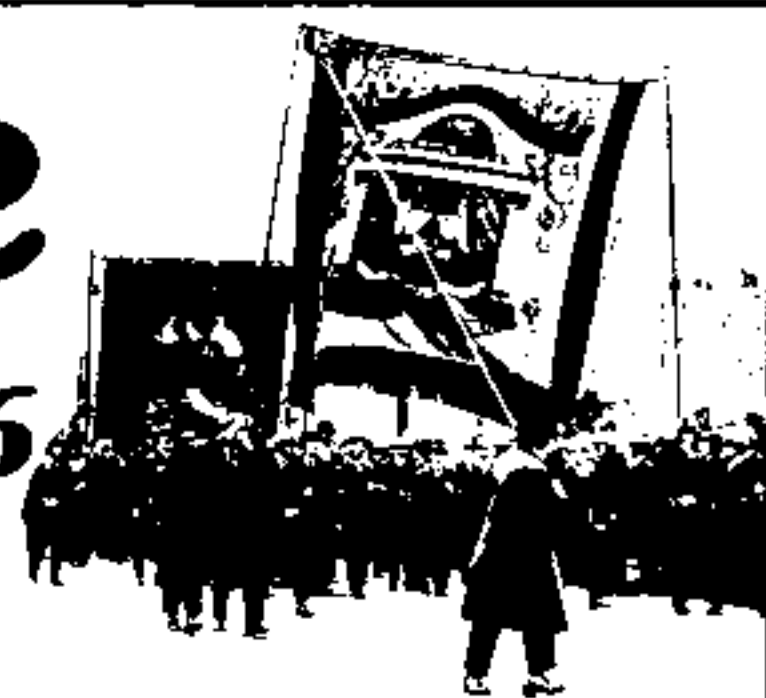
There will be no light back this year from within the trade union bureaucracy but there may well be more than a few skirmishes by organised workers at factory level fighting for a few pounds more. Pay claims and settlements may look rather flat at the moment, but this could change. As the economics correspondent of The Times said on 20 January:

'The government is hoping that most of the crucial pay deals in the present round will be out of the way by late spring when the rate of inflation—after falling to about five percent—is expected to rise.'

Days of Hope

THE GENERAL STRIKE OF 1926

A Socialist Workers Party pamphlet by Chris Harman and Duncan Hallas. Single copy: 65p plus 20p postage/ten for £5.50 post free. Available from Socialists Unlimited, 265 Seven Sisters Road, Finsbury Park, London N4 2DE





Demonstrators at the 1980 Welsh Tory Party Conference. Will CND be able to generate the same enthusiasm in 1983?

Stopping the bomb

The success of the Greenham Common Peace Camp and the results of recent public opinion polls have given CND a new lease of life. A campaign and an issue which were losing momentum are back in the centre of the stage.

The growth of opposition to Cruise and Pershing missiles, not just in Britain, is causing a major headache for NATO's rulers. Hardly a day passes without a press report of some new, and probably contradictory, statement from a politician or general either in Europe or the USA.

Even the government of Canada, that supposedly 'non-nuclear' member of NATO, is in trouble over its decision to allow the US to test-fire Cruise missiles on one of its missile ranges whose features 'approximate closely to an operational environment'—are similar to northern Europe.

For the US government, the stakes are

particularly high. The issue is no longer simply military. Since the last years of the Carter administration the US government has had two major objectives in Europe. One was to put pressure on the Russian economy by pushing up arms spending and forcing the Russians to stretch their tottering industry to breaking point in an attempt to match them.

The second was to use the still-overwhelming weight of the US military and economic machine to whip some of its more recalcitrant allies into line. The growth of the West German economy, and its close trading and financial links with the Eastern bloc, meant that it was less and less willing to kow-

socialist REVIEW

PO Box 82, London E2 01 729 2986

Contents

2	THE ECONOMY
3	Wages
8	NEWS & ANALYSIS Stopping the bomb
12	NEWS & ANALYSIS The Peace Camps
14	NEWS & ANALYSIS Russia and armaments
17	MARX CENTENARY Marx the philosopher
21	THE ECONOMY Finance Capital
25	NEWS & ANALYSIS Ghana
28	LABOUR HISTORY China
30	NEWS & ANALYSIS Italy and terrorism
32	ARTISTS REVIEWED George Grosz
35	BOOKS Reviews
36	BOOKS The Bookmarx List
	ARGUMENTS ABOUT SOCIALISM Lost revolutions

Edited by Colin Sparks
Assisted by Stuart Ash, Dave Beecham, Norah Carlin, Sue Cockerill, Peter Court, Andy Durgan, Pete Goodwin, Noel Halifax, Gareth Jenkins, Christine Kenny, John Lindsay, Ann Rogers, Jim Scott, Marta Wohrle.
Production John Lindsay
Business Clive Hopkins
Reviews John Lindsay

Subscription rates for one year (11 issues):
Britain and Ireland £7, Overseas Surface £8,
Europe Air £10, Elsewhere Air £13.50
(institutions add £5). Cheques and postal
orders payable to Socialist Review
Socialist Review is sent free to all prisoners
on request
ISSN 0141-2442
Printed by East End (Offset) Ltd, (TU all
depts) London E2

tow to Washington on every little question. By raising the international temperature a few degrees, the US hoped to be able to force them back into the subordination of the 1950s.

The process could be seen very clearly in the NATO governments' responses to the Polish *coup d'état* of December 1981. Reagan pushed hard for an aggressive stance towards Russia and Poland, trying for example to stop the export of construction materials for the Siberia to West Germany pipeline.

The West German government, and even the normally tame British, just had too much at stake to agree. That time round Reagan lost, caught out by huge US grain sales to Russia: John Brown's and the rest continue to export US-designed equipment for the pipeline.

The decision to impose Cruise and Pershing on the population of Western Europe is now part of that political struggle within the NATO camp. Of course Reagan and his advisors want the missiles installed so that they can be used: the 'theatre nuclear war' is now a publicly admitted part of US policy. But from a purely military point of view the deployment of these weapons is not decisive.

Under pressure from the peace movement, even the political hardliners and military zombies are starting to admit that the military case is not vital. Professor Michael Howard, an academic apologist for militarism, recently argued that the decision was 'a totally unnecessary piece of over-insurance'. Even without these particular nuclear weapons the USA would still have a vast arsenal ranging from air launched Cruise missiles to a new generation of nuclear bombers quite capable of carrying out any conceivable military task.

Military softens

Even the US military, the hardest of the hard, are starting to soften their negotiating position. They are questioning the inflexibility of the US 'zero option', which calls for the USSR to remove all its SS20s in return for the non-deployment of the new US missiles in Europe. They are now canvassing other positions which give the Russians a bit more room for manoeuvre.

The central argument is now a political one: the European governments must be

seen to put domestic political embarrassments second to the orders of the White House. Anything else would signal a weakening of the 'Western Alliance'. The US would be seen to be losing the grip over a core region of the world which it has held since 1945.

Whatever public and private doubts sections of the ruling class or ex-Field Marshals may have on the siting of Cruise, the Tory Government at least is firmly committed to US policy.

They have been prepared to face out a number of potentially very embarrassing situations in the pursuit of loyalty. The relocation of the main US headquarters from Germany to Britain was a public statement that the theatre war strategy was a serious one—and the Tories defended it. The refusal of a 'dual key' to Cruise was a public statement that it will be the US ruling class that calls the shots in a nuclear war—and the Tories defended it. They have nailed their colours to a mast which stands over Greenham Common.

Public opposition

Growing public opposition to Cruise means that they face something of a crisis. The appointment of Michael Heseltine, who might have done nothing for Toxteth but apparently looked very good doing it, was announced as the appointment of a man who could 'fight CND'. The fact that he seriously considered a public debate, in front of an audience, with CND is a remarkable step for a government minister, and one which shows that the Tories at least take CND seriously.

So too, increasingly, does the Labour Party. The prospect of a general election focusses the reformist mind wonderfully on any possible vote catching wheeze, and they have noticed that opposition to Cruise is one of the few things which they have to say which connects with what people are worried about.

It is, of course, a cynical manoeuvre. The last Labour Party Conference might have voted overwhelmingly for unilateral nuclear disarmament but it also voted solidly for the Healey wing of the party. The people actually making the decisions in the Labour Party today are the same people who ran the last Labour government and secretly modernised the existing Polaris system.

They have been very careful, again with an eye to votes, not to fight on nuclear disarmament, which is not too popular, but on the issues of Cruise and Trident.

Even if they win the next election, and the signs are that they will not, then it is an open question as to whether they will stick to any of the vague promises they are making today. They might—just—stop Cruise on the grounds that it is unnecessary for 'security' and they might just cancel Trident on the grounds that it costs too damned much for a collapsing economy. But it is virtually certain that they will not scrap the existing nuclear systems and absolutely certain that they will not take Britain out of NATO.

Whether the Tories face a serious political crisis over Cruise, whether they will call an election and give Labour the chance to play its shady trump, and whether that will win the trick, even what will happen should Labour win, are all imponderable. We cannot answer these questions here and now.

We can say with some certainty what the decisive factor in influencing that outcome will be: the central issue is the strength and type of the opposition.

CND today is undoubtedly the organisational leadership and political focus of the anti-bomb movement. The various compromise movements like the World Peace Council and the European Nuclear Disarmament movement are at the present moment marginal. This is to the good, since CND is at least firmly identified with unilateral nuclear disarmament.

Looking less rosy


If we look a bit closer, things start to look less rosy. The evidence is that at least up to Christmas 1982 the organised cadre of CND was declining in numbers and activities. In part that reflected the difficulties of providing meaningful activity for the new and energetic people who were attracted to the campaign in their thousands two years ago.

Because CND as a national organisation did very little apart from organising two demonstrations a year it was very difficult to build an active and interventionist local grouping.

What is more it seems that those who remained organisationally involved with CND were becoming more and more 'middle class'. This term needs to be used with caution, since many if not most of the people we are talking about work for their living, often in fairly senior white collar jobs.

What is certainly true is that the number of manual workers involved was never very high and CND has made no effort to increase it. In addition, those white collar workers are often *members* of trade unions but seldom trade union *activists*. The tendency was, and still is, to see the problem of the bomb and the problem of the workplace as separate and distinct.

The proof of this is, sadly, easy to find. The number of trade union banners on any of the big CND marches has been pitifully small. *Sanity*, old and new, devotes little space to trade unions and even that is more likely to provoke angry letters denouncing 'classism' than anything else. Trade Union



THE LOST REVOLUTION

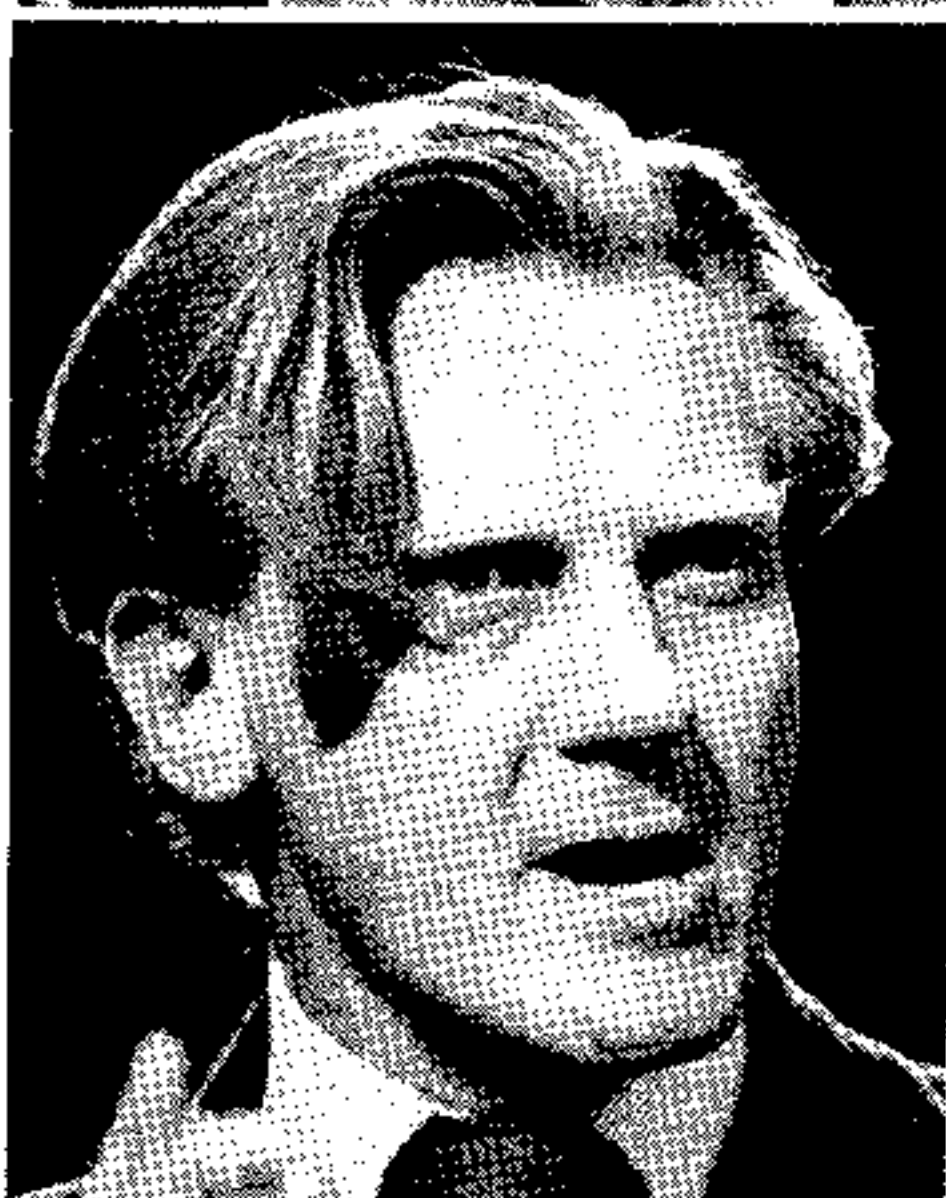
Special offer to Socialist Review readers

■£3.95 (plus £1 postage, £2 maximum for bulk orders)
I enclose £..... (postage included/cheques payable to Socialists Unlimited). Return to Socialists Unlimited, 265 Seven Sisters Road, London N4 2DE.

Name

Address

.....



Michael Heseltine's appointment as Minister of Defence shows that the Tories are beginning to take CND seriously

CND is a shadowy and inactive body: any good ideas are quickly squashed by the national leadership. The number of workplace CND groups is tiny and most have been set up by revolutionary socialists.

The active membership of CND is middle class in the sense that it sees workers and workers' struggles as, at best, a useful adjunct to the struggle against the Bomb and at worst a total irrelevance.

What is more, a good proportion of this active membership is moving to the right. Take the example of NATO. This has been a CND target for many years and the constitution of CND states quite clearly that Britain should withdraw. For some two years there has been a strong tendency to downplay NATO in favour of more 'realistic' demands.

Mutual dissolution

Faced with a challenge over this at the 1981 conference the leadership finally agreed to produce a pamphlet stating the CND case. This they did only weeks before the 1982 CND conference. In the meantime there had been articles in *Sanity* arguing that the CND position was not really for British withdrawal but for the mutual dissolution of NATO and the Warsaw Pact.

In the event, the issue of whether CND should continue to campaign against NATO was discussed formally at the 1982

Conference. Despite a plea from the blessed Edward Thompson the conference voted to continue the campaign. What was important was not the size of the opposition vote or their defeat but that one of the central planks of CND should be up for discussion at all.

In sum, whatever its size, CND does not inspire confidence in its ability to lead what is bound to be a very hard-fought struggle.

That, however, is not the end of the argument. The issues raised by the fight against the Bomb are too important to be ignored simply because the leadership of the movement is too feeble to be capable of winning.

A very large number

The movement of which CND is the leadership is much larger than the active membership of the organisation and is in many ways healthier. There can be no doubt that the issue of opposition to Cruise is capable of mobilising a very large number of people indeed.

The Greenham Common demonstration, in the middle of the winter and in the middle of the sticks, and mobilising very largely women alone, after all pulled around 30,000 people. The Easter demonstrations will be very much larger.

It is also true that opposition to the Bomb is very much more working class than the active membership of CND suggests. The opinion polls, for what they are worth, show conclusively that mass opposition to Cruise—and indeed support for the other, harder, aspects of the CND programme—find their strongest support amongst manual workers. Indeed, a moment's thought about

the sheer size of CND demonstrations confirms that there simply are not enough trendy vicars and vegetarian separatists to fill Trafalgar Square to bursting point.

This support, however, is very passive. Up until now CND has not been able to offer any way in which the mass of its supporters could be organised other than the occasional demonstration. There is every sign that as the date for the installation of Cruise approaches more and more supporters of CND are looking for a more active means of opposition.

The rise of 'Non-Violent Direct Action' is in part a reflection of this. It provides some sort of activity which involves rather more than the occasional outing to London and listening to lots of worthy speeches.

The idea of such action has a venerable tradition in the anti-Bomb movement. As early as April 1957—before the foundation of CND itself—the Emergency Committee for Direct Action Against Nuclear War was formed. Amongst its leaders were many who had organised small direct action sit-downs in the early fifties and others like Bertrand Russell who were to lead later actions. It was this committee which launched the first Aldermaston March.

Firmly respectable

Although CND was formed directly out of the initiatives of this and similar groups, and although its founding conference on 17 February 1958 was followed by 1000 of its supporters marching to Downing Street and getting into trouble with the police, the organisation itself was firmly respectable.

During the whole period of the first wave of CND, including the time when it seemed to be winning inside the Labour Party before their crushing defeat in 1966, there was a continual undercurrent of Direct Action. The leadership of CND always found this strategy uncomfortable but the 1960 conference passed a resolution stating that participation in direct action was 'not incompatible' with membership of CND.

The famous examples of direct action from that period were organised not by CND but by the 'Committee of 100'. The official leadership of CND denounced the formation of this group as the 'greatest possible mistake'.

Direct action

The Committee of 100 was able to organise quite substantial examples of direct action. For example, it called for simultaneous demonstrations on 17 September 1961 in London and at the US submarine base at Holy Loch. Before the demonstration 36 leaders were arrested. Thirty two refused to be bound over and were sent to prison. Twelve thousand people turned up in London and 1314 were arrested. Three hundred and fifty one were arrested at Holy Loch.

The situation today is somewhat different. The CND leadership are now formally committed to direct action although active support for Greenham Common was forced on them by the movement itself.

There are still sufficient parallels for us to be able to learn some lessons from the first wave. The drive to direct action was always present in CND although it grew to mass proportions after the defeat at the 1961 Labour Party conference closed the parliamentary road to disarmament. It was not, therefore, responsible for the first collapse of CND.

On the other hand, despite the hostility of

the CND leadership, the two strategies were not incompatible. Direct action absorbed the energies and time of the most committed and potentially troublesome activists and allowed the official leadership a clear field to get on with their preferred business of lobbying in the backrooms of the Labour Party.

Much more importantly, the record shows that both the parliamentary road *and* the direct action road were dead ends. The courage of those prepared to go to jail rather than pay their fines is not in doubt, but that courage was in no way enough to shake the state.

The most committed activists were the ones that spent the most time in jail. They were therefore automatically cut off from the mass movement which supported them. And the threat of heavy repression meant that committing oneself to direct action meant to sacrifice a great deal all at once. It was not a strategy which encouraged mass participation.

Even when it managed to mobilise large numbers of people, there is no evidence that it seriously threatened the state. The police and courts were quite happy to fill the jails. Even if the movement could have mobilised so many people that the jails were crammed to bursting point there is no evidence that the state would not simply have built more jails. That, after all, was exactly what the British in India did when the patron saint of direct action, Gandhi, mobilised a much larger number of people.

Both the parliamentarianism of the leadership and the direct action of the more determined militants can live together because both are based on the idea that it is a question of people of good will standing up for what they believe is right. Neither is a class strategy.

But the direct action strategy contains a rational kernel which is lacking from the leadership perspective. The focus on parliament is based on the idea that somebody else will stop the bomb for you. Direct action is founded on the idea that the bomb can only be stopped if you are prepared to do something yourself.

This vital difference means that the *possibility* exists of the anti-bomb movement developing a strategy that can win. The issue at stake is what concrete meaning the slogan 'direct action' has in practice.

Will lead to defeat

Today there is no doubt that the dominant meaning is one which can only lead to defeat. The leading proponents of direct action are pacifists: that means that they are as opposed to class war as they are to nuclear war. Many are also feminist separatists: that means that they see the idea of class unity as interfering with the self-organisation of women.

But to say that these are the dominant ideas is not to say that every last one of the 30,000 women who went to Greenham Common last December, of the thousands more who will go next time, agree with every last dot and comma. Rather there is a spectrum of opinion ranging from enthusiastic endorsement to a vague disquiet. There was and still is an audience for the idea of direct

action as direct workers' action. A *tiny* part of that audience is also open to revolutionary ideas.

It is important to be clear about the fact that that audience is very small and very unconfident. One of the reasons for the size of the mobilisation around the bomb is that there is very little else going on. People who would be caught up in the class struggle in a period of working-class advance look, in the present period of retreat, for another outlet for their discontent with the system and their political energy.

Unless you are a revolutionary socialist with a perspective which accounts for the downturn, the idea of a workers' struggle against the bomb, however attractive in the abstract, seems very remote from the current situation. So however uneasy you might feel about the politics of the current leaders of direct action it is difficult to argue with any confidence for an alternative direction.

Unless that small number of people are given confidence and direction then it is likely that the pacifist arguments will dominate the campaign until it is defeated. It is therefore a matter of some importance that revolutionary socialists try to find ways of relating to the minority who still think in terms of class.

The primary mechanism for winning those arguments is not likely to be the formal organisational structure of CND. CND supporters with a serious commitment to the working class are more likely to be found in the workplace and the trade unions than in the local groups.

Win modest support

That is not to say the branches are of no importance: not only are there individuals who are prepared to relate to workers but very few of the groups are so actively hostile to the working class that they will refuse even the idea of trade union work. It is simply that they are unlikely to actually undertake such activities themselves.

Rather, the key to winning active working class support for CND is to be found in parallel to the official structure of the organisation. As the campaign to win support for the Newbury Court picket on 15 February shows, it is possible to win at least modest support in the trade unions for an activity which takes place on a work day.

Modesty has to be the key word for any such activity. Any idea that the substantial working class opposition to the bomb which exists today can be turned overnight into working class activity against the bomb is an even greater recipe for disaster than a strategy which seeks to ignore workers. It will undoubtedly have the effect of demoralising its advocates when they fail, as they inevitably will, to win the 'general strike to stop the bomb' or whatever nostrum is adopted.

The force of the argument which runs: 'The miners cannot even fight redundancies so how the hell do you expect them to stop the bomb?' is considerable. It can only be answered by practical steps which show that it is possible to start to build working class opposition. That means beginning with what can be won today—even if that is only a

HOW MARXISM WORKS
by Chris Harman
Socialist Worker's basic introduction to the ideas of Marxism.
60p plus 20p postage/ten for £5 post free, from Socialists Unlimited, 265 Seven Sisters Rd, London N4
A Socialist Workers Party pamphlet



Bertrand Russell addressing the first rally of the Committee of 100 in 1961. Outside the control of CND the Committee of 100 was able to organise quite substantial examples of direct action.

resolution of support for the Greenham Common women.

There is no doubt that audience for the socialist answer to the problem of how to defeat the bomb will be easier to win in direct proportion to the number of trade union delegations outside the court on 15 February.

Little victories like a delegation to support a CND activity do not simply help to shift a layer of the movement towards a realistic strategy. They are also a small contribution to the difficult task of rebuilding the working class movement as a whole.

Renewing confidence

For the experienced activist who has experienced three or four years of retreat and defeat on pay, jobs, productivity and the rest, a small victory in CND is important for renewing confidence. For the younger workers and those for whom CND represents their first political involvement, arguing for a resolution on Greenham Common can be an introduction to trade union activity.

If the attempt to build trade union support for fighting the bomb has to start from a recognition of the real state of the working class movement and from a recognition that the degree of organisational support from

CND itself will be limited, it also has to start from a recognition of the real state of the anti-bomb movement itself. Whatever its failures, weaknesses and limitations, there can be no doubt that CND is and will continue to be for the foreseeable future the political focus of any campaign.

The initiatives of CND will continue to be poles around which working class involvement will be built. Many of these initiatives will be of a kind which makes the task of winning support from the workplace difficult. This will not be because any organised force in CND is hostile to such support but simply because none of their perspectives recognise its vital importance and are thus blind to the obvious tactical consequences which are necessary to maximise support.

Greenham Common provides a classic example. We argue elsewhere in this issue the problems of the peace camp strategy. It would be better if the energy and courage which is going into dancing on top of siloes went into forcing the TUC to get off its backside and actually affiliate to CND.

But that is not going to happen tomorrow and, whatever its shortcomings, dancing on the siloes is the current focus of the movement. Any small campaign inside the trade unions for TUC affiliation will be built out of support for women of Greenham

Common and not in opposition to them.

The possibilities are there for at least a small shift in the direction of the campaign. It is most important that such a shift occurs. Not only is the issue of great importance in itself—socialism or barbarism is a concrete question in the struggle against the bomb—but is one which could develop into a major political crisis capable of upsetting the Tories' plans.

That shift can only be achieved by the detailed arguments over the centrality of the working class. The debate around tactics over the bomb very quickly raises much more general issues over the whole of politics.

The way in which arguments about war and peace lead on to other questions can be seen in reverse in the way in which Thatcher has been able to use the war in the South Atlantic for her domestic political ends. The ruling class is only too keen to generalise when the question of the national interest is sharpened around armed conflict.

That process can work in reverse as well. From direct action to the nature of the state, from nuclear deterrence to the class nature of the Soviet Union, it is possible to make links which go to the core of revolutionary politics without intellectual contortions.

Open to arguments

There is a minority inside the anti-bomb movement which is open to those arguments. Both of the major currents in the movement try to avoid confronting the issues. The parliamentary wing shifts to the right to try to avoid the awkward questions of NATO and national defence. The direct action wing attempts to block off all political discussion by reducing the fight against the bomb to a moral question.

Reality keeps on upsetting those convenient little schemes. Moral protest runs up against the brute power of the state. Parliamentarianism runs up against the brute power of the Labour Party right wing. Today those problems are only apparent to a tiny number of people involved in the campaign but as the arrival of Cruise draws nearer and the barrage of argument mounts, particularly from the Tories, the cracks will widen.

The danger is not simply that CND will continue to follow a strategy that leads into the wilderness but that it will lose the argument altogether. A slight straw in the wind which that apparently unlikely possibility can become a reality is given by the results of opinion polls.

These should be treated with caution, but they clearly show that there are two opposite developments taking place. While the number of people opposed to Cruise is growing, the number in favour of unilateral disarmament is actually falling. That contradictory result shows that not everything is running CND's way and that there is considerable confusion to be overcome.

That confusion can be overcome in a number of ways. The Tories have been prepared to spend £1m making sure that it is overcome *their* way. We have to make sure that it is overcome *our* way. □



Enthusiasm is not enough

The peace camp at Greenham Common has raised questions about what tactics are necessary to stop Cruise missiles. Jane Ure Smith and Marta Wohrle show the weaknesses of women only protest and non-violent direct action.

For the greater part of 1982 anti bomb activity was at a low ebb. CND groups contracted and national membership ceased to grow. Meanwhile, attention began to focus on a small group of women who had set up camp outside the Greenham Common Air Force Base in Berkshire. They marched there from Wales in the autumn of 1981. And, following their example, other peace camps began to spring up, most of them including men.

The arrest of the women at Greenham became a public event. The television cameras whirred as Tony Benn, Edward Thompson and the Bishop of Salisbury turned up to give evidence on the women's behalf. When the women were sent to jail, a chord of sympathy echoed throughout the ranks of those opposed to the bomb.

That was the beginning of a new phase of the movement around CND. With less than

twelve months before Cruise missiles are due to arrive, direct action at Greenham has become a major focus for the campaign.

More than 30,000 people turned out to surround the base at Greenham on 12 December. Two thousand women stayed overnight to blockade the base next day. The predictions are that much larger numbers will turn out at Easter to demonstrate at Greenham and Faslane, the submarine base in Scotland where there is also a peace camp.

This new phase of the movement raises a number of new arguments which socialists in the campaign have not had to deal with before.

Without question

At CND's annual conference last November the leadership swung into gear to support the first Greenham demonstration as a *women only* protest. The majority of the delegates accepted this without question and calls from a minority for a proper debate on the issue were neatly swept aside by the chair.

In workshops at the conference there was much talk about women being allowed room to 'expand their space' and develop specifically 'female' forms of protest in opposition to 'male' tactics which have dominated anti-establishment protest in the past. Any discussion of how we actually stop the missiles

was lost beneath a welter of words about women's self development. Feminism appeared to be *the* central issue for the campaign.

Feminist arguments have indeed held sway in the campaign since then, but not because CND activists are committed above all else to the fight for women's rights. Events have forced the arguments to emerge rather differently.

Women turned out in large numbers to surround the base in December, many certainly spurred on by the excitement of women taking a lead. But in general the feeling around the nine mile perimeter of the base was simply one of enthusiasm for action. There was little hostility to men nor to socialist argument about the most effective tactics. Feminism was very much a secondary issue on the day.

Indeed the feminist movement was far from united in its arguments. Some women felt a certain disquiet with the protest, arguing the campaign for peace was a diversion of the proper concerns of the feminist movement. *Spare Rib*, the best-known feminist magazine, was critical in a number of respects. One member of the editorial board commented:

'The carnival atmosphere was very joyful and especially welcoming for children, but I had my strong doubts about non-violent direct action, a passive resistance, in the face of such a violent piece of military hardware as nuclear weapons.'

Another member of the *Spare Rib* collective had this to say after the blockade of the base the next day: 'Incredibly after being roughly shifted by the military police, some

women shouted back, "Don't you realise we're doing it for you," and singing "give peace a chance" at them through the gates. It seemed there was no room to voice anger at the brutality of the British police and army, and no memory of its history.'

But since those December demonstrations the Greenham women have staged a number of stunts, which have kept the nuclear issue in the headlines and themselves at the forefront of the campaign. The most spectacular of these was the invasion of the base at dawn on New Year's day, when 44 women scaled the wire and danced on the partially constructed missile silos, making a laughing stock of military security.

The fact that these women have taken the initiative in the campaign when nothing else seemed to be happening, and have been willing to camp in freezing, muddy conditions outside the bases, has led many to believe they are somehow above criticism.

Basically peace camps have made people feel guilty. To feel that if you are unwilling to abandon hearth and home for a draughty tent and thermal underwear then your commitment must lack strength. What right have you therefore to criticise? It is the same argument that permeates the left from time to time about the issues of racism and Northern Ireland. If you are not willing to spend your time physically defending Asian families from racial assault, or if you are not willing to fight above all else to get the Brits out of Ireland then you don't have the moral strength that it takes.

Because people feel too guilty to criticise, the tactics pursued by the Greenham women go unquestioned. And because these tactics are essentially experiments in 'female' protest, feminism has remained centre stage.

Some indication of the support for the women-only tactic can be gleaned from the coverage of events in the press. The *Guardian* sparked off a fierce debate by printing two letters which argued that it was divisive to exclude men, and therefore wrong. A torrent of replies poured in asserting that women must be allowed to do their own thing.

Exhilaration

First hand accounts from women who were involved in the blockade have filled the pages of the left press. Most women write of their exhilaration at being involved in action for the first time in their lives. They express the sense of joyful solidarity which made the slogan 'sisterhood is powerful' the catchphrase of the early women's movement: 'I feel I know a different kind of power now, a different sort of political action—stronger, more permanent, more alive.'

Many men have bought a slice of the argument as well, agonising as to what their role should be. The consensus is expressed in a letter to the *Leveler*: 'There were times on Sunday when I found it difficult—being a man and only helping, hidden away from this huge, joyful confident throng of women. But as I adjusted, I felt an amazing spirit being generated, strange and new to me.'

'I remember the fence on Sunday night, lit up by thousands of candles, flickering in the grass at the foot. Women setting off from the camp to blockade the gate at 6.30 in the

morning, and at the end of the day, seeing women dancing round the fire, singing, whooping.

'I realised I could only help that spirit by keeping my head down and making tea.'

All credit is due to the women for their initiative and for the resolve of those who were arrested to go to jail rather than be bound over to keep the peace. But an admiration for their style should not be allowed to become a reverence for their tactics. There is an urgent need now to look critically at the women's major tactic—non violent direct action—and to question the assumptions and arguments that lie behind it. Only then can we reconsider the question of how we stop Cruise and bring about unilateral disarmament.

Non violent action

Let us return for a moment to the debates of the CND conference. A motion advocating non violent direct action as a major tactic for the campaign was passed overwhelmingly. The proposer, in summing up, had this to say:

'Non violent direct action is about attitudes, not just actions. It is about structures and how we break down patriarchal society.'

These words are in many ways a shorthand statement of a view that many people on the left subscribe to today. The devastation of industry and the ever-lengthening dole queue have produced a crisis of confidence in traditional methods of working class protest. Precious few beyond a handful of revolutionaries believe that the working class has the power to change the world.

The mainstream of the women's movement have ceased to believe that the struggle

for equality is part of the class struggle as a whole. Marx has been edged aside by Freud in an argument which says that patriarchy, male dominance, not the capitalist system, is the real problem. Elbow men out of their positions of power, they argue, and the world would be a different place. This is one of the main assumptions behind non violent direct action.

The theory of patriarchy assumes that male violence is responsible for producing society's ills. It is only too easy to look around you and single out male violence as an explanation for everything from wars and the arms race to rape and domestic brutality. By contrast women are said to be—either by nature or conditioning—passive and non violent. It is these qualities, feminists argue, which must now be asserted to dismantle a violent world.

The women at Greenham share a diversity of opinion on how to stop the missiles, but they are unified in a belief that passivity and non violence must play a significant part in the fight against Cruise. A recent survey of public opinion suggests that their actions have made more people think favourably about disarmament. But to influence public opinion is one thing, to get rid of the missiles is another. Are these non violent tactics the key to stopping the bomb?

Potential violence

The obvious socialist argument against a rigid adherence to non violence is that the outcome of any protest cannot be predicted in advance. The situation is always potentially violent because the police will always ultimately resort to strong arm tactics to 'protect' property and assert control. Anyone who has ever stood on a picket line





Grunwicks 1977: The fact that many feminists did join the picket line suggests they saw beyond the blanket statement 'men are the enemy'

knows how swiftly the heavy line of blue moves into action to ensure that management and scabs get through.

Women at Greenham—some of whom were dragged by the hair and flung in ditches despite the police's 'softly softly' approach on 13 December—willingly concede this point. But they still argue non violence is the right tactic.

They argue the blockade of the base was a triumph and point to the very small number of arrests on the day. If it had been a mixed protest of men and women there would automatically have been a great deal of aggro and massive arrests, they claim.

In the sense that the blockade has made many who saw it on their televisions more confident and enthusiastic about becoming involved in the campaign, the event was undoubtedly a triumph. But it does not necessarily follow that women-only, non violent direct action is the best way to stop Cruise.

The barrier to accepting that this might be the case, is most often a belief that male power shapes the world. It is the basic argument that should be dealt with first.

Male power

A belief that male power shapes our society inevitably must mean defining men as the enemy. Yet the day to day struggle for women's equality presents problems for this assumption at every turn.

Take for instance the nurses—predominantly female—who fought long and hard last year for a decent wage. Surely their dispute was part of the fight for equality. Yet who should a nurse see as the enemy? Were the

men who fought alongside her as much to blame for her low wages as Norman Fowler?

Or to take another example: the Grunwicks dispute six years ago when a group of Asian women battled for union recognition. On one side of the picket line was a huge number of predominantly male trade unionists. On the other an equally huge number of exclusively male police. There was quite a lot of violence. Yet the theory of male power is not much use in explaining the situation. It can only lead you to reject both sides as an indistinguishable bunch of male thugs. A feminist who accepted the theory could only abandon the struggle altogether.

No explanation

But the fact that many feminists did join the Grunwicks picket line suggest they saw beyond the blanket statement 'men are the enemy'. They saw a need to understand feminist issues in terms of class.

The distinctions then fall into place. Norman Fowler belongs to a class whose economic survival currently depends on holding down the wages of workers—both male and female. The police were at Grunwicks to 'protect' the property of factory boss George Ward and to make sure his scabs got through the gates each day.

It is no easier to explain nuclear weapons than it is to explain Grunwicks or the health workers' dispute without seeing them in terms of class. The male power argument runs into trouble straight away. Is a miner or a water worker to blame for the arms race in the way that Reagan and Andropov are? After all they are all men. And what about Margaret Thatcher? She's a woman so

doesn't that complicate the argument still further?

The argument quickly becomes nonsensical in these terms. Quite simply, nuclear weapons cannot be explained as a product of male power. The only way to make sense of them is to see them—along with other conventional weapons—as the means by which our rulers defend their profits, their raw materials, their factories and their oil wells which lie beyond their own frontiers.

The current crisis has meant instability and a shifting of political alignments within the spheres of influence the world powers like to claim as their own. Their response has been to produce a new generation of deadly weapons and to threaten more openly to use them. Pershing, Cruise and SS20s are there to defend our rulers' wealth abroad, which is the basis of their power back home.

In other words they are there to defend class rule. Like Grunwicks and the health dispute, nuclear weapons only make sense when seen in these terms.

Men also threatened

But let us return to the events at Greenham Common. An acceptance of the idea of male violence has led many women to argue the blockade was a triumph simply because there was no 'male' aggro and very few arrests. But it also prevents them from looking more closely at what they are trying to achieve. The fact that the ordinary men around them are no less threatened by the holocaust is completely obscured. The fact that nuclear weapons serve only the interests

of the ruling class is equally blurred from view.

A discussion between founder member of the Greenham peace camp, Helen John, CND chairperson Joan Ruddock and ex-CND fulltimer Sally Davison, published in *Marxism Today* illuminates the arguments further. Joan Ruddock, when asked about the non violence tactic, had this to say:

'There is a growing awareness that this way of behaving is not only good in itself, but is actually something that wins in situations where the peace movement is forced through no action of its own into confrontation with the authorities.'

A situation which wins? But we haven't stopped any missiles yet. What does Joan Ruddock mean?

She sees non violence as a winner because it has so far gained a favourable press and, if the opinion polls are anything to go by, a sympathetic response from the public at large. It therefore fits very neatly into CND's strategy of winning public opinion to its ideas. The unspoken assumption is that if sufficient public support is won to the idea of disarmament, then governments must automatically concede.

Cautious strategy

It is a cautious strategy whereby you try to cause the least possible offence. Don't mention NATO, an issue which is bound to cause disagreement. Violence and arrests turn people off as well, so the thinking runs. So in fact the non violence goes nicely with CND's reformist illusion that the establishment will hand over its missiles without a fight.

The non violence arguments also serve to block off any real appraisal, of that establishment whose power we must challenge. In the *Marxism Today* discussion, Helen John had this to say:

'When you can make a policeman challenge his role by just sitting there and defying him, while being pleasant and polite, he really does have to look at what he's there to do. He is trained to deal with violence, with aggression, but on the whole he's not trained to deal with non violence.'

This comment is very similar to that of the CND delegate who talked about changing attitudes and breaking down patriarchal structures. The two are arguing that oblique feminist tactics are stepping stones towards both disarmament and a fundamental restructuring of society. A painless reform of the system.

But the truth of the matter is that if a handful of coppers do go home from Greenham paralysed by 'role confusion' and end up leaving the force, it won't change things. Others will simply step in their shoes.

At various times in history substantial sections of the armed forces and police have been led to 'challenge their own role'. In Russia 1917, in Spain 1936 and in Portugal 1974 large numbers of soldiers sided with the masses in the uprisings that took place.

But these were fierce, violent upheavals that shook society at its roots. State power was in question each time. Only a struggle of that intensity is capable of winning sections of the military away from their allegiance to the class in power. The rank and file of the

armed forces can be won over in a situation of class war when they are confronted with the possibility of having to shoot down their own brothers and sisters and friends.

But although individual members of the armed forces can be won over by argument, and although in a situation of intense class struggle many will hesitate to shoot into the crowd, they have to be convinced that if they refuse the orders of their officers they will get away with it. The power of the military hierarchy rests on terror over soldiers as much as on terror over civilians. To break that hierarchy means to break the armed power of the officer corps.

Trotsky put the point extremely well:

'The critical hour of contact between the pushing crowd and the soldiers who bar the way has its critical minute. That is when the grey barrier has not yet given way, still holds together shoulder to shoulder, but already wavers, and the officer, gathering his last strength of will, gives the command: "Fire!" The cry of the crowd, the yell of terror and threat, drowns the command but not wholly.

'The rifles waver. The crowd pushes. Then the officer points the barrel of his revolver at the most suspicious soldier. From the decisive minute now stands out the decisive second. The death of the boldest soldier to whom the others have involuntarily looked for guidance, a shot into the crowd by a corporal from the dead man's rifle, and the barrier closes, the guns go off by themselves, scattering the crowd into the alleys and backyards.

'But how many times since 1905 it has happened otherwise! At the critical moment, when the officer is ready to pull the trigger, a shot from the crowd...forestalls him. This decides not only the fate of the street skirmish, but perhaps the whole day or the whole insurrection.'

Holding the system

All that may seem a far cry from the peaceful restructuring process Helen John implies. But the 'special bodies of armed men' who make up the state are there to make sure the system holds together and the bosses keep their bombs. They have the violent means to do so. To talk of challenging that power non violently is the road to certain defeat.

The anti-colonial struggle in India also provides some interesting insights into the

dangers of concentrating on the non violence tactic before all else. The arguments are important, since Gandhi's pacifism tends to go uncriticised at Greenham as well.

Each time the movement launched a new offensive against the British in the twenties and thirties, Gandhi proclaimed that the action should be non violent. When violence inevitably broke out, Gandhi would call the action off. And each time the movement collapsed into directionless, sectarian blood-letting between Hindu and Muslim. The obsessive focus on non violence blurred the objects of the campaign and threw the movement into disarray. The British quickly learnt they could rely on Gandhi's moral authority with the movement to cool things down for them and so given them time to shape events at a pace to suit themselves.

Obscure the struggle

An obsession with non violence could have similar consequences for the anti bomb movement here. There is a real danger that an unquestioning acceptance of the politics and tactics of the Greenham women could obscure the nature of the struggle and take the focus off what kind of movement we need to build. It's just what our rulers would like to see.

The new enthusiasm generated in the movement by the events at Greenham is a very good basis for building the campaign in the next few months. We should aim to involve as many people as possible in the demonstrations at the base. At the same time, we need to begin arguing that direct action is not something which simply happens at Greenham Common or outside Newbury magistrates' court.

In the days before the first world war the phrase *direct action* was used to refer to strikes and occupations. That is a meaning we should think about reviving today. We need to be arguing with people at work and at union meetings that they should get involved in the Easter events at the bases. But we also need to argue with people who up to now have only been active on the question of the bomb that they should be involved in the direct action of everyday struggle over wages and jobs. In that way we can lay the basis for a movement capable of taking on the powerful forces we face. □

What's frightened them?
Find out on the cover of...

INTERNATIONAL SOCIALISM ★ 18

Donny Gluckstein on Workers' Councils
in Western Europe Jane Ure Smith on the
Early Communist Press John Newsinger
on the Bolivian Revolution Andy Durgan
on Largo Caballero and Spanish
Socialism M Barker & A Beezer on
Scarman and the Language of Racism

£1.50 (plus 25p post)/4 issue subscription £6 from
IS Journal PO Box 82, London E2



Detente economy

Hardly a day passes without some new Russian proposal for the reduction of nuclear weapons in Europe. The capitalist press says it is all a trick. Mike Haynes shows how they have very real and extremely unpleasant reasons for being sincere.

During the early 1970s it seemed that both the United States and the Soviet Union were trying to outdo one another in their vocal commitment to 'detente'. Now it is only the Soviet Union that continues to voice that commitment. Soviet propagandists assert that it is the position of the United States that has changed and they are right. But what is the basis of the Soviet Union's own position?

Commitment to detente was really an agreement about power sharing based upon a ruthless determination on each side to defend its superpower status. But this was not a deal between equals. Built into detente was an implicit recognition of the Soviet Union as the weaker party. The Soviet leadership wanted both recognition from the Americans of its spheres of interests and moderation in the arms race whose cost it was increasingly unable to bear. As a result, when detente began to break down, first Brezhnev and now Andropov have been forced to try and moderate the new cold war at all costs.

Their problems

To see the problem the Soviet leadership face we have to look at the world as it appears through Andropov's eyes from the Kremlin. What he sees first is a huge burden of defence. The lack of legitimacy of Soviet rule in Eastern Europe and the uncertain support of large sections of the Russian population mean that the Soviet armed forces have to be always ready for a policing role to maintain Soviet rule.

This is one of the reasons why the Soviet Union continues to build masses of armoured vehicles, military helicopters and especially tanks. Western military experts recognise that these would literally not last five minutes in a conflict with the west but they are wonderfully efficient at putting down a discontented population as the people of Hungary, Czechoslovakia, Poland and certain cities in the Soviet Union know to their cost.

At the same time Andropov has to share the Soviet leadership's continuing concern about the threat of destabilisation in its sphere of influences along its southern borders. In particular he cannot afford not to confront the threat of Islamic nationalism which might also (and to some extent already has) infect Russia's own Moslem population.

Already the Soviet Union has been pulled into Afghanistan to avert instability and it now finds itself bogged down there. But the threat needs to be contained along a huge border area.

The Soviet Union has also to defend itself as a superpower against the other superpowers. Andropov's problems here are increased by the sheer size of the Soviet Union. Its area is bigger than that of NATO (including the United States) and China together. It has sometimes been said that the size of the Soviet Union is a source of strength. The reality is that the logistical problems it brings place a massive extra burden on defence.

Moreover the defence of this huge land mass has to reflect the challenge of a number of competitors. The major superpower clash is, of course, with the United States and its NATO allies. But from Andropov's view this is not a single threat. He has to take account both of the American fingers on the triggers and the fact that Britain and France have independent nuclear weapons. This gives them a possible rogue role in western imperialism and so long as they each have the capacity to destroy large parts of the Soviet Union independently, Andropov cannot afford to look at the west as a single bloc.

If he then turns his attention eastwards he finds himself confronted with another enemy—China—the 'half superpower'. Western commentators tend to ignore this threat but Andropov cannot. One quarter of his army (some 46 divisions—half of them in full combat readiness) are there to cope with the Chinese threat. A further quarter of his tactical air-force is there to assist them, stationed in range of Chinese targets. Even a major part of the nuclear arsenal of the Soviet Union points to the east.

Probably one third of the current SS20 deployment is targeted on China and another third is located so that it can be switched from west to east to meet any threat.

Andropov's problems are set not simply by the absolute size of the defence burden. The real difficulty is that the Soviet capacity to support the burden is so poor and getting worse.

The Soviet economy is much smaller than the American economy. The exact difference depends upon how you measure output but Soviet output is somewhere between a half and three-quarters of total American output. Therefore simply to match American arms spending would consume a much larger share of Soviet resources.

If we compare the economic power of NATO as a whole to the Warsaw Pact the gap is even greater. Currently Warsaw Pact output is between 30-40 percent of NATO's output.

But this type of comparison is misleading as Andropov knows full well. In fact the other Warsaw Pact members help the Soviet spend about one fifth the amount that European NATO spends on defence.



Proportionally then, Andropov is confronted by the need to carry the whole Warsaw Pact to a much greater degree than the US supports NATO. Of course, the Russian economy cannot do it and even if one takes the highest western estimates of Eastern bloc military spending they always come out less than NATO spending (currently about three quarters of NATO).

Unfortunately for Andropov his problems do not even stop here. The smaller size of the Soviet economy reflects its relative economic backwardness. Its output is lower because it is less developed. This is crucial for its nuclear capacity. Not only are nuclear weapons systems horrendously expensive but they call on the highest levels of technology.

Technology backward

The Soviet Union *can* provide this to an extent, though even its most advanced military technology seems some years behind the west's. But for a backward economy to meet these demands means that the real costs are even greater than they at first sight seem.

The more backward you are the greater the costs. For example when China was getting its nuclear programme going it was said in the 1960s to be consuming a quarter of the country's entire electricity output!

Russia is in a weak position. By way of comparison it is relatively much weaker than was Germany against Britain in either 1914 or 1939. And Andropov's problems are getting worse. At the same time as the new cold war threatens to send arms spending spiralling upwards the whole Soviet economy has been slowing down. Today its growth rates are some of the lowest ever and less than many advanced western countries. It is faced too with trying to cope with the world recession which of course is not only directly affecting the Soviet economy but indirectly places a greater strain on it through the requirements on the Soviet Union to bail out Eastern Europe. □

The forces on the ground

Reagan and Thatcher constantly justify their armament programmes by pointing to the size of the Russian military machine. **Mike Haynes** argues that in fact nobody in the west really knows how much the Russians spend on arms.

There are two ways that can be used to calculate the Soviet defence effort. One is to count the men and arms themselves. But the problem here is that you do not get a single comparable figure. You cannot add up men, tanks and nuclear warheads.

What we need then is a common denominator—the obvious one is money. If we add up the cost of the men, tanks and warheads we will get a single figure that we can then use to compare Russian and American arms efforts or what proportion of resources are taken up by the 'burden of defence' in Russia.

This sounds fine. Why is it then that when the CIA does these calculations it comes out showing that Soviet defence spending is 30-50 percent higher than American spending and that this consumes between 12-15 percent of Soviet output? And why, when the independent Stockholm International Peace Research Institute does the same calculation it finds spending about equal and taking up 9-10 percent of output? And why, when a leading American economist checks the CIA's calculations he concludes that it is quite possible that Russia spends less than America?

Root of the problem

The root of the problem is that it is not easy to count the cost of defence. In the first place we do not know how much arms and warheads etc cost in Russia, therefore we have to estimate or guesstimate them. The core of the CIA's method is simple—it asks what it would cost to produce key parts of the Soviet defence effort in the United States and it thus gets a dollar cost of Soviet defence.

But unfortunately there is a problem here. The United States is a developed country and the relative prices charged there reflect this. A developed country has lots of capital and high technology which is relatively cheap. Labour on the other hand is less plentiful than capital and therefore *relatively* dearer. In the Soviet Union, which is much less developed, it is the other way around. Capital is short and therefore relatively dear. Labour is plentiful and therefore relatively cheap.

As a result the Soviet defence effort has a much larger labour input (four million compared to America's two million) and a



much smaller capital input—less advanced and high cost weapons. But if you now value the Russian defence effort in American terms you will automatically produce a high figure because, for example, you will assume you are paying every cheap Russian soldier high American wages and buying every expensive warhead at the relatively cheaper American prices. The costs will obviously seem much higher when compared with the American effort!

There is another problem—having got the dollar cost of Soviet defence you will then need to turn it into the rouble cost to see how

big a burden it places on Soviet output as a whole. But you cannot simply use the official exchange rate to turn dollars into roubles. This only reflects the values of goods traded and defence goods are not traded. So you must calculate your own special dollar-rouble conversion rates for defence. According to the independent American economist Franklyn Holzman, the CIA has got these rates so wrong that it makes the Soviet defence burden proportionately much greater than the American effort.

These are technical problems but they are politically very important. In 1976 the CIA suddenly announced its calculations of Soviet defence costs were almost 100 percent in error! This led to various horror stories about America being overtaken and it paved the way for the increase in arms spending under Carter. It is still used by Reagan to support his pleas for more money for the military.

In fact the real meaning of the CIA's calculation was exactly the opposite! It was not that they suddenly found huge stocks of Soviet weapons that they had missed. Ninety percent of the revision, they said in the small print, was due to a revision of their costings of the existing defence effort. In other words they were now saying that it cost the Soviet Union nearly twice as much as they had previously thought to produce the same amount. Or to put it the other way Soviet defence was only half as efficient as they had allowed.

The myth grew

Some economists saw this straight away, but most politicians did not. The CIA was happy not to correct them. So the myth grew of how the Soviet Union's defence effort had been underestimated when in truth its capacity to bear the burden of defence had been overestimated. This was the way to win a bigger defence budget in American—the way to get contracts for your firm. And even today it is still widely believed though at last more people are getting wise to the trick.

But don't despair, the CIA has another one up its sleeve. It has now declared that its earlier assessment of the Soviet economy was wrong. It appears that it is not falling apart at the seams. In fact it is just as ramshackle as ever—what has changed again are the CIA's methods of calculation.

Before those who have illusions about the successes of planning get too excited now that they apparently have the CIA on their side, think what is happening. If you revise upwards the cost of Soviet defence and then revise upwards your estimate of the strength of the economy, presumably you get a stronger and more dangerous defence effort. Once again more arms and weapon systems are justified.

We cannot afford to be duped by western intelligence. This is why the technicalities are important. The efforts of the CIA and other intelligence bodies may sound impressive but they are not and they should not intimidate us. As Professor Phillip Hanson of Birmingham University said of their efforts: 'Rolling the dice to determine the Soviet defence burden would have been about as reliable, and a lot cheaper'. □

Marx and philosophy

'The philosophers have only interpreted the world in various ways; the point is to change it.' So runs the famous eleventh thesis on Feuerbach, written by Karl Marx in 1845. Noel Halifax continues our series on Marx by showing how the critique of philosophy was central to the development of his thought.

Philosophy as a subject of study is today the pursuit of the odd individual or academic and as far as most people are concerned is marginal, if not irrelevant, at least in England. Few people know or care of its existence and it has almost no impact on society. But such a state of affairs has not always been the case.

In Germany in the first half of the 19th century philosophy was a central and controversial subject. The spread and victory of capitalism indicated by the French revolution caused a crisis in both material conditions and accepted world views. In France such re-evaluation of the world took place in political debate, in England in economics and in Germany in philosophy.

History in thought

'As the ancient people have experienced their pre-history in imagination, in mythology, so we Germans have experienced our future history in thought, in philosophy. We are philosophical contemporaries without being historical ones ... What in developed peoples is the practical conflict with the modern state institutions, in Germany, where these institutions do not even exist, it is a critical conflict with the philosophical reflection of these institutions ... In politics the Germans have thought what other people have done.' (Marx's *Introduction to a Critique of Hegel's 'Philosophy of Right'* 1844)

In part this was due to the highly repressive nature of the Prussian state where censorship made political discussion impossible. But it was also a reflection of the backwardness of Germany at that time, where industrial capitalism and the factory system were only just beginning to develop. Though yet in its infancy capitalism was sweeping aside the old accepted views and concepts, and causing a search for a philosophy that could describe the emerging world order.

Both Kant and Hegel struggled to produce such philosophies. Kant became, and largely remains, the philosopher of liberal capitalism with his rationalism replacing religion as the justification for the present order.



Hegel: Society as the product of ideas

Hegel was a more ambiguous writer. By the 1820s his was the dominant philosophy in Germany (he died in 1831) and Berlin the centre of Hegelian thought. Its main concern was to explain the progress of history and society, emphasising that the present is simply a stage between the past and future and always in flux. Not only is society dynamic and ever changing but the change is to be understood as a dialectical process. That is, reality is made up of dialectically related contradictions the resolution (or negation) of which gives rise to a higher form of society (or spirit) with a new set of contradictions.

Hegel saw society as the product of ideas. It was the struggle between differing ideas that created the state, family etc. As Marx pointed out, Hegel was able to describe the dialectical process of society but he did so in terms of ideas, he put the relationship between ideas and society the wrong way round. It is not the 'absolute spirit' that creates social conditions but the social conditions and their contradictions that give rise to ideas. Because of the stress on ideas as the pivot of world history both Hegel and the later Young Hegelians placed great emphasis on religion, as the creator of past and present society, and of course on the central importance of philosophy.

Hegel himself was far from being a revolutionary but the nature of his writing, like much of philosophy, was obscure and abstract and open to highly differing interpretations. From the 1830s to the 40s the pupils and young followers of Hegel attempted to apply Hegel's philosophy more closely to the real world. As a consequence they were to argue and finally dissolve as a movement by the mid 40s, but it is from those rows that both Marx and Engels emerged to transform the ideas of the Young Hegelians into historical materialism and Marxism.

The Young Hegelians were a mixed bunch; after Hegel's death their differences increased as they clarified their ideas towards trying to form a philosophy of action as opposed to abstract contemplation. They wished to produce a radical critique of society that would transform society in line with their created 'spirit'.

To begin with, the Young Hegelians tried to incorporate a reformed religion into their world view, but this became increasingly difficult. The break with religion in any form was marked by Bruno Bauer in 1842, and in his later bitter attack on Christianity. From then on the Young Hegelians considered themselves to be atheist and one of their main functions to critically demolish existing religion.

Because they all considered ideas as the crucial creator of society, they argued fervently about religion, so much so that Marx nick-named them the Holy Family and individual Young Hegelians after saints. It is also because they placed so much emphasis on having the right ideas, devoid of any action, that they were so beset with arguments.

Bauer's critique of religion was part of his view of the development of world history. He saw history as the dialectical progress of humanity's self-consciousness. Each epoch of history produced an idea which becomes separated off from its creators (the minds of men and women), an alien force which then acts on people. So present day religion represented a past level of consciousness alienated off, and now a hindrance to further development of self-consciousness. Christianity was then both a progress on previous religions and a necessary development, yet at the same time the worst of all religions since it was the most alienated from people.

In effect Bauer replaced Hegel's 'ideal and spirit' with self-consciousness. The purpose of philosophy was to help develop self-consciousness, the next step being for people to become aware that it was they that had created God not the other way round.

De-bunk religion

So Bauer's solution to alienation was to secularise the state and de-bunk religion. Marx was critical of Bauer though agreeing with his 'man made God'. In particular Marx criticized Bauer on the Jewish question when Bauer argued that the only way to end oppression of Jews was for the state to be totally secularised and for Jews to give up Judaism. Marx argued that the secularisation of the state was not enough to end servitude and that religious alienation was not the root of the problem but merely a reflection of political alienation.

Marx showed that religion was not the only or even prime example of alienation, that is separating off the creation of the human mind, which then appears as an alien force that oppresses its makers. The state is a far more important example of the same process. In his *Introduction to a Critique of Hegel's Philosophy of Right* Marx expanded his views of religion:

'Man makes religion, religion does not make man. Religion is indeed the self-consciousness and self-awareness of man who either has not yet attained to himself

or has already lost himself again. But man is no abstract being squatting outside the world. Man is the world of man, the state, society. This state, this society, produces religion's inverted attitude to the world, because they are an inverted world themselves.

'Religion is the general theory of this world, its encyclopaedic compendium, its logic in popular form ... its moral sanction, its solemn complement, its universal basis for consolation and justification ... Thus the struggle against religion is indirectly the world whose spiritual aroma is religion.'

'Religious suffering is at the same time an expression of real suffering and protest against real suffering. Religion is the sigh of the oppressed creature, the feeling of a heartless world, and the soul of soulless circumstances. It is the opium of the people.'

'The abolition of religion as the illusory happiness of the people is the demand for their real happiness. The demand to give up the illusion about their condition is a demand to give up a condition that requires illusion. The criticism of religion is therefore the germ of the criticism of the valley of tears whose halo is religion.'

Break with Hegel

The germ of criticism that Marx saw in the rejection and explanation of religion, sprouted in the form of Feuerbach's critique and break with Hegelianism. With his book *The Essence of Christianity* in 1841 (yet another critique of religion) and his later re-writing of the same book, a definite break with Hegelianism was made. From then on the movement as such fell apart, moving either towards socialism or communism or to pure individualism.

As Engels later wrote of the book:

'The spell was broken and the "system" was shattered and thrown aside, the contradiction resolved; for it existed only in the imagination.'

As with Bauer, Feuerbach sees man as the creator of religion:

'Man is the beginning of religion. Man is the centre of religion. Man is the end of religion.'

In place of Bauer's 'self-consciousness', Feuerbach puts humanity and particularly 'species-being'. Species-being is what is seen as distinguishing man from animals. He/she is aware of himself not only as an individual but as a member of the human species, a part of a collective. The perfect man/woman and society can only be created if they act together. Later in his writing, Feuerbach replaces the word species-being with community.

Opposed to all previous idealists who thought of philosophy as ideas, separate from people, Feuerbach gives the ultimate judgement and subject of his writings not the self, not reason, but men and women in their manifold qualities.

Not only this but philosophy itself is nothing more than a new religion and just another alienation of the human mind. Feuerbach solves the problems of philo-



Feuerbach: Man as the creator of religion

sophy by saying that the problem is in part the existence of philosophy, we have to change society to solve the imagined problems of philosophy.

'Man should become the subject matter of philosophy and philosophy itself should be abolished.'

In the debate between the followers of Bauer and Feuerbach which erupted in 1842/3, Marx and Engels saw Feuerbach as a positive break with Hegelianism and a declaration for socialism. As they wrote in 1844 in their polemic against the Young Hegelians *The Holy Family*:

'Real humanism has no more dangerous enemy in Germany than the spiritualism or speculative idealism that puts "spirit" or "self-consciousness" in the place of real, individual man.'

From 1844 Marx and Engels began their long work together with a critique of both

the Young Hegelians and Feuerbach in *The Holy Family, Theses on Feuerbach, Economic and Philosophical Manuscripts* and most completely *The German Ideology*. In these works they both develop a critique of what went before and declare their own 'philosophy' of historical materialism and Communism.

It is from their disagreements with Feuerbach in particular that Marx and Engels created marxism. As Engels later noted:

'More than any other, German socialism and communism had their origin in theoretical presuppositions. Of the avowed representatives of its reforms, there is scarcely a single one that has not come to communism via Feuerbach's dissolution of Hegelian speculation.'

Working class

Like Feuerbach, Marx saw the solution to philosophy in abolishing it:

'Hitherto men have constantly made up for themselves false conceptions about themselves, about what they are and what they ought to be. They have arranged their relationships according to their ideas of God, of normal man, etc. The phantoms of their brains have got out of their hands. They, the creators, have bowed down before their creations ... Let us revolt against the rule of thoughts. Let us teach men, says one, to exchange these imaginations for thoughts which correspond to the essence of man; says a second to take up a critical attitude to them; says a third, to knock them out of their heads; and—existing reality will collapse.'

Marx argued here in *The German Ideology* that these 'innocent and childlike fancies' only mirrored in philosophy the wretched real conditions in Germany.

In place of the vague and idealised 'man' which was the centre of Feuerbach's writings Marx places the working classes. For Feuerbach only thinks of men and women in an abstract way:

'He (Feuerbach) still remains in the

socialist REVIEW

(Cheques/POs payable to Socialist Review)

Send a year's Socialist Review starting with the January issue to:

Name

Address

Return to Socialist Review, PO Box 82, London E2
Subscription rates for one year (11 issues): Britain and Ireland £7,
Overseas Surface £8, Europe Air £10, Elsewhere Air £13.50 (institutions
add £5)

realms of theory and conceives of men not in their existing conditions of life, which have made them what they are, he never arrives at the really existing active men, but stops at the abstraction "man", and gets no further than recognising "the true, individual, corporal man", than love and friendship, and even then idealised. He gives no criticism of the present conditions of life ... when for example he sees instead of healthy men a crowd of scrofulous, over-worked and consumptive starvelings, he is compelled to take refuge in the "higher perception" and in the ideal's compensation in "the species", and thus to relapse into idealism at the very point where the communist materialist sees the necessity, and at the same time the conditions for a transformation both of industry and of the social structure.' (*German Ideology*).

Feuerbach and his followers became known as 'true socialists' and in their behaviour fulfilled all of Marx's criticisms. Rather like the SPGB of today they preached the goodness of socialism and community, disliked the class struggle as such and in an elitist way were appalled by the reality and conditions of the working class. They saw themselves as an ennobled elite with the true knowledge, whose task was to educate the masses. They conceived of themselves as separate from the circumstances which they sought to change.

'The materialist doctrine (Feuerbach) concerning the changing of circumstances and upbringing forgets that circumstances are changed by men and that it is essential to educate the educator ... This doctrine must, therefore divide society into two parts, one superior.' (*Theses on Feuerbach*).

Material base

In other words Feuerbach fails to understand that the 'material base' with which men and women interact, is not the relationship of dynamic human beings against a static society, it is a dialectical relationship. Men and women make society which in turn creates men and women. Marx also criticised



Kant: the liberal capitalist's favourite philosopher

Feuerbach for failing to take part in the class struggle or any form of political activity. He saw Feuerbach's attitudes as a consequence of his failure to be politically active. Feuerbach ignored economics, history and action, while correct 'theory' could only be made by a combination of theory and practice—praxis.

Using the Young Hegelians' notion of alienation Marx applied the concept not to the realm of ideas such as religion, but to the very process of capitalism itself. His move from Germany to Paris and later England also saw Marx concentrate increasingly on economics, in part because he believed this to be the core of the capitalist system from which all else was to be understood and related, and in part because the arguments that in Germany were centred on philosophy, in England took place in economics. In his writings the alienation of the worker became a key Marxist concept, implicit in his other writings but explicit in *The Economic and Philosophic Manuscripts* of 1844.

The idea of alienation, of creating a thing that becomes alien and hostile to its creator

was the key to understanding the worker's relationship to capital. Both the worker and the capitalist can only exist if the other does, yet they are enemies whose interests are opposed. Society thus exists by this contradiction the resolution of which can only be the elimination of the system as a whole by revolution and the creation of a new social system not based on exploitation. It is the Hegelian dialectic of society with flesh and blood people in place of ideas or abstracted 'man'.

The core of the system and its effects on workers is that it creates their alienation.

'Labour becomes an object, an exterior existence ... independent and alien ... the life lent to the object confronts the worker, hostile and alien.'

The more the workers work the more they give their power and energy to an alien force, capital, so that the products of their very being are alien and hostile. The consequence of this is that:

'He is at home when he is not working and when he works he is not at home. His labour is therefore not voluntary but compulsory forced labour. It is therefore not the satisfaction of a need but only a means to satisfy needs outside itself. How alien it really is, is very evident from the fact that when there is no physical or other compulsion, labour is avoided like the plague. External labour, labour in which man externalises himself is a labour of self-sacrifice and mortification.'

Alienated labour

So in capitalism alienation is the product not of religion or the acceptance of ideas but of the very system of production itself. To end alienation the system of production has to be smashed, the dialectic finally 'negated'. In the process of working the workers create the conditions of their enslavement. It is the place where their potential power lies yet is the place where their creative powers are transformed to alien objects. This alienation is not limited only to work—it produces alienated people and an alienated society.

'When alienated labour tears from man the object of his production, it also tears him from his species-life ... It alienates from man his own body, nature exterior to him, and his intellectual being, his human essence ... The infinite degradation in which man exists for himself is expressed in his relationship to woman as prey and servant ... the secret of this relationship finds an unambiguous, decisive, open and unveiled expression in the relationship of men to women.'

Marx's philosophy transformed the idealist and speculative dreams of the Young Hegelians and the wishful preaching of the followers of Feuerbach to a philosophy of action in which the subject of philosophy is the working class and the task of philosophy to advance and guide action towards the seizing of power by the working class. Its task is to describe and plan towards an elimination of the endless process of alienation which in capitalism we are all doomed to. Marxism is essentially a philosophy of praxis, that is of action.

Are your files complete?

An index to the first fifty issues of Socialist Review is in preparation. This will make your file an even more valuable bank of information. All back issues are available price 60p each (post included).

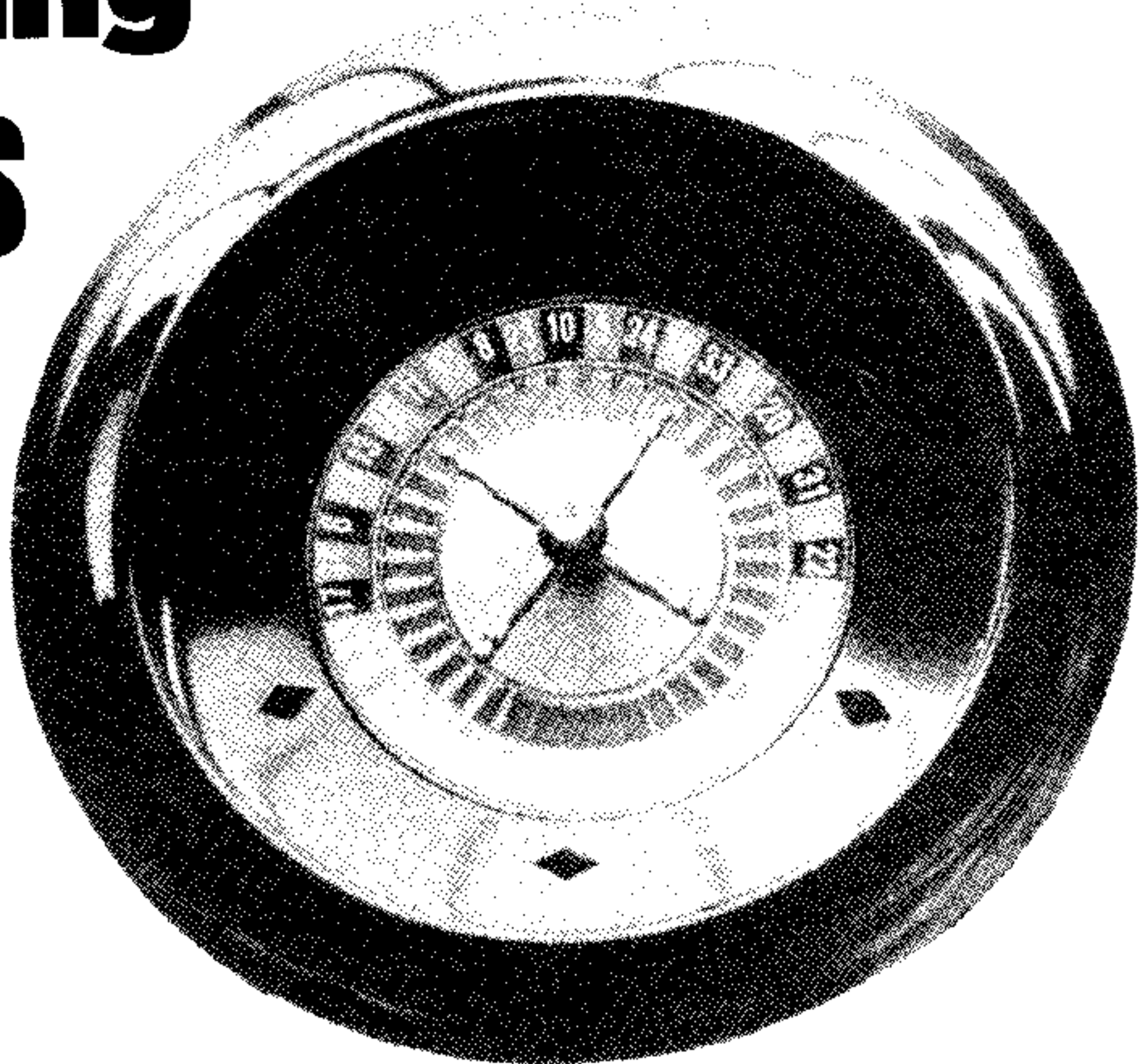
Special offers

1978/9 nos 1-16: £7 (post included)
 1980 nos 1-11: £5 (post included)
 1981 Nos 1-11: £5 (post included)

Place your orders quickly as we only have a few copies of some issues.

Send your orders to Socialist Review, PO Box 82, London E2. (Make cheques payable to Socialist Review)

Fluctuating fortunes of finance capital



Politicians of both left and right blame the banking system for the crisis of capitalism. **Pete Green** argues that the banking crisis is only part of the crisis of the system and that the banks can't be reformed, or made to behave in the interests of the 'nation'.

One of the hallmarks of reformism is a tendency to blame the ills and evils of the system on a particular group of 'bad' capitalists. In Britain the City and financial capital have long been an obvious target. Indeed, in Labour Party demonology British bankers have ranked second only to foreign bankers.

Of course, the City does provide a haven for all sorts of crooks, gamblers and Eton-educated layabouts. September 1982, for example, saw the Alexander Howden insurance broking scandal, involving some of the most respected figures in the Lloyd's insurance market. Apparently these characters siphoned off \$55 million through obscure companies in Panama and Liechtenstein into their own pockets.

It is also true that while the British economy has steadily fallen behind its main rivals in terms of growth and competitiveness, British banks have remained among the most profitable in the world. Although only seventh and tenth in terms of assets, Barclays and National Westminster were first and second amongst the world's banks in terms of net profits in 1979 and 1980.

The contrast between manufacturing

industry and the banks has been especially marked in the last three years. Whilst profits on manufacturing in Britain slumped to their lowest ever level in 1980-81, bank profits continued to soar (see Table I). Only the Midland has suffered from its greater involvement in industry.

The others have sucked in profits from their global operations and still look far less vulnerable in the current crisis than their American or German rivals.

Even the Tories were so embarrassed by this glaring disparity that they imposed a special levy on bank profits in 1981. In Labour Party circles it has led to a renewed spate of demands to 'take over the City'—to nationalise the banks, pension funds and insurance companies, reimpose exchange controls, and channel money into British industry.

For the Labour Party, the dominant objective in all these proposals is to restore the competitive fortunes of the British economy. They rest on the naive idea that it is possible

to forge an alliance with the bulk of British capital against the financial interests which have supposedly both restricted its growth and threatened its very survival. They belong to a long tradition of seeking to use the State to purge British capitalism of its unhealthy and unpatriotic elements—as if that would leave anything at all.

However, there are issues here which deserve deeper consideration. Tom Nairn of the New Left Review gang, has, for example, argued that:

'Mrs Thatcher's "experiment" is no more than an attempt to utilise the recession to hasten and complete the dominance of finance capital.'

Nairn envisages a Britain in which the bulk of the 'Industrial Revolution relics' are finally discarded, whilst the core of the ruling class, comfortably sitting out the crisis in the Home Counties, lives off the profits of the City, and the £60 billion worth of overseas assets which it has accumulated. It is a picture which Lenin himself anticipated in his

TABLE I

British Bank Profits (all figures in £ Million)

	1978	1981	% Change	1982 (Estimate)	% Change from 1981
Barclays	373.3	566.6	+51%	441	-21%
National Westminster	305.7	494.0	+62%	412	-16%
Midland	231.4	232.2	-	189	-18%
Lloyds	185.3	385.6	+107%	340	-11%

(Estimate for 1982 from Investor's Chronicle 21/1/83)

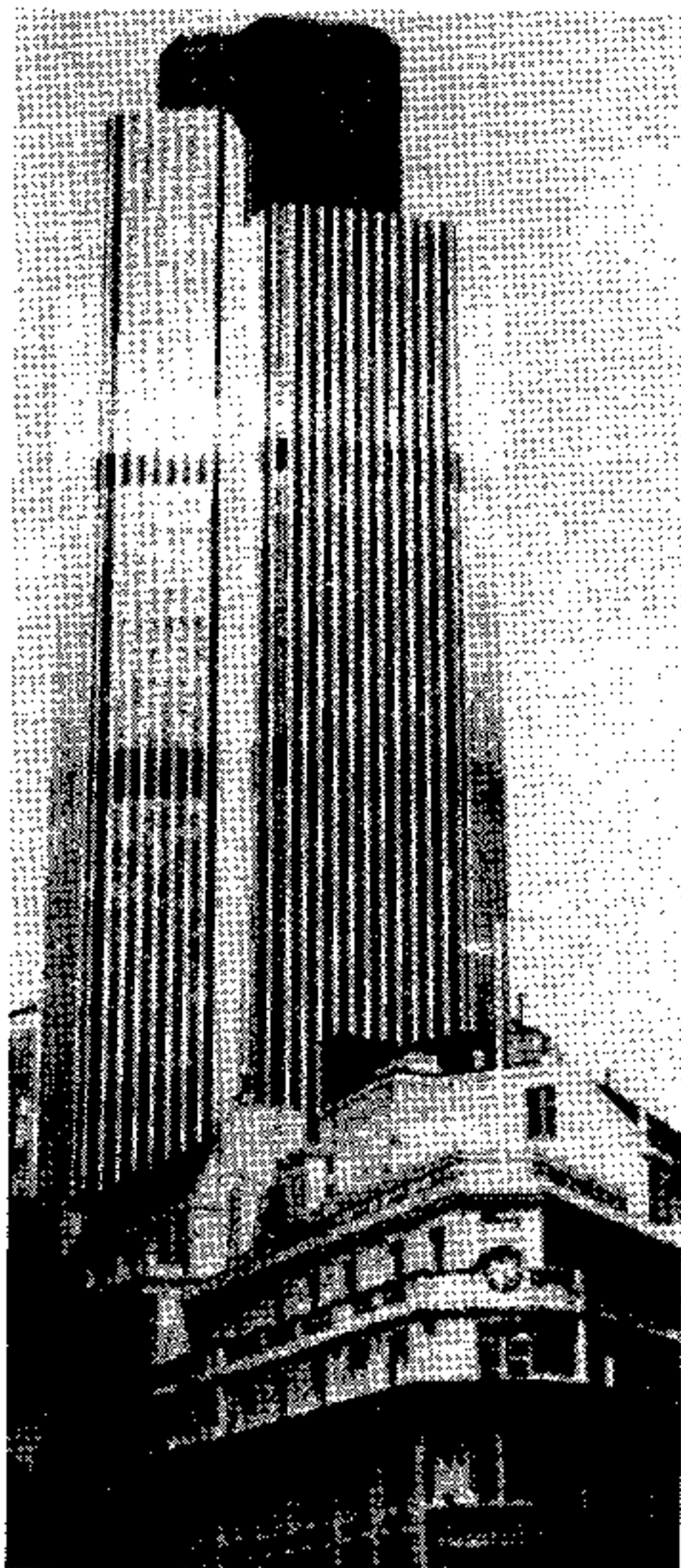
'Imperialism', with his description of Britain as a 'rentier state' ... a state of parasitic decaying capitalism'.

But is this really an accurate appraisal of Tory policy? How powerful is finance capital? Has it changed since 1916 when Lenin wrote 'Imperialism'? What, for example, about the impact of the crisis on the banks themselves? What exactly does the term 'finance capital' mean anyway?

Lenin took his definition of 'Finance Capital' from the German Social Democrat, Hilferding, author of the classic text of the same name. For Hilferding the term did not just mean financial or banking capital but the fusion or merging of the banks and industry, under the effective control of the former. Thus 'finance capital is capital controlled by the banks and employed by the industrialists'.

Giant monopolies

For Hilferding this development was rooted in the concentration of production and the formation of giant monopolies and cartels capable of dominating a whole national economy. The basis for this lay, as Marx had observed, in changes in technology and economies of scale which gave the larger capitals a distinct advantage. But the ability of the banks to mobilise savings from a large number of sources and combine them into huge sums gave them a decisive role.



The Nat-West building

In both the United States and Germany, the period from the 1880s to the First World War provided ample confirmation for Hilferding's thesis. In the new heavy industries such as oil, steel, chemicals and electrical engineering, the concentration of capital was enormous. It was the period which saw the formation of the Rockefeller and Morgan empires, in America, with banks at the centre of a vast network of interlocking companies.

For both Hilferding and Lenin the other all important aspect of finance capital lay in the export of capital. This was both an expression of the expansionary tendencies of the monopolies, the drive to control markets and raw materials overseas, and the banks' search for ever more profitable investments for the vast sums of capital they were accumulating.

The bulk of bank loans and other overseas investment in the 19th Century came from Britain and went to finance railways and governments in the rest of Europe and America. But by the turn of the century the rise of the USA and Germany had threatened the old colonial powers of Britain and France. There was a frantic scramble for control over what was left of the world. There was also, in all four countries, a growing emphasis on a different type of capital export, exploiting the raw material and labour of the areas under imperialist control.

As Lenin summed it up, the four main imperialist powers owned:

'...nearly 80 percent of the world's finance capital. Thus in one way or another, the whole world is more or less the debtor to and vassal of these four international banker countries, the four 'pillars' of world finance capital.'

Some of Lenin's more sweeping generalisations ignored important differences here. Britain for example was both the world's major imperialist power and the largest exporter of capital. Yet, whilst the City was the financial centre of the world, its banks were predominantly engaged in lending to governments or overseas, and had very little involvement with industrial capital.

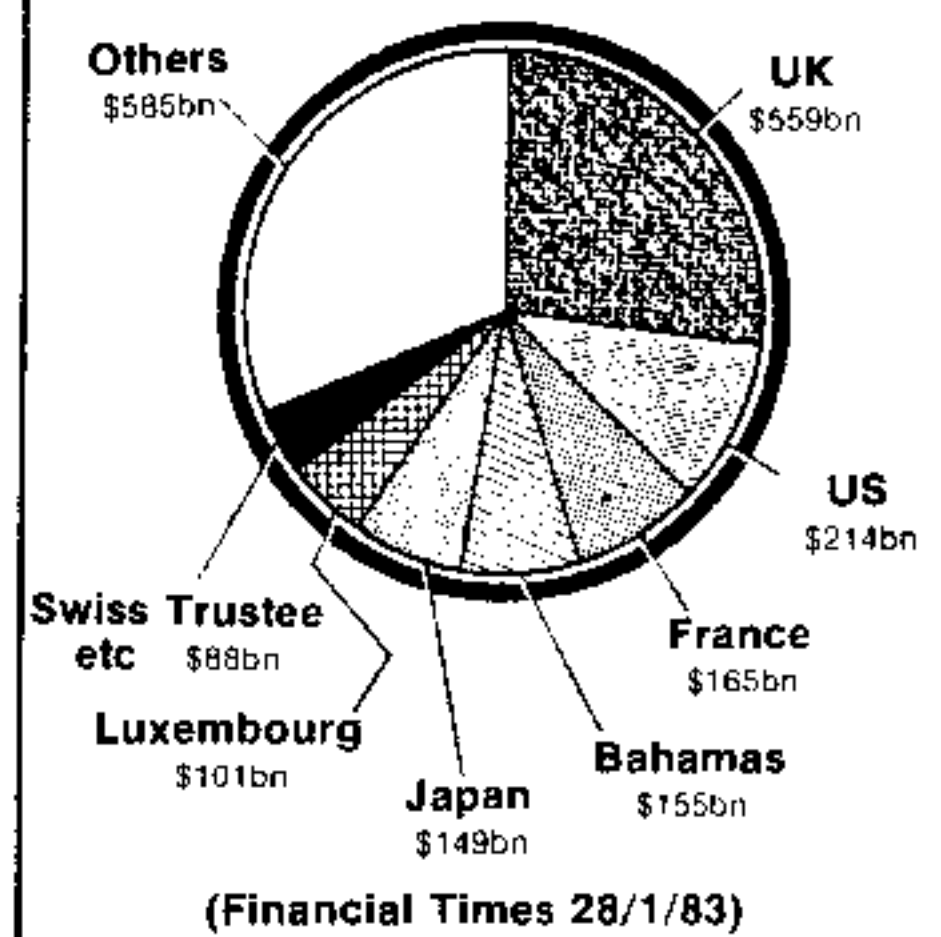
Collapse of the system

Lenin, however, was concerned to produce a short, polemical pamphlet exposing the root causes of the First World War. Much more care is needed than is often given in applying that analysis to the evolution of capitalism since then. Apart from the impact of decolonisation, three developments in particular had substantially affected the power of finance capital by the 1950s.

In the 1930s, in the wake of the international banking collapse of 1931, the flow of capital from the world's main financial centres virtually dried up. A succession of bankruptcies and defaults by debt-ridden governments in Central Europe and Latin America followed. These reinforced the reluctance of the banks and other lenders, especially in America, to go on lending. Thus 'issues of foreign securities' by the United States' financial institutions declined from

TABLE 2

International Banking Centres



an annual average of \$1152 million in 1924-28 to \$229 million in 1931 and nothing at all in 1934.

Moreover when capital export did revive after the Second World War it was in a very different form. Instead of bank loans it consisted primarily of loans or aid by the American government, and direct investment mainly in other industrial countries, by American and other multinationals.

State intervention

Secondly, the 1930s slump produced a much greater degree of intervention by the state in all the major national economies. In the United States a wave of bank collapses finally pushed the Federal Reserve Bank into establishing extensive controls over the whole banking system, in exchange for propping up the banks that remained. In Germany the industrial concerns the Banks had controlled were effectively incorporated into the Nazi war machine. In France four of the largest banks and thirty-four insurance companies were nationalised at the end of the Second World War.

Even in Britain, the City lost influence after the abolition of the Gold Standard, which it had so fervently defended, in 1931. In the 1930s and 1940s both Tory and Labour governments pursued 'cheap money' policies, making credit readily available at low rates of interest to industrial companies to encourage investment. That was in line with the Keynesian position of subordinating the interests of the 'rentier' (the individual shareholder) and financial capital to those of the 'national capital' as a whole.

Thirdly, the growth in the strength and control over money capital of the large corporations in many cases outstripped that of the banks themselves. Even where the banks had promoted the formation of the monopoly in the first place the child outgrew its parent. This was particularly obvious in the United States. There banking remained extremely decentralised with each bank confined to operating in only one state, whilst the corporations grew to dominate the markets of the whole world.

The mass of profits available to the large industrial monopolies meant that by and large they could provide most of their own funds during the long boom after the Second

World War. Only in Japan in the 1950s did bank loans provide over 50 percent of investment funds, and much of that lending was under the close direction of the State. In Germany banks continued to own large shareholdings in industrial companies, but this was more a legacy of the past than the general tendency described by Hilferding.

All this seemed to justify the criticisms of Lenin's 'Imperialism' made by Kidron in the early 1960s (reprinted in his 'Capitalism and Theory'). He suggested that the dominant role of finance capital was simply a feature of the late developers—of the need to concentrate large sums of money rapidly to catch up with the already established capitalist powers—Germany in the late 19th century and Japan in the 20th. But that appraisal would also prove to be premature. The 1960s in fact saw the gradual revival, if in a rather different form, of the significance of 'finance capital' for the world economy.

The postwar expansion of the system went hand in hand with a growing internationalisation of capital. World trade grew even faster than national economies, which consequently became much more interdependent. Multinational companies sprouted in scope and number. With this came a revival of international banking. Just as British banks had grown with the Empire, so American banks spread their wings in the wake of American multinationals.

But the most important and novel development in the 1960s was the emergence of the Eurodollar market. The term sounds obscure and mysterious, but the crucial point is not difficult to understand. The Euromarkets are completely outside the control of national states or banking authorities. They involve the borrowing and lending of currencies like the dollar outside of their home country. They are truly international markets.

The Eurodollar

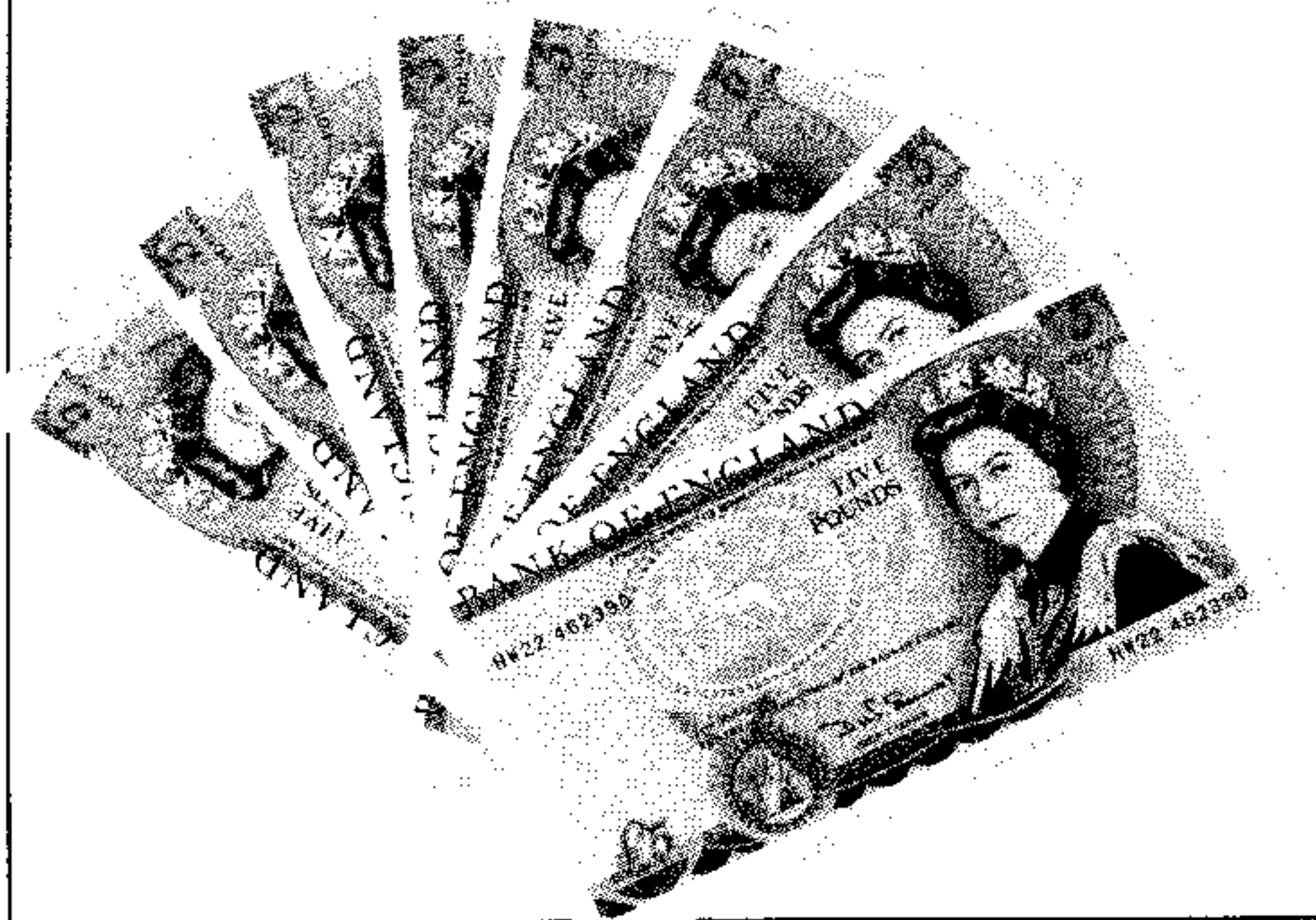
The origins of the Eurodollar market lay in the vast build-up of dollars held outside the USA in the postwar period. The effect of United States military spending and direct investment overseas, combined with a growing trade deficit, flooded the rest of the world with dollars. Central banks which acquired these dollars started to deposit them with banks in Europe which lent them out again to whoever wanted them. On top of that United States banks found that by channelling funds to their overseas branches they could evade government regulations at home and make a greater profit on their international lending.

The advantages of the Euromarkets, with their freedom from Central Bank control, meant that they acquired a momentum of their own. Other currencies such as the yen and the mark began to be handled. The City of London became the main centre, with British and foreign banks using it effectively as an 'offshore centre' for currencies other than the pound (see Table 2).

The growth of international banking was fuelled dramatically when the OPEC countries used the Euromarket to invest their surplus 'petrodollars' after the 1973/74 oil price rise.

'Credit accelerates the violent eruptions of crisis and thereby the elements of disintegration of the old mode of production'

Marx



In 1971 gross deposits with the banks of foreign currency amounted to £145 billion. By 1981 they had grown more than tenfold to around £1,500 billion. International lending has become vitally important to the world's major banks. Most of the top nine American banks now make more than 50 percent of their profits from overseas lending. German and Japanese banks have been getting in on the act. The Deutsche Bank Luxemburg subsidiary has grown bigger than its parent in Germany.

In the late 1970s the banks involved were so flush with deposits that they were competing with each other to make loans. With investment levels stagnant in much of the industrialised West, they turned increasingly to borrowers in Latin America, South-East Asia and Eastern Europe. They ignored the fact that many of the countries involved were piling up debts far beyond their capacity to pay them off out of export earnings, least of all with the world sliding deeper into slump.

By 1981 total third world debt was around the \$500 billion dollar mark, with half of that coming from the international banks. In their drive to maximise profits (squeezed ultimately from the increased exploitation of workers throughout the world) the banks extended their lending to a point where in 1982 a succession of crises threatened the whole banking system.

The debt crises of Mexico, Argentina and Poland, and their wider implications, have been dealt with in detail in recent issues of *Socialist Review*. But it is also worth noting the impact the Euromarkets have had on the Western economies.

As in the heyday of Imperialism which Lenin described, the export of capital has helped to drain profits from the 'periphery' of the system to its core zones. Bank loans have both paid for the export of goods from the West, and provided a rake-off for the banks when the loans get repaid with interest. But the simple identification which Lenin made between the operations of the banks and the interests of their respective national capitals and states is no longer so straightforward.

International lending

The internationalisation of the money markets means that money can be transferred almost instantaneously anywhere in the world. That in turn has undermined the ability of states to manage their national economies, to control their domestic money supplies or exchange rates. The power the bankers and the currency speculators can exercise over left-leaning governments is well known. They have brought Mitterrand's government in France to heel in less than a year. But they are equally capable of undermining the efforts of monetarist regimes. In 1981, for example, US corporations such as Mobil and Du Pont borrowed billions of dollars on the Euromarkets to get round the Reagan credit squeeze.

The rapid growth of international lending has gone hand in hand with a 'debt explosion' within the Western economies. Whilst media attention has focussed on public sector debt, or government borrowing, the reality is that private sector borrowing has risen much faster. Most of

that is owed by companies to the banks.

The rise in debt both internationally and within domestic economies is itself an expression of the growing stagnation of the system. As the long boom reached its peak in the late 1960s so the pressures on the rate of profit increased.

With the intensification of competitive pressures the corporations sustained their massive investment programmes but only by borrowing from the banks. Even when investment slowed down with the advent of slump companies carried on borrowing, in many cases simply to keep themselves alive.

Dependence on Banks

As the crisis deepens a growing reliance on the banks ceases to be a source of strength and becomes a sign of weakness. A recent survey of the motor industry noted that whilst the Japanese have moved from 'extreme indebtedness' to virtual 'financial self-sufficiency', for General Motors, Ford and Chrysler:

'Extreme financial strength and virtual independence from external financial sources has given way to rapidly growing dependence on external financial assistance, which in turn increasingly comes from the banks rather than the capital markets.'

As Nigel Harris put in in 1977 in *International Socialism* (No 100 Old Series):

'Crisis then forces dependence upon borrowing ... and this in turn forces the centralisation of the entire system, its common subordination to a handful of core zones in what Lenin called, the Bondholder States.'

The Western banks have indeed seen an astonishing resurgence in their power and prosperity. They have become arbiters of the fate of huge multinational corporations and

Table 3

Profits of 8 Largest United States Banks

Rank by Assets	Profits 1982 (\$m)	% Change over 1981
1. Citicorp	747	+35
2. Bank of America	419.6	-5.8
3. Chase Manhattan	332	-25
4. Manufacturers Hanover	296.3	+15
5. J P Morgan	441.7	+16
6. Chemical NY	269	+25
7. Continental	84.4	-67
8. First International	228.1	-7.3

whole countries. That in turn has pushed them into a much greater involvement in the decisions of their most vulnerable customers. It is the banks which have told International Harvester to rationalise their operations and sell off their truck building plants in Europe. It is the banks, directly or through the International Monetary Fund, which have dictated the public spending, trade and exchange rate policies of a host of third world countries.

But it is a mistake to assume that this power is unlimited or that the banks have proved immune to the crisis. It is misleading at best to suppose that there is any clearcut distinction between the interests of financial and industrial capital.

That there can be a conflict of interest between the banks and their clients is obvious. A rise in interest rates also leaves a smaller share of the total pool of surplus value produced by labour available as profit for the rest of the capitalist class. In Britain the burden of interest payments on industrial and commercial companies (excluding the oil companies) rose from £4,182 million in 1978 to a massive £8,096 million in 1980, taking around 40 percent of their profits.

But even in Britain there are many examples of companies with spare cash, such as GEC and Plessey, who have put their money into the financial markets and also gained from high interest rates. Many of the largest multinationals have set up their own financial operations which act like banks themselves. Volkswagen was described in the *Financial Times* as in some respects looking 'more like a bank than a manufacturing company'.

In the foreign currency markets movements of funds by such companies are at least as important as those of the banks themselves. An article in the *Financial Times* in May was headlined 'Sheiks of the currency markets' referring to:

'Perhaps 20 or 30 companies worldwide led by the giant oil, car and chemical concerns ... powerful enough to move the foreign exchange markets through individual dealings'.

Suggestions of a simple identification between the interests of financial capital and monetarist policies, as suggested by Nairn are also dubious. The inflation of the 1970s by no means hurt the banks, whose lending free-for-all itself helped to fuel the rise in prices. Even when interest rates were low or negative in real terms as in the mid-1970s the banks have been able to shift the cost onto their depositors. On the other hand high in-

terest rates can hurt the banks where, as in West Germany, they've had to raise rates to attract deposits, but have been stuck with longterm loans to industry at lower rates.

Even in Britain where the banks have done well under the Tories, the real split within the ruling class lies between the successful and unsuccessful, between the internationally oriented and financially strong companies and those weak and vulnerable, especially in manufacturing, to a squeeze on credit and the domestic market.

The most basic point of all is that the banks themselves are vulnerable to the impact of the slump. To the extent that high interest rates and monetary squeezes threaten to bankrupt large numbers of companies or whole countries, they also threaten the profits of the banks themselves.

That is about to show up in the profit figures of British banks (see Table 2). The state of some banks in West Germany or the United States over the last few months has been even worse. The collapse of AEG Telefunken and Braniff Airways, of Poland and Mexico, have left them reeling. Table 3 shows the impact on Chase Manhattan and Continental Illinois amongst the eight largest US banks.

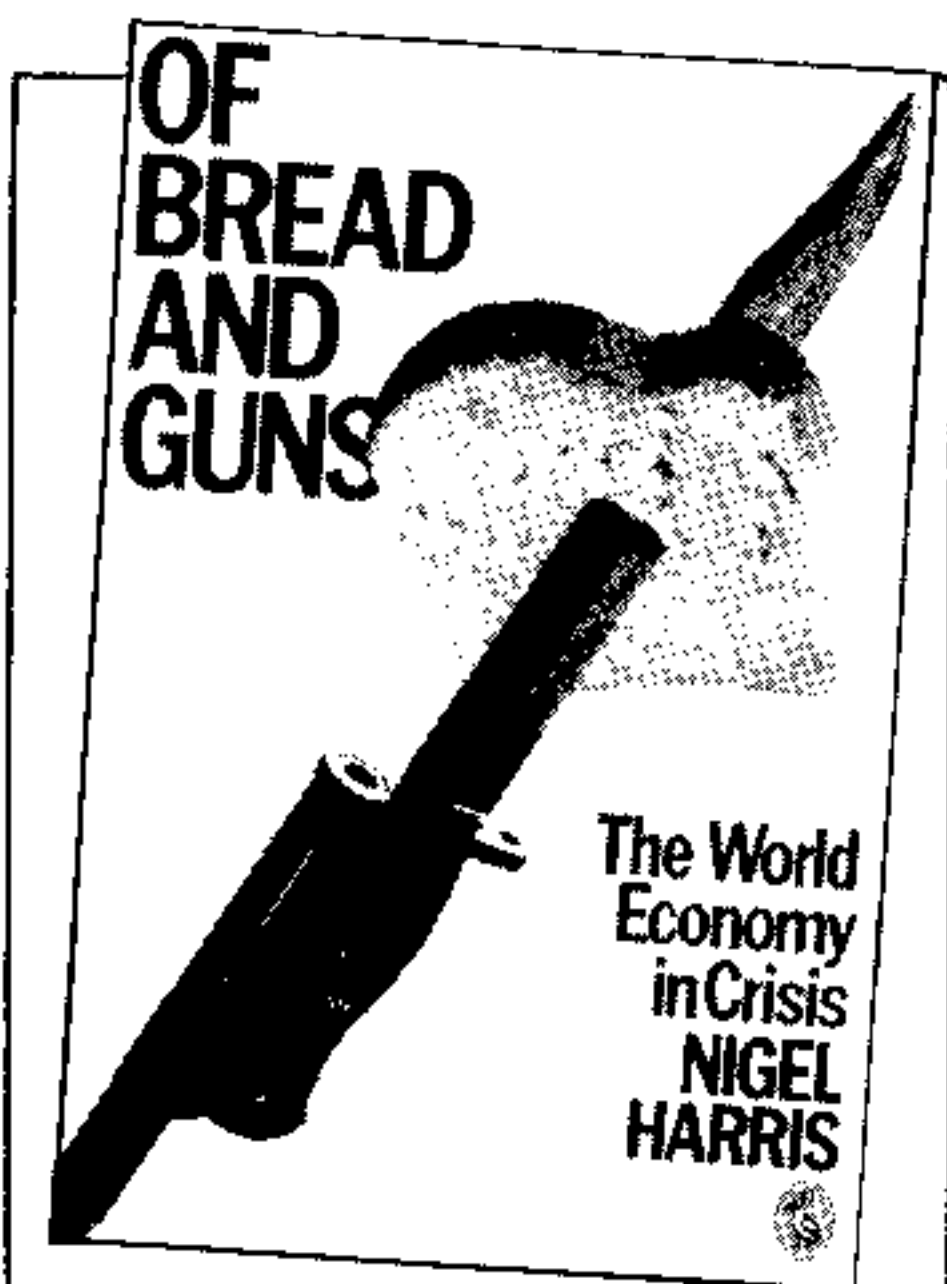
Profitability

Financial journalists have been fond of quoting a remark by Keynes in recent months: 'If you owe your bank manager a thousand pounds you are at his mercy: if you owe him a million pounds he is at your mercy'. The fear of losing their money altogether is precisely why the banks have gone on lending or bailing out companies and countries in trouble. The attempt to stop doing that still risks provoking a wave of bankruptcies and defaults which could spread to the banks themselves. Even if the system of international lending does not come tumbling down as in the 1930s, the strains are already forcing banks back into dependence upon their own state and central bank.

It's interesting that both the right and the left have tended to blame the banks for the crisis in recent months. The monetarists have accused them of lending too much too easily to the wrong sort of people (see for example the *Economist* of 7 August 1982). The left have accused them of lending too little, too strictly to worthy borrowers such as industrial companies and poorer countries.

Neither understands that the debt crisis is merely one expression of the deep crisis of profitability in the heart of the system. But the right at least have a clear understanding that making profits is what capitalism is all about. Lenin had the attitude of the Labour lefts summed up sixty-years ago:

'The high technique of concentrated industry and the "high technique" of financial swindling, and the "high technique" ... of oppression by finance capital—they are inseparably linked under capitalism. Kautsky wants to destroy the link, "whitewash" capitalism, take the good and throw away the bad: ... petty-bourgeois reformism" under the mask of Marxism'.' (Notebooks on Imperialism p196). □



£2.95 (plus 50p post),
bulk orders (five or more)
£2.40 each post free,
from Bookmarks,
265 Seven Sisters Road,
London N4 2DE.



Jerry Rawlings

An African revolution?

On New Year's Eve, the Jerry Rawlings 'revolution' survived its first anniversary. John Rogers looks at the background to what's been happening in Ghana.

Rawlings has been at the centre of Ghanaian politics for two and a half years.

He first led rank and file soldiers and airmen in a rebellion against a corrupt military régime on 4 June 1979. The initial aim of their Armed Forces Revolutionary Council (AFRC) was to ensure that the general elections due in two weeks time were not rigged or distorted by bribery and then to ensure that the incoming civilian government did not fall prey to corruption. Two former heads of state and six other military leaders were shot as a 'house cleaning' of the armed forces and a warning to civilian politicians not to abuse office in the way that their military predecessors had.

After an unprecedentedly short period of 112 days in power the AFRC duly handed over to the civilian government led by President Limann. Over the next two years

Limann presided over increasingly blatant corruption. Disenchanted students and trade union militants loosely formed themselves into a June the Fourth Movement (JFM) which openly called for Rawlings' return and a root and branch purging of the whole state apparatus.

Limann's security services responded with increasing harassment of the JFM and Rawlings' friends and former AFRC associates. This sparked off the 31 December 1981 overthrow of Limann which returned Rawlings to power at the head of a Provisional National Defence Council (PNDC).

At the massive pro-PNDC rallies which Rawlings addressed in Castroite fashion for hours during early January 1982, urban workers and the rural poor talked enthusiastically, if irreverently, about his 'second coming' and nicknamed him Junior Jesus or JJ. In Accra, the capital and administrative centre where corruption of the state bureaucratic elite was most evident, he told 200,000 gathered in the central market that: 'No one in society has a right to have more than his basic needs when other productive workers can hardly get theirs.'

Rawlings proposed to transform the coup

into a revolution by appealing to workers and the rural poor. He called on them to form local Peoples Defence Committees in support of the PNDC. He proposed this as an alternative to the discredited parliamentary democracy:

'I did not realise that the return of democracy would permit those same corrupt forces to retain their hold on Ghanaian life. We did not transfer power through the ballot box, we just restored the old order, just transferred administrations around members of the same elite. The people knew this. They did not even register to vote. They knew that democracy was just a veneer to impress the outside. For I will admit to naivety when the ARFC was in power. We were told that we should restore democracy, that the world expected it of us. Well we did that. People have now completely lost faith in democracy. I am less naive now.'

Wage-workers make up 30% of Ghana's population. This 3.3m out of 11m includes labourers working for cocoa farmers, 180,000 of whom are organised in the Ghana Agricultural Workers' Union (GAWU). There are 1.7m urban wage-earners with the hard core of 150,000 members of the Industrial and Commercial Workers' Union (ICWU) concentrated in the industrial towns of Tema and Takoradi.

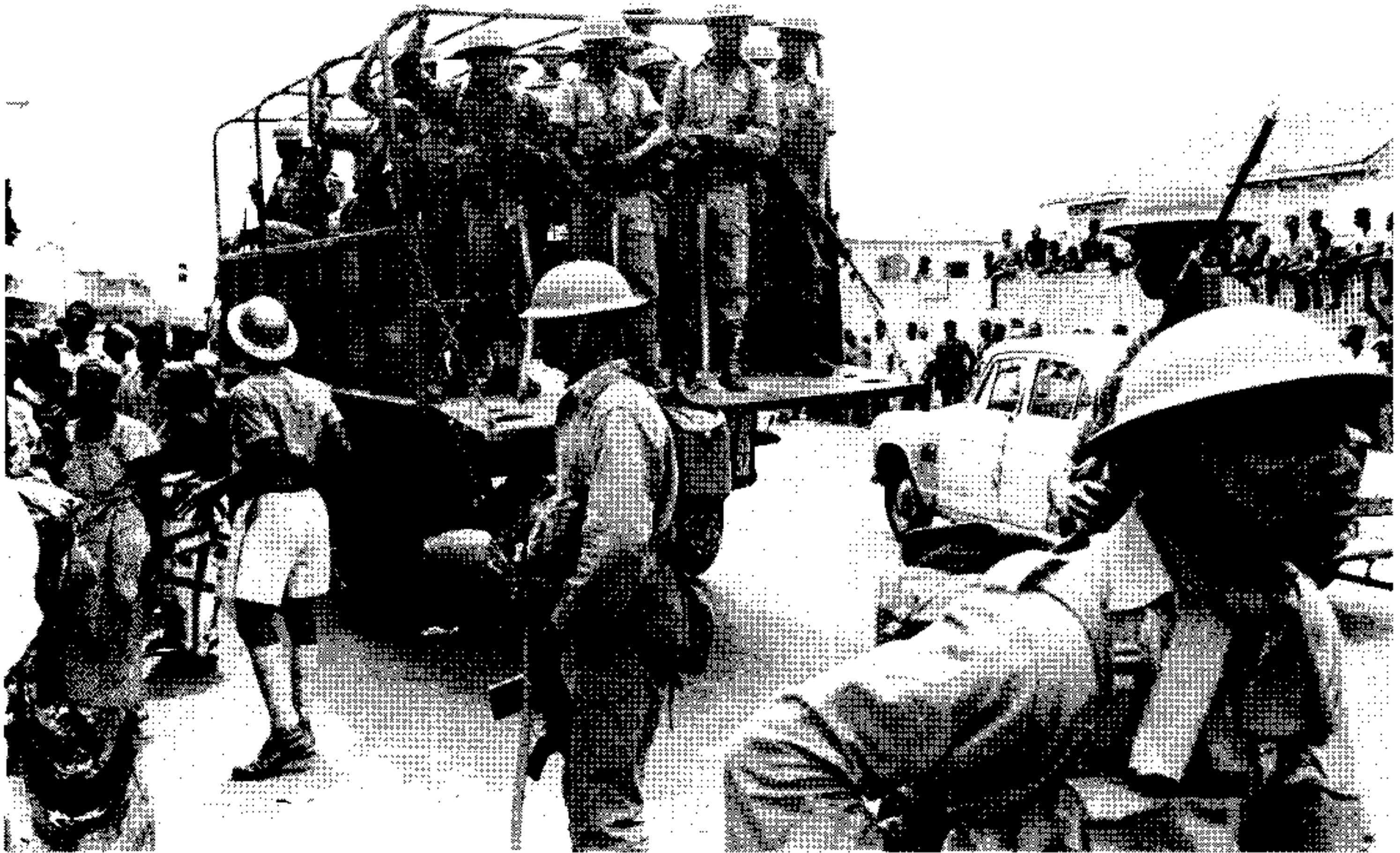
Rawlings' urgings to form Peoples' Defence Committees have unleashed oustings of unpopular managers, or factory occupations of small foreign owned companies announcing redundancies, and removals of corrupt administrators of state enterprises. A far reaching rank and file revolt has overhauled the leadership in these two key unions within the Ghanaian TUC (membership 550,000).

The GAWU cut its teeth in the post second world war era when Ghana was the world's leading cocoa producer. Capital earned by British cocoa interests was second only to rubber earnings from Malaya in the Labour government's costings of how the colonies could help pay off Britain's war debts to America.

Ex-British colony

Rawlings was eight years old when the 'black star' of Africa, Kwame Nkrumah, became the first leader of an independent ex-British African colony in 1956. He was still a teenager when a right-wing military coup toppled Nkrumah in 1966. Mrs Aana Enin, the second most popular member of the remaining PNDC said of that period: 'The bottom dropped out of my world when Nkrumah was overthrown—our collective sense of dignity was wrapped up in him—Jerry has restored it to us.'

Another older figure who remains a close advisor to Rawlings is a living embodiment of the extent to which Nkrumah's pan-African idealism inspired an earlier generation. In 1960, as a young Sandhurst graduate, Kojo Tsikata was Nkrumah's military envoy with Lumumba's forces fighting against Belgian, American, French and British intervention in the Congo. In May 1965 Nkrumah sent him to Angola as a military adviser to the infant MPLA. He



Troops 'keeping the peace' after the military coup against Nkrumah in 1966

fought the Portuguese colonialists alongside the first six Cuban advisers with the MPLA.

On his return to Ghana he was hounded by the post-Nkrumah military régime and was particularly singled out for harassment by the Limann government. He appears to be one of the architects of the Cuban/Angolan 'model' of Peoples' Defence Committees which organise the Ghanaian revolution.

The experience of the Nkrumah régime and its aftermath is vital to an understanding of the present situation in Ghana and the prospects ahead of the Rawlings government and the workers movement.

'Positive action'

In 1947 Nkrumah, son of a goldsmith father and a market trader mother, returned from studying economics in the black University of Lincoln in Pennsylvania, and law in London. He rode to prominence on the back of GAWU and ICWU strikes over post-war inflation. Like Mugabe in the 1970s, he was an ex-Roman Catholic. He restyled himself a 'Marxist socialist' who could understand the workers' grievances because he had had to pay his way as a student by working in shipyards and as a seaman during vacations.

During the early 1950s pre-independence period Nkrumah moved away from championing workers' interests to organising 'positive action' by farmers' and youth associations which workers were supposed to support as part of the Convention Peoples Party. This party was dominated by primary school teachers, clerks, petty traders, small-scale contractors, small businessmen and truck owners. They increasingly won election to the colonial parliament.

The colonial authorities reluctantly responded to 'positive action' by allowing party leaders, once they came to dominate parliament, to dispense state contracts, commissions, loans and licenses to the latter. Parliament was so tame and bought off by the time of official independence in 1956 that only one in six Ghanaian workers eligible to vote actually bothered in the 'independence' elections.

Nkrumah managed to quell working class unease at the rapid corruption of state officialdom in the late 1950s by incorporating the TUC into the corruption, with appointments on state committees, and by dispensing wage increases to key groups of workers. Demonstrations by Accra's urban unemployed in 1958 found support in strikes elsewhere however, so a Preventive Detention Law was passed alongside the banning of strikes.

In 1961 corruption and party favouritism in the allocation of State Corporation houses, market stalls and government loans to trade union bureaucrats was such that workers responded to a Budget deduction of 5 percent from their wages with a bitter seventeen day strike in Sekondi-Takoradi.

Over 6,000 railway and dock workers spontaneously answered the attempt to refill the nation's coffers by edict, and showed that they could strangle the nation's economy by taking over this vital port city:

'By midweek practically every activity in the port was closed down. Municipal bus drivers had joined the strike, as had the city employees who collected the sewerage daily. Market women dispensed free food to the strikers at municipal bus garages and other strategic points. There was an air of excitement and pride throughout the city over the fact that

they, the workers of Sekondi-Takoradi, had brought business to a standstill, had stopped train service to all of Ghana, and were displaying solidarity in the fight against the budget. Morale was high, the railway workers were heroes... WN Grant, a prominent strike leader, told the crowd that if parliament did not give way to the demands of the people, they would disband that body by force.'

In Accra, 3,000 petrol and motor workers struck in solidarity. Post Office workers and the 10,000 employees of Unilever's United Africa Corporation (UAC) threatened to join the strike.

Nkrumah dropped the 5 percent levy, purged some of the most blatantly corrupt of the party's leaders and announced a 'left turn' towards a socialist state through a Seven Year Plan for Work and Happiness.

Reserves mortgaged

Workers did not lift a finger when Nkrumah was overthrown by the military in the 'fifth year', 1966.

What had been left in 1961 of the foreign reserves banked in London had been mortgaged on outsized industrialisation projects, on the Russian 'model' but Western built. Backing for the military overthrow of Nkrumah's 'state socialism' came from the middle class cocoa farmers who had been squeezed to finance such schemes.

The post-Nkrumah military régime was fatally shaken by strikes in the late 1960s. While officially illegal there were in fact 200 strikes and lockouts which eventually toppled the first 3½ year period of military rule. They were in response to IMF dictated cut-backs in state projects in industry, construction and transport leading to 63,000

lay-offs in two years. The end of the régime came with the killing of three striking gold-miners at Obuasi in March 1969.

When the military took over in 1966 Ghanaian gold miners were the third in world production after Russian and South African gold miners. They could defy the military in a strike by 2,500 in December 1966 to protect their closed shop.

In 1969 the new right wing civilian government under Dr Busia handed over the largest gold mining operation, the Ashanti Goldfields Corporation (AGC) to the London and Rhodesia based empire, Lonrho (Lon-Rho). AGC produced three quarters of a gold production which accounted for nearly 10 percent of export revenue and employed over 9,000.

Lonrho, the company that Edward Heath labelled 'the unacceptable face of capitalism' proceeded to lay-off gold miners. In June 1970 gold miners responded with a partially successful 13 day strike for three months' back pay, for an end to lay-offs and for an immediate publication of a government report into the 1969 Obuasi killings.

In an effort to head off copycat strikes and find employment for 600,000 unemployed, Busia expelled 750,000 'alien' Lebanese, Indian, Pakistani and Syrian shopkeepers, restaurant owners and spare parts salesmen. Workers' militancy only increased as these traders' goods became scarce and prices spiralled. In March 1971 three striking workers were killed at UAC's timber operation at Samreboi. In July the Railway Engineman's Union staged a wage strike, sabotaging the lines. From January 1970 to June 1971 alone, there were 102 strike actions. In August 1971 the TUC responded to the attempt to impose another national levy on wages with the threat of a general strike.

Professionals

An Industrial Relations Act was passed effectively banning the TUC. Preparation of the general strike continued. Junior ranks of the army overthrew Busia, reinstated the TUC and raised wages.

Throughout most of the 1970s the military fended off worker militancy, like the brief spate of dockworker-led strikes in 1974, with wage increases and apparently radical measures, like the 1975 55 percent nationalisations of the extractive industries. Lonrho's interests were taken over alongside the diamond interests of Consolidated African Selection Trust (based in London and South Africa), African Manganese, British Aluminium and the African Timber and Plywoods subsidiary of the UAC.

Union leaders' energies in each enterprise were channelled into consultation committees. The foreign owners of the remaining 45 per cent stakes, continued to reap profits without bothering to reinvest. Production began to suffer from broken machinery. Today, for instance, Ghana only exports 6 tons of gold compared to Russia's 300 and South Africa's 650.

In 1977 an essentially middle class revolt led by the Ghanaian Professional Bodies Association made the military promise to hand over power to civilians in 1979.

Doctors, lawyers, pharmacists, engineers, accountants, bankworkers and vets struck. But the military only conceded when workers at the Tema oil refinery joined the strike alongside water and electrical workers at the giant hydro-electric power station at Akosombo on the Volta river.

When the power station shut down £2.3m damage was caused to the Volta Aluminium works at Tema, a Kaiser subsidiary and a pet project of the military. When eventually the Limann government came to power in 1979 after the first Rawlings clean up of military rule. Ashanti goldfield workers led a two week strike wave for higher wages in January 1980. This was followed by strikes in October 1980 in the Black Star shipping line.

The economic problems inherited by the Rawlings régime are immense.

Revenge on elites

In seventeen years the various governments have failed to rescue the fortunes of the economy's mainstay, cocoa. Since 1972 cocoa production has dropped by 50 percent.

This is partly because of falling world demand but mostly because of lack of investment for thirty odd years in the replanting of trees, in marketing and most of all in transport. Nearly 20 percent of what was produced before the Rawlings period was being smuggled across the east and west borders because prices were higher but also because it was less costly than transporting it the longer distance south to the coast.

Tema still remains one of the biggest deep water harbours ever built in Africa but is grossly underused because of the limited size of the economy's trade. The Volta dam project generates vast amounts of electricity for the small aluminium industry but large parts of northern Ghana are without light.

The essentials of transport and other infrastructure are still crumbling for lack of investment. Main roads are eaten away by potholes, feeder roads (essential for transporting the crops of small farmers) are often impassable, bridges are down, trains are carrying a quarter of capacity. Internal airways have ceased all operations. Tyres, batteries and spares are running out for all vehicles while petrol prices continue to rocket. All hospitals lack essential drugs, often soap and bandages, sometimes even water. Worst of all, production of cocoa, which still, despite smuggling, accounts for 65 percent of exports under Limann, is plummeting.

This is simply because a cocoa farmer can get three times as much income for growing maize, as cocoa prices are so low. Even the maize rarely gets to the coastal cities. In a country which was before 1974 self-sufficient and exporting food, Rawlings has to import rice to feed the urban workers, while 80 percent of arable land goes uncultivated because the old land ownership system remains. Local Citizens' Vetting Committees have only just begun land redistribution by seizing the assets of corrupt officials.

The actions of agricultural workers in such committees may receive the sympathy and support of local radical soldiers who know only too well the cocoa economy from

their anti-smuggling postings under previous military régimes.

Splits within the ruling PNDC and attempts to overthrow Rawlings illustrate the pressures on the régime. Its mass base among the workers and rural poor has to be sustained, while the crisis in the economy exerts pressures towards curtailing their activity. At the moment, Rawlings is maintaining this balancing act.

Despite considerable workers' self-activity, the old order is still relatively intact. In July 1982 frustrated members of the PNDC apparently resorted to the settling of old scores with members of the establishment. Amartey Kwei, a member of the original seven person PNDC, had been employed by a state enterprise during the Limann period. While working for the Ghana Industrial Holding Corporation he had become a leading shop steward. In that capacity he had led a workers' march on parliament in June 1980, for which he was sacked. A High Court judge who had been publicly exposed for his corrupt involvement with the Corporation was key to forcing through Kwei's sacking.

Kwei is now on trial for having this judge and two others killed. The real facts are unclear, but Rawlings had to have him arrested and dissociate the PNDC from him. If true, the killings were an extreme example of substituting revenge against individual members of the elite for a toppling of their hold on the economy.

In November 1982 there was an attempt to replace Rawlings with a 26 year old military academy instructor, Sergeant Akata-Pore, in which some June the Fourth Movement leaders were involved.

Rawlings was able to scotch the coup attempt by appealing again to mass workers' demonstrations of support for the PNDC. Tens of thousands responded in Accra with a rally organised by rank and file trade

Striking against apartheid

An SWP pamphlet on the black workers' struggle for Southern Africa. 65p+20p postage. Ten for £5.50 post free.

Available from: Socialist Unlimited, 265 Seven Sisters Road, Finsbury Park, N London, N4 2DE





Gold miners in Ghana: the union has a closed shop in all the mines

unionists. Black Star Square, the size of a dozen football pitches, was crowded to hear Rawlings proclaim:

'Hold on to this revolution. Hold on to it with your lives. The Ghana revolution of today is going to be more difficult than the American or the Russian revolution.'

Spurred on by the crowd for more than three hours, Rawlings' rhetoric became even more grandiose: 'What did Kwame Nkrumah tell you? You know the quotation, come on—our independence is meaningless unless it is tied up with the liberation of all Africa.'

Uneven development

In mid-December 1982 a former student leader, Chris Atim, fled the country and bitterly criticised Rawlings for holding back the revolution. Atim was secretary of the June the Fourth Movement and chief PNDC organiser of the local People's Defence Committees. The development of these committees has been uneven, and Rawlings has criticised them on various occasions for what he has called 'ultra-leftism'.

Atim first came to prominence in early 1982. He organised students to form 'revolutionary task forces'. In much the same way as a different generation of students had once done for Nkrumah, they were to move locked up cocoa and foodstuffs from the interior to the coast for export or consumption in the towns, cart rubbish and repair roads. The first task force, meant to comprise 450 students, was oversubscribed by 100 percent and managed to move 70,000 bags of cocoa the 50 miles to port in 10 days. As with 20 years previously, this gesture of

domestic idealism ran out of steam. When students began to drift back to campus, Rawlings threatened to cut off their food supplies and the idealism evaporated.

Atim believed, like Nkrumah 20 years before, that when 'socialism' loses support from below it has to be imported in the form of state investment from abroad. In April 1982 he went on a four week visit of Russia, Czechoslovakia, East Germany, Hungary and Cuba. Russia agreed to send advisers to finish building the nine-tenths completed Tarka gold refinery, which was abandoned after the 1966 coup which ousted Nkrumah. This was accompanied by \$10m long term credit to complete other abandoned projects. In June 1982 Atim called a press conference in Accra attended by the 'red millionaire', Jean Baptiste Doumeng.

Doumeng is a supporter of the French Communist Party who has built up an agro-industrial empire as one of the lynch-pins of East-West trade. He conducts sensitive business for Russia like 'laundering' the import for Moscow supermarkets of Namibian beef processed via South African abattoirs. In Ghana he has agreed to rescue part of Ghana's transport system by propping up the Black Star shipping line. In other junior partnerships with existing Ghanaian state capital he agreed to support fishing, mining and agro-industrial projects.

But even Doumeng's empire could really only provide chicken feed compared to the vast financial credit that the International Monetary Fund keeps dangling in front of a government trying to come to grips with a stricken economy. Rawlings has so far refused to deal with the IMF but by the same token has put a stop to going down the road

to dependency on the likes of Doumeng.

If Rawlings remains 'non-aligned' and surrounded by idealistic internationalists who believe in workers' self-organisation, what is the potential for the workers movement to step into this extraordinary power vacuum and challenge the underlying economic structure of the old order? For the western press expect Rawlings to move against workers sooner or later before the economy completely disintegrates: 'His known opposition to corruption and nepotism is popular, and he could force through austerity measures on the back of it'. The *Financial Times* forgets what happened to Nkrumah when he tried that move.

Mass popular support

The Rawlings régime unquestionably has mass popular support. Nor are the good intentions of Rawling himself in doubt. But the PNDC is under severe pressure to restore 'order' in Ghana at the expense of the working class, a class which is particularly strong and militant.

With the deepening world crisis, hopes of solving the economic plight of countries like Ghana on a national basis have receded even further. Their régimes are faced with compromising with the IMF and the western banks, and/or strengthening state capital. Both options mean cracking down on workers and peasants.

It is too early to say which way the PNDC will jump, whether it will be prepared to move against the working class. But the outcome will certainly depend on just how strong and independent the workers movement is. □

The end of terror

The Red Brigades captured the imagination of many militants as they attempted to blast Italy into socialism. But the result has been a bitter defeat. **Tim Potter** explains why.

On 16 March 1978 Aldo Moro, President of the ruling Christian Democrats and the most influential politician in Italy, was kidnapped by the Red Brigades. Fifty-five days later his body was found in the boot of a Renault 4 in the centre of Rome. The trial of those accused has just ended. Sixty-three members of the Red Brigades were convicted. Half got life imprisonment, the rest were sentenced for terms stretching up to thirty years.

The last five years between the deed and the retribution have been years of bitter and unprecedented war between the most efficient and deadly terrorist group the industrial world has ever seen and a state prepared to go to almost any lengths to destroy its armed opponents. But the trial of the Red Brigades marked a turning point in the history of the terrorist groups. In 1982, 915 militants of the left were arrested on suspicion of being terrorists. 3,000 are now in jail either convicted or accused of terrorist offences, while the number of militants still active in the armed groups is almost certainly fewer than 200. After the trial the Red Brigades formally announced they were giving up the armed struggle. It is hard to escape the conclusion that the history of terrorism in Italy is, at least for the time being, at an end.

Explosion at Pirelli

Yet even in defeat the Red Brigades are still important. They demonstrate once again terrorism cannot lead to socialism nor aid the working class movement. Even though the Red Brigades enjoyed real support and were spectacularly efficient in their operations, they were still smashed and left in their wake a divided and suspicious working class.

The Red Brigades are very different from those groups the press label as terrorist such as the IRA, the PLO or ETA. Unlike the latter, the Brigades did not arise from the struggle for national liberation, never had the support of a people oppressed by another nation. Rather they arose directly from the radicalisation of students and workers during the late sixties and, over time, consciously adopted a strategy of armed struggle as being the most effective way to fight for socialism. They can only usefully be compared to groups like the Red Army Faction in Germany or the Angry Brigades in Britain. But, unlike the last two, they were to be far more successful and long-lived.

The Red Brigades first appeared in

January 1971 with a series of explosions at Pirelli. The pattern of the early years was set: the Red Brigades carried out a series of minor actions aimed at factories, managers' cars and the beating up of foremen. But as one commentator pointed out:

'These actions did not have a big effect. They could hardly be distinguished from the violence which had become usual practice inside the factories.'

In the heat of the mass movement which swept Italy in those years, the Red Brigades were a small, insignificant force.

Despite their weakness, the Red Brigades were already different from the rest of the Italian left. The politics which were to lead them into clandestinity were taking shape. The founders of the Red Brigades came from two separate traditions. Some were Maoists, others came from the Italian Communist Party. What united them was the concept taken originally from the Stalinist Communist Parties of the 1940s, of a military war against the existing state. The Maoists looked to the Chinese revolution, the ex-communists to the Italian Resistance. For both groups, the vanguard (as they called themselves) was distinct from the mass of the population, relying on their support but carrying out the tasks which the masses could not handle for themselves. Already it was an elitist view of the party, one which separated it, in action, from the class which it was to 'represent'. Soon it was to lead to disaster.

Up till 1974, the Red Brigades were little known outside the confines of the left. Their actions were obscured by far more exciting events: mass workers' struggles and the heady growth of the revolutionary left. But during the mid-seventies the situation was to

change rapidly and they were to be propelled into the limelight.

By the mid seventies the workers' movement began to lose direction and strength. The minor acts of sabotage or violence in the factories were no longer obscured by the struggles of thousands of workers. They became increasingly isolated and thus began to have a weight of their own. Prospects for real change in Italian society began to recede as the Communist Party rejected any open conflict with the Christian Democrats and instead proclaimed the necessity of a 'Historic Compromise' with the traditional ruling party. The mass movements of the previous years began to move into a prolonged crisis and the revolutionary left began to lose its way. In the absence of any credible alternative the Red Brigades began to assume an importance out of all proportion to their numerical strength.

The theory of the Red Brigades was crude but did appear to make some sense. The state was seen as becoming increasingly centralised and repressive. The political parties were mere instruments of the international ruling class who were used to whip up support for the state. But the dictatorship of the state had not yet triumphed. It had not won most of the population to its policies nor had it been able to destroy the armed vanguard of the revolution, the Red Brigades.

Heady growth

The strategy came straight from the theory. The Red Brigades proposed a head on clash with the state in order to disrupt the moves towards dictatorship and to force the masses to choose between two opposing forces, the bourgeois state and the armed revolutionaries.

In normal circumstances, such a 'strategy' would have been suicidal, the isolated terrorists would have been wiped out by the state. But Italy in the mid-seventies was not



Rome: Communists demonstrate against the killing of Aldo Moro in 1978

'normal'. Far from leading to disaster, the strategy was the basis of seven years of armed struggle.

There were many reasons for the Red Brigades' success. Pride of place must go to the Communist Party. For years it had been the traditional channel of protest; from 1976 onwards it was far more interested in diverting any opposition in order not to imperil its shaky alliance with the Christian Democrats. The revolutionary left was also unable to give a way forward to the tensions that continued to wrack Italian society.

From 1976 onwards, all the groups of the revolutionary left entered a deep crisis from which they were not to recover. Thousands of militants had been brought up in the belief that the socialist revolution was at hand, that Christian Democrat rule was drawing to an end. Their dreams had been brutally dashed and, of course, a significant number were to drift towards the terrorist embrace. In the factories, there was a layer of militants who had fought for almost a decade against the bosses and their own union leadership. The struggle now appeared lost and some drifted towards the 'armed party'. Added to this, was a vast pool of young people, often unemployed, wanting to change Italian society but seeing no channel other than the armed groups in which to fight.

Political flexibility

The sad fact was that after 1976, the only organisation that appeared to be continuing the fight for the revolution was the Red Brigades. As a woman in her sixties put it:

'I don't agree with a single thing they do.

But in Italy today the Red Brigades are the ones who have any ideals.'

In this situation the Red Brigades and groups like them could flourish. The late seventies saw an unprecedented wave of political violence. In the first three months of 1980 for example, there were 437 acts of political violence, including 27 deaths. The targets were varied. Top of the list were the police and judges, followed by Christian Democrat politicians. But others suffered as well. Radical journalists who argued the need for profound reform within the state to neutralise the roots of terrorism were shot. Their crime was to attempt to mediate between the two sides in the war that the Red Brigades were fighting.

The number of groups multiplied as the terrorist phenomenon grew.

These groups did enjoy real support. The militants were not confined to a small sector of society. Among those arrested have been FIAT workers, unemployed youth, trade union militants as well as professors, teachers and lawyers. In the workplaces, there was a certain amount of shelter for the armed militant. As late as 1980 when the groups were badly hit by the state's offensive, almost half the workers in two electrical factories in the north were prepared to give some justification to terrorism as a way of fighting against the system.

Yet this support was very passive. Rather than betraying a desire to actively aid the armed groups, the interviewed workers were showing their lack of faith in their own capacity to change the system. The inter-

views showed that workers still wanted change, still saw it right that those who ran society should be punished but they now lacked confidence to do it themselves. The workers' movement had been unable to kick out the Christian Democrats but the terrorists could bump them off one at a time. They could not win strikes in the way they had done in the past, but at least their employers were under constant threat of assassination.

In short, the crisis of the left and the workers' movement had opened up a space for the terrorists to work in. By filling the headlines week after week with their 'revolutionary' actions, the Red Brigades took over the role that the working class had filled only a few years before.

The fight of the Red Brigades all too often threw back the workers' movement. On a number of occasions, strikes were called off after the discovery of Red Brigades' leaflets giving support to the struggle or when arrests uncovered terrorist supporters in the ranks of the strikers.

Both the actions and politics of the Red Brigades could not have been better designed to reduce the support they had to passivity. They were trying to force the working class to take sides, to polarise the political situation to such a degree that it would be forced to come behind its self-proclaimed vanguard. It was extraordinarily elitist. The Red Brigades could not talk of the self-emancipation of the class but only of the masses being forced to support them or the state.

On this basis the Red Brigades could attract a few of the most bitter and dedicated militants but they could never win consistent strata of the class. Even if they had been able to there would have been little for them to do other than join the ranks of the clandestinity. Once someone opted for the armed struggle, it precluded them from working openly to win the mass of workers. The military demands for secrecy prevented any other strategy other than individual violence.

The state responded to that violence all too enthusiastically. A series of special laws were rushed through parliament (with the half-hearted support of the Communist Party), which cut back dramatically on civil liberties and rights.

Bizarre frame-ups took place with respected militants accused of all sorts of crimes which they could not possibly have committed. Most notorious was the case of the 'Autonomists'. Their leading theorists were arrested in April 1979 accused of masterminding the plot to seize and kill Aldo Moro. Even though the accusations were soon disproved, those arrested have still not even been brought to trial let alone released after almost four years of prison.

Increasingly what was being put on trial was not merely the terrorist episode but the whole history of working class militancy and the mass violence that accompanied it since 1968. The violence of the picket line was deemed to be the same thing as the individual violence of the terrorist. Factory militants were arrested for violence on picket lines which had taken place six years previously at the height of the mass struggle.

The working class slowly retreated as the

nightmare war between terrorists and state developed. From 1978 to 1981, the two sides were locked in a circle of violence as arrests were replied to by shootings and then by further arrests. The revolutionary left groups also retreated. It was not only the repression or the arrests of their own militants that drove them back. More important was the fact that the Red Brigades had managed to polarise politics between themselves and the state and the voice of a socialism that relied on the self-activity of the working class was seen as having little relevance.

The terrorist groups had, by 1978, become the main force in opposition to the government and its Communist allies.

For the Italian state, the campaign against terrorism was extremely useful.

Not only did it use the opportunity to introduce new repressive laws and threaten many militants with imprisonment, the terrorists gave the state an external enemy against which it could unite. The state had long been sunk into lethargy, incompetence and corruption. From 1978 onwards it could rationalise its repressive apparatus in order to defeat its opponents.

The war between the state and the Red Brigades was long and bloody. For four years the terrorists appeared invincible, able to pick their targets at will. But this success depended entirely on their military excellence and the fact that the social crisis in Italy continued to produce a crop of angry militants who had no other channel than the terrorist groups to make an impact. As soon as the police were able to penetrate their ranks, they were doomed.

Continuing the fight

From 1980 onwards cracks began to appear in the structure of the Red Brigades, as militants confessed to the police in exchange for lighter sentences. These so-called 'repentants' were beginning to lose faith in the usefulness of the armed struggle as a strategy for socialism. As the debate inside the groups hotted up so the defectors increased in number. The terrorist groups were suffering not only a military defeat but a political one as well. Their strategy had failed: rather than uniting the working class behind them, they had contributed to the passivity and demoralisation of the class.

Faced with a frontal assault by the state, the groups had no possibility of winning. By 1982, the writing was on the wall—the terrorist groups had been defeated.

The legacy that the Red Brigades and the other organisations left was a heavy and bitter one. A large part of the post 1968 militants had been imprisoned or forced out of political activity. The revolutionary left was in disarray, unable to offer any convincing alternative to the armed road. The working class was demoralised and inward-looking. The state was both politically and ideologically stronger than at any time since the mid-sixties.

Italian terrorism was both the best advertisement and greatest warning against armed struggle in recent times. They waged a long and spectacular campaign but that struggle turned out to be a disaster for those who hoped for a socialist Italy. □



Guomindang officers standing over the bodies of workers murdered in Chiang Kai-Shek's second coup in Shanghai 1927

The Chinese catastrophe

Anti-imperialists from backward countries argue that it is essential to build class alliances with the 'national bourgeoisie' to liberate their countries from imperialism. Mark Caldwell shows how the experience of the Chinese working class in the 1920s proves that strategy leads to disaster.

In the eight years between 1919-1927 the organised working class in China grew from a modest number of company or craft based cross-class associations into a massive revolutionary force capable of fundamentally challenging the political and economic power of the national and imperialist bourgeoisie. The scale of the revolutionary swell was matched only by the savage repression of the counter revolution. The tactics of the Chinese Communist Party acting under the instructions of Stalin's Comintern, prevented the development of an independent revolutionary leadership for the working class and left the proletariat and peasantry defenceless in the face of a brutal military assault by Chiang Kai-Shek's Guomindang (Nationalist Party).

Day and Night

The lessons of the Chinese revolution remain significant as a guide for revolutionary tactics today. In Trotsky's words:

'It is not possible to understand what day is without understanding what night is, it is not possible to understand what summer is without having experienced

winter, in the same way it is not possible to understand the meaning of the methods of the October uprising without study of the methods of the Chinese catastrophe.'

The Chinese working class first began to assert itself as a collective force during the course of the struggles in the May Fourth movement 1919. This was a Nationalist movement under the leadership of the bourgeoisie which grew out of widespread popular opposition to the Treaty of Versailles decision to hand over German concessions in Shandong province to the Japanese.

Two major parties emerged from this struggle against imperialism, the Guomindang, under the leadership of Sun Yat-Sen, and the Chinese Communist Party (CCP). Both became acutely aware of the power of the working class as an instrument of change as a result of their experiences during the early 1920s.

For the Guomindang however, the strength of the working class was to be a lever that they would use to overcome the Northern warlords and the imperialist powers in order to institute the rule of the national bourgeoisie throughout China. Both the working class and the national bourgeoisie had a direct interest in overthrowing imperialism within China and the Guomindang sought to draw on this common interest in order to build an alliance with the working class.

At this time native capitalists owned as little as ten percent of cotton textile production and only 40 percent of all industry. The imperialist powers dominated the heavy industrial sector and controlled most of the large workplaces. Favourable treaties negotiated by the imperialists backed up by

financial support from the world market compounded their position of superiority. The interest of the national bourgeoisie in pushing back imperialist expansion was clear.

Because the imperialists owned the vast majority of major industrial enterprises the class struggle in its early years was manifested as a fight by the working class against the gross exploitation and physical abuse of the workforce by Japanese, British and other imperialist owners. The conditions of the working class in China 1920 compared unfavourably to the conditions of the English working class at the start of the nineteenth century.

The period 1919-21 saw a series of strikes which were by and large spontaneous and characterised by 'Luddite' type destruction and violence within the workplace. The struggles were in support of economic demands, better working conditions, for trade union recognition or often against physical attacks on workers made by the employer.

They provided the climate for the first large scale organised strike, the 1922 Xianggang (Hong Kong) seamen's strike. For two months 30,000 seamen succeeded in paralysing trade and industry within the British Colony and by the end of the strike almost the entire population of the island was involved and links had been established with workers in Guangzhou (Canton City) on the mainland.

These links proved to be of fundamental importance to the general strike of 1925. The seamen won a great victory achieving wage rises of between 15 and 20 percent, demonstrating in the clearest terms the value of union organisation and the power of the working class.

Building the CCP

The Chinese Communist Party was formed in July 1921 by the amalgamation of a number of small Marxist circles which had developed during the May Fourth movement. The leading Communists were Chen Duxiu and Li Dazhao, both of whom had played a significant role in the May Fourth movement and had consolidated their understanding of the potential of organised labour with a study of some of Marx's writings.

From the outset the CCP intervened in the class struggle and wielded significant influence in the strike wave of 1922. Under the influence of a Comintern controlled by Lenin and Trotsky they adopted a classic Bolshevik perspective of recruiting among the working class, organising in the trade unions, and issuing revolutionary propaganda.

A labour secretariat was formed and they built successfully in the working class, particularly amongst railway workers, miners and other heavy industrial workers in the central provinces of Hubei and Hunan.

On 1 May 1922 the CCP felt sufficiently confident to convene the First National Labour Conference which was attended by 160 delegates from 100 unions representing 300,000 organised workers from 12 different cities.

The CCP were aware that the Guomindang also commanded significant influence amongst the working class, particularly in Guangdong (Canton province) in the south, where the Guomindang under the leadership of Sun Yat-Sen had defeated the local warlords and succeeded in providing a comparatively liberal environment within which it was possible for workers to organise themselves in trade unions and win higher wages and improved conditions.

The CCP perspective in 1921 was to form a united front with the working class inside the Guomindang while at the same time retaining their political and organisational independence. In August 1922 they were instructed to enter the Guomindang in order to further the nationalist revolution. At first the instruction was rejected by the central committee, but pressure was applied by the Comintern representative and very soon party discipline prevailed. This decision was to have a devastating effect on the workers revolution during the following years.

The strike wave of 1922 was followed by a series of major defeats of the working class. The success of the militarist Wu Beifu in breaking up a CCP organised national railwaymen's conference and the subsequent murder of thirty five strikers, opened the floodgates for an all out assault by the warlords on working class organisation.

Mass Strikes

1924 saw a small upturn in working class activity, a number of economic strikes in Xianggang (Hong Kong) formed the basis for a revival of workers' organisations in the south, while a change in military leadership provided the opportunity to recover ground in northern and eastern regions. The Communists were sensitive to the changing mood of the class and turned back to their previous perspective. A workers' club was established in Shanghai which very soon began to play an important role in the revolutionary movement.

On 10 February a strike involving 30-40,000 workers broke out in the Japanese owned textile mills in Shanghai. The CCP was ideally placed and very soon took

control of the strike through its Shanghai workers' club. Another major strike involving 12,000 workers broke out in the Japanese owned cotton mills in Quindao. The CCP convened the Second National Labour Conference and this time they attracted 281 delegates from 166 unions representing 540,000 workers. The conference provided a rudimentary national organisation which proved to be of considerable value to the revolution.

In May 1925, immediately following the conference of the textile workers, strikes in Shanghai broke out again in response to an attempt by the Japanese to ban all union activity. On 15 May a leader of the workers was killed and workers and students demonstrated in their thousands. On 30 May a massive demonstration was fired upon by the British police killing twelve workers and injuring many more.

A general strike was called in Shanghai and the wave of militancy spread throughout the country. Every major town saw strikes, demonstrations and street meetings against imperialism. A total of 135 strikes were called in the immediate aftermath of 30 May incident involving 400,000 workers. In Guangzhou a demonstration of workers and students was fired upon by British police, 52 workers were killed and a further 117 wounded. A general strike was called in Guangzhou accompanied by a general strike of Chinese workers in Xianggang and a blockade of the British colony. Before long the entire Chinese workforce had been withdrawn from Xianggang and was soon involved in organising 2,000 armed worker pickets to enforce the blockade.

The CCP had worked hard to establish a base for themselves during the early days of the revolution and their efforts had been rewarded with considerable success. However, there were already a considerable number of problems developing from their continued membership of the Guomindang.

Bloc of Four

The tactical advice given to the CCP by the Comintern was part of a global strategy. Having already accepted Stalin's arguments that Socialism could exist in one country, the Comintern's foreign policy was based on a strategy of winning the confidence of the national bourgeoisie in countries such as China, in order to alleviate the pressures applied by the world wide forces of imperialism. The theoretical justification was provided by the concept of 'a bloc of four classes', a return to the Menshevik belief which prevailed in Russia prior to the October revolution.

Stalin argued that the only force capable of completing the bourgeois democratic stage of the revolution in China was an alliance of the four classes who had a joint interest in the overthrow of imperialism, i.e. the national bourgeoisie, the petty bourgeoisie, the proletariat and the peasantry.

The proletariat on its own was not thought strong enough to lead a workers' revolution. Furthermore Stalin believed that any antagonisms between the classes involved in the bloc would be negated as they lined up for a

united fight against imperialism. The Guomindang were seen as the organisational form of the bloc of four classes and the CCP were, therefore, asked to subordinate themselves and the working class to the leadership of the bourgeoisie.

However as the workers' struggle gained momentum, strikes in British and Japanese owned factories soon spread to Chinese owned enterprises and the peasants started to seize land from the local Chinese landowners. As the revolutionary struggle developed, so the class antagonisms between the proletariat and the bourgeoisie sharpened.

Restraining influence

The Guomindang leadership were desperate to keep the revolution within the very limited boundaries of their own interest, and in Shanghai an alliance between the national and imperialist bourgeoisie succeeded in breaking the general strike, while in Guangzhou Chiang Kai-Shek, recently appointed leader of the Guomindang military, prepared to launch his first coup.

A resolution for the readjustment of party affairs was passed within the Guomindang which required the CCP to hand over to Chiang a list of names of all Communists involved in the Guomindang. Furthermore the resolution prohibited any criticism of the three principles of Sun Yat-Sen by the CCP.

Chiang followed this up by an attack on the centre of workers' organisation in Guangzhou and the arrest of 50 strike leaders, most of whom were Communist. The CCP immediately called upon the Comintern to allow them to leave the Guomindang and reestablish themselves as an independent working class leadership for the revolution.

The Comintern instructed them to remain in the Guomindang, to accept the resolution for the readjustment of party affairs with all its implications and to build support for Chiang's proposed northern expedition.

Chiang Kai-Shek had succeeded in severely weakening the ability of the CCP to organise without making an all out attack on the class and thereby alienating the main body of his support in the fight against imperialism.

1926 saw a further intensification of the class struggle with many victories for the working class. Of the 535 recorded strikes during 1926, 50 percent were wholly successful and a further 30 percent partially successful.

It was in this atmosphere that Chiang Kai-Shek prepared his armies for a northern expedition, designed to capture the industrial centres of Wuhan and Shanghai and thereby bringing the entire area south of the Changjiang (Yangtse Kiang) under Guomindang control.

One of the armies of the expedition moved up through Hunan and Hubei, two provinces where the CCP had built for themselves a very useful stronghold amongst workers and peasants. In Hunan 100,000 workers belonged to labour unions and 1 million peasants were organised in peasant associations. In Wuhan alone there were

well red

Weekly 20p

Subscriptions £2 for 10 issues from
Socialist Worker Circulation
Department, PO Box 82, London E2

**Socialist
Worker**



Workers reclaim the British concession in Shanghai 1927

300,000 organised workers.

The workers and peasants of Hunan and Hubei greeted the armies with strikes, demonstrations and land seizures but the CCP, in order to preserve the bloc of four classes, were forced to act as a restraining influence on workers' militancy. They directed all their effort towards stifling any activity which threatened land or capital owned by the 'revolutionary Guomindang'. By mid October Wuhan had been taken. Progress for the second army of the northern expedition led by Chiang Kai-Shek was less smooth. As soon as both armies had left Guangzhou, Chiang declared martial law and set about the task of dividing and destroying the general strike.

Comintern betrayal

The British navy, detecting the split in the revolutionary movement, broke the blockade of Xianggang. Chiang then felt confident to move towards Shanghai through Jiangxi province systematically repressing worker and peasant organisations in order to establish Guomindang rule.

Following Chiang Kai-Shek's first coup, debate raged in the Comintern over the question of tactics in the Chinese revolution. Trotsky argued that the CCP should be allowed to leave the Guomindang in order to establish workers', peasants' and soldiers' councils. The experience of the Bolshevik revolution had proved them to be the organisational form through which the working class could lead the revolution into a higher, socialist stage, beyond the limits of bourgeois democracy.

Trotsky's arguments were suppressed by the Comintern, however, and the Chinese revolutionaries were to gain no access to them until after the final blow of the counter-revolution had been dealt. The bloc of four classes remained as the Stalinist orthodoxy.

As Chiang Kai-Shek's armies arrived in Nanjing and then started to move towards Shanghai, the atmosphere amongst the Shanghai working class was euphoric, a general strike was called by the CCP for the

19 February 1927, followed by an armed insurrection three days later. Chiang's armies were expected to march in and support the uprising.

Chiang Kai-Shek held his troops outside Shanghai and the insurrection was crushed. One month later the CCP organised a further general strike and armed uprising and this time the working class emerged victorious. Chiang marched into Shanghai to be greeted by the Communists and working class with slogans such as 'Hail the National Revolutionary Army! Welcome to Chiang Kai-Shek!', unaware that he had held his armies outside the city while they had fought on their own.

By the end of March it had become clear that Shanghai was the next target for repression. Despite the fact that the balance of class forces inside Shanghai was massively in favour of the workers, the CCP declined the opportunity to lead the workers against Chiang Kai-Shek. On the advice of the Comintern they disarmed the workers and buried the guns in order to avoid armed conflict with Guomindang.

Bloody massacre

Bukharin was later quoted as saying, 'Was it not better to hide the arms, not to accept battle and thus not permit oneself to be disarmed?' The bloody massacre of thousands of workers and communists was the price that the working class had to pay for the inept tactics of the Stalinised Comintern.

The coup in Shanghai proved beyond doubt that Trotsky's arguments for the establishment of an independent working class organisation and the formation of workers', peasants' and soldiers' soviets provided the only method by which the revolution could succeed. The Comintern had placed the fate of the workers' movement fairly and squarely in the hands of the bourgeoisie. The CCP were prevented even from criticising, let alone building any military opposition to Chiang Kai-Shek by their adherence to the bloc of four classes.

Even after the coup in Shanghai the possibility of a successful workers' revolution remained. The revolutionary movement in Hunan and Hubei had peaked in 1927 and 300,000 CCP members commanded the support of 3 million workers and 15 million peasants.

Stalin, however, retained his support for the Guomindang, claiming that Chiang's coup had brought about a split between the revolutionary Guomindang centred in Wuhan under Wang Qingwei and the reactionaries following Chiang Kai-Shek in Nanjing. The task of the CCP, therefore, was to win over the whole of the Guomindang to the left.

In May 1927 the Guomindang launched coups, one in Hunan and one in Hubei, the attempt in Hubei was foiled by the workers. In Changsha, in Hunan province, Xiu Kexiang captured the city and then set about destroying workers' and peasants' organisations throughout the province.

On 28 June the General Trades Union of Hubei voluntarily disbanded its worker pickets, a move which was tantamount to the unconditional surrender of the workers movement to the Guomindang by the CCP.

Expulsion

On 15 July all CCP members were expelled from the Guomindang. The workers' revolution had been crushed and the bankruptcy of the Comintern's tactics clearly exposed. Instead of accepting the defeat of the class and looking to rebuild a workers' movement Stalin deduced from developments in China and the rest of the world that the world proletariat had reached a new 'third period' of struggle in which international proletarian revolution was the order of the day.

In line with this analysis the CCP organised armed uprisings in those areas where they still had some support. The insurrections were smashed one after the other. In Guangzhou alone 5,700 workers were massacred. The outcome of this final tactical outrage was that the military remains of the CCP were decimated. The comrades from the industrial regions who had gone into hiding were exposed. The CCP completely destroyed what remained of its base within the working class.

The workers' revolution in China was defeated because of the failure of Stalin's Comintern to understand that the struggle of the working class against imperialism at every point sharpens the struggle between classes. And that every step forward by the working class pushes the national bourgeoisie towards an alliance with imperialism.

The Chinese working class was deprived, therefore, of the leadership of an independent revolutionary party which would have welded together the advanced sections of the class and taken the revolution into a situation where the mass of the population controlled production through the organisation of workers', peasants' and soldiers' soviets. Instead they were subjected to the leadership of the bourgeoisie and left defenceless against the brutal repression of Chiang Kai-Shek's counter revolution.

Drawing connections

Grosz's satirical drawings are well known, but little is known about the man himself. Peter Court traces his life from revolutionary involvement to post-war pessimism.

In June 1939 a secret nazi document was widely circulated listing nearly all the most famous figures of the Weimar Republic. It was virtually a death list as all were considered hostile to the nazi regime.

Amongst the artists on the list was George Grosz, a person who was, according to the document, 'one of the most evil representatives of degenerate art who worked in a manner which was hostile to Germany'. It was as well Grosz had taken up an offer of a job teaching in America. That offer saved the life of one of the world's most remarkable political artists.

The bitter and satirical pen and ink drawings of Grosz provide us with a powerful picture of the Weimar Republic. A period that was born in a spirit of hope following the defeat of the Imperial Regime in the first World War. But a hope that soon gave way to despair as the country plunged into an era of civil strife and violence which was finally to lead to the rise of Hitler and the triumph of fascism.

Experimentation

Art was to mirror these tumultuous times; the Weimar Republic saw an unprecedented level of experimentation in all fields of art. It was Grosz's achievement to combine this daring and excitement with an uncompromising revolutionary political commitment. On three occasions Grosz was actually brought to trial by the state on charges of insulting the army, undermining public morality and blasphemy.

Yet, despite being involved in all this, little is known about Grosz himself. That he was a complex and frequently contradictory man is borne out by the recent re-publication of his autobiography *'A little yes and a big no'*. Originally published in 1946, it is both a fascinating and infuriating book. In it Grosz does not disclaim his political activism as has been claimed by some critics, rather he refuses to even talk about it.

It is as if, after moving to America, Grosz had wanted to become All American and forget what had happened in a Germany where Hitler had all too easily triumphed. Partly this is undoubtedly true, Grosz's work in America had none of the fire and passion that had marked the work he had done in Germany, particularly his work between the years 1919-1923. In many ways Grosz's decline into the pessimism of his American period mirrors the decline that took place in the world revolutionary movement under

the double burden of Stalinism and Fascism. That he remained committed for so long and that he never, unlike so many others, denounced his former commitment are achievements that should not be underestimated.

Like many of his contemporaries, Grosz became politicised by the first World War. His enlistment in the infantry marked the first turning point in his life. Before the war he had been completely unpolitical but his experience with the brutal farce of military discipline together with the death and destruction in the trenches filled him with anger and hatred and a determination to hit back at the ruling order. Twice hospitalised among severely wounded and mentally disturbed soldiers, he barely saved his sanity by pouring out his disillusionment into the vitriolic drawing for which he became famous.

Political artist

Grosz's career as a political artist grew out of his encounter with the poet and publisher Wieland Herzfelde. Herzfelde introduced Grosz to his brother, John Heartfield, a printer and typographer. Both brothers considered themselves socialists. They saw themselves as being part of a general revolutionary movement and, whilst Grosz shared their anti-establishment views, he professed no faith in the idea of the mass activity of the working class.

At first their anti-war activity was on a small scale. Heartfield, who was then a postman in a fashionable Berlin residential district, used to deposit all his mail in the sewers hoping to create dissatisfaction with war conditions among those families who didn't get their mail. Grosz's speciality was sending gift packages to front line soldiers. A typical package would contain a starched dress shirt, gloves, tie and a request for tea, which Grosz said was difficult to obtain in Berlin. Grosz and Heartfield would also send post cards to the front, full of anti-war sentiments. So as to get past the army censors these cards were made up of words and pictures pasted together to convey messages which would never have got past the censor if they had been written down. Begun as a war time dodge, this pasting together of words and pictures to carry a political message, as distinct from the art of collage, was to be developed into powerfully eloquent political photomontages by John Heartfield.

While Grosz and Heartfield carried on their private war, Herzfelde looked for means to make more public statements. He wanted a journal in which he could sponsor openly anti-war statements. In July 1916, after overcoming many problems, the magazine *Neue Jugend* was published. It was a very eclectic affair containing a broad mixture of poetry, prose and illustration. Among the many contributors was the poet

Richard Huelsenbeck the first 'formal' exponent of Dada in Berlin. Today it's hard to imagine the fury that Dada provoked in the stale conservative atmosphere of the German state. The closest modern equivalent would be how the media first reacted to Punk.

Dada's aim simply stated by Huelsenbeck was to smash the cultural ideology of the Germans. It was, he said, to be smashed by 'all the instruments of satire, bluff, irony and finally violence.' The most notable technique of the Dadaists was to invite an audience to a cultural evening, and abuse them. Nonsense poetry, swearing contests and staged races between sewing machines and typewriters were the things that an audience at a typical Dada soiree could expect to be greeted with.

The reaction to such Dada events was notably extreme and provided Grosz with his first brush with the state. He was charged with insulting the German army by exhibiting a tailor's dummy dressed in an army uniform with the head of a pig. He was lucky to get away with only a fine.

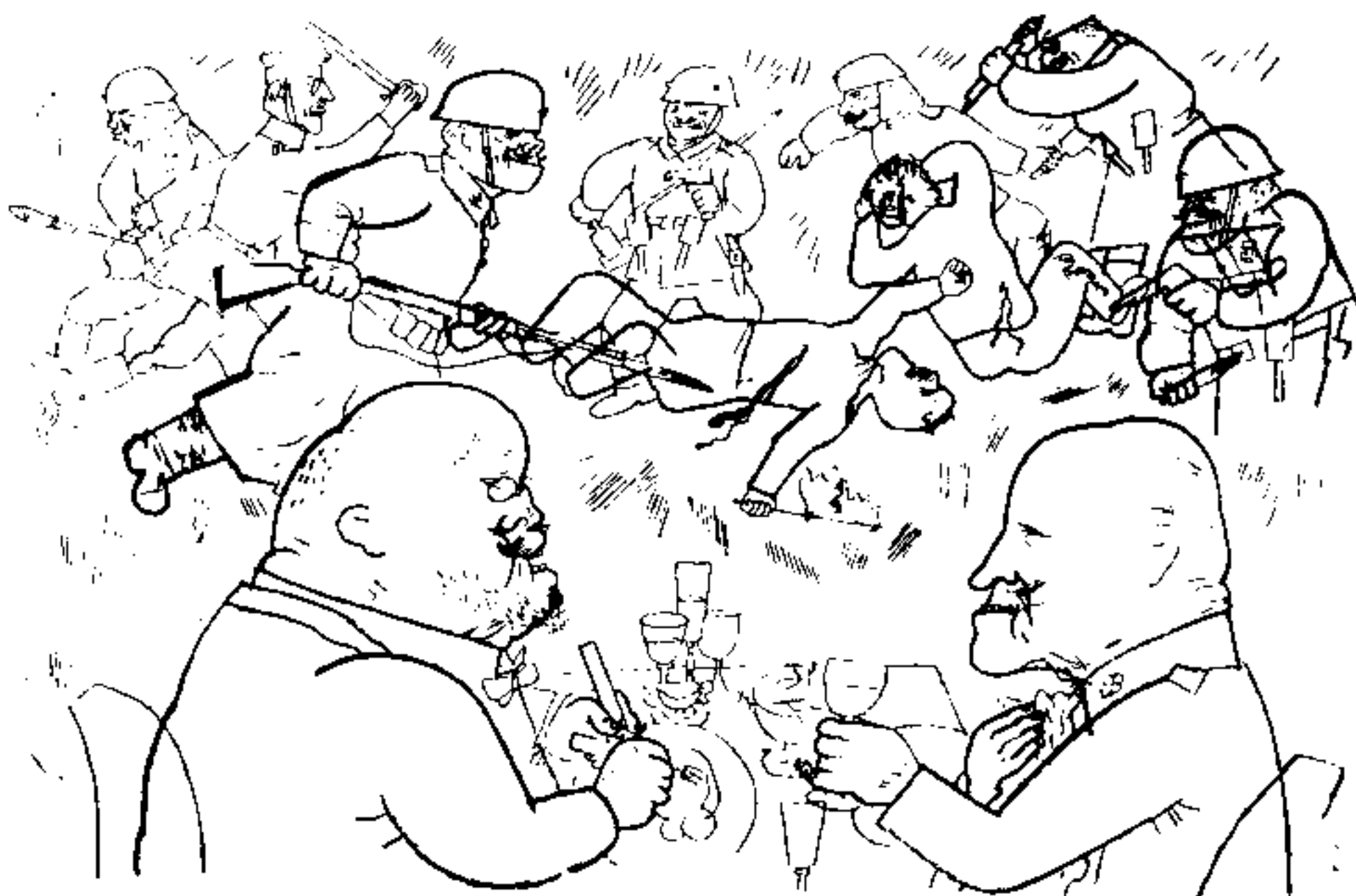
In the revolutionary excitement of November 1918, artists whose pre-war isolation from political and social problems had been shattered by the war banded together in the November Group. In January it published its manifesto. The group proposed to totally reorganise museums and art galleries, transform the architecture of public buildings and completely restructure art education. Unfortunately the enthusiasm of the November Group's programme was not matched by that of its membership. Many artists who had been caught up in the initial excitement of revolution soon discovered that their interests were not political and the proletariat was not an appreciative audience for their artistic endeavours.

Committed

In the Berlin November Group the conflicts between the membership became so marked that an opposition group was formed within it. It was not formally organised but made up of like minded artists, many of whom came from the revolutionary wing of Dadaism. Grosz, Otto Dix, Raoul Hausman, Hannah Hoch, Rudolf Schlichter and Georg Scholz formed the core of this opposition group. In June 1921 this opposition addressed an open letter to the November Group attacking its leadership for betraying its original revolutionary goals. The letter ended with a plea for artists to commit themselves to the proletarian revolution and to use their skills in building a new community of workers and artists.

The letter underlined the basic problem facing the politically committed artist in this period: the conflict between so called fine art and propaganda. For most artists propaganda was to be avoided; it reduced everything to an immediate political or social cause. For the communist artist, though, there was no conflict between art and propaganda, all art being propaganda since all art was determined by class struggle.

Art as class struggle was a view most clearly articulated by Ek Sandor, a Hungarian artist who worked in the Agit-Prop division of the German Communist



Blood is the best sauce, pen and ink drawing 1919

Party (KPD). He maintained that art was determined by the class which possessed the means of production. It was therefore meaningless to speak of proletarian art until the proletariat controlled economic and political power. In a revolutionary situation where the bourgeoisie was losing control and the proletariat moving into power, there could develop an interim revolutionary art, produced by an avant garde which cut its ties to the bourgeoisie and allied itself with the working class. The fundamental criterion of revolutionary art was therefore how well it served the cause of the proletariat in the class struggle.

Unfavourable impressions

Following this advice to the revolutionary artists, Grosz took an active part in organisations which were championing both the German worker and the young Soviet Union. His work within the International Workers' Aid (an organisation to aid the victims of the famine in Russia) was so successful that he was invited to visit the Soviet Union in 1922.

His impressions of the new proletarian state were far from favourable. It was a country still recovering from a bitter civil war and everywhere there was mistrust and hostility. Above all there was poverty and, despite his work in the International Worker's Aid, Grosz was little prepared for his first glimpse of a famine.

'So my first impression was of hunger, direct physical hunger ... Yes, there above me (on the docks) were locusts, I thought day-dreaming, perhaps this is really the land of locusts ...'

During the five months that he stayed in Russia Grosz met many of the leading figures of the revolution. He was amongst a carefully selected group of people who were invited to meet Lenin in one of his last public appearances shortly before his death. Lenin at this time was seriously ill and he wandered and stumbled in his speech of welcome. For Grosz, it was a depressing encounter. On the occasion of his meeting with Trotsky, Grosz was impressed by his military appearance

and brilliant delivery but thought that Trotsky had little real interest in art.

All in all the trip was not a great success. His scepticism had kept him from viewing the new state with rose-tinted spectacles and he returned to Germany neither excited or disappointed but aware that the Soviet Union was not the place for him or his art.

The trip to the Soviet Union is frequently cited by many critics as the point at which Grosz turned from communism. That he did not glorify Lenin or Russia did not, however, affect his commitment to the cause of the German proletariat. He continued to have an active relationship with communist organisations and individuals for several years after his return.

Grosz's most powerful commitment to communism was tied to the terror and turmoil of the first five years of the Weimar Republic. His work in the later part of the 1920s is quieter in both form and content. His work still dealt with the same subjects, mostly the bourgeoisie at leisure, but what was missing was any hint of hatred towards his subject. They were accurate and sensitive drawings but not the sort that could be used as weapons in the class war. The hand that drew them was no longer angry.

Dying fire

If the fire was dying down in Grosz, it was being smothered in the German Communist Party. The revolutionary organisation that he had joined in 1919 was being turned into a regimented bureaucracy. Heavily under the influence of Russia, the Party became less and less democratic in its organisation. Artist members were expected to paint what they were told to, an intolerable situation for Grosz. In his writings he had insisted that a revolutionary art emerged when the artist became involved in the revolutionary needs of the proletariat. He had never considered the party as a judge of art. When the party critic accused him of being insufficiently optimistic in his portrayal of workers his reply was characteristically bitter and pointed.

'I cannot imagine the proletariat other

than as I depict him. I see him still oppressed, still at the bottom of the social ladder, poorly dressed, poorly paid, in gloomy, smelly dens and often sustained by a bourgeois desire to go upwards ... to help the worker to understand his oppression and suffering; to make him ascertain openly his poverty and his servitude; to awaken in him self-consciousness; to awaken him for the class struggle—this is the aim of art and I serve that aim.'

The position that Grosz found himself in was becoming increasingly difficult. He could not simply repudiate the Communist Party, because it still stood for social justice and against militarism. Confronted by the growth of authoritarianism in both Germany and the Soviet Union he became more and more pessimistic in his outlook. When in 1932, the Art Students League offered him a teaching post in New York he took it as a welcome opportunity to escape from a grim reality and a chance to start a new career. He emigrated to the States on 12 January, 1933, just eighteen days before Hitler became Chancellor.

And so Grosz tried to become an American. He sought to forget his tensions and fears by adopting a positive outlook. But the conflicts between the new and the old were too great and Grosz became steadily unhappier as the nazi nightmare expanded into world war. Once a friend discovered him and the end of a long drinking bout burning a pile of drawings. The drawings were crude, horrible and brilliant. Grosz explained that he drew to rid himself of the ugliness and then destroyed the offensive drawing.

Devastated stickmen

The defeat of the nazis and the end of the war did not lessen his pessimism. He began working on a series of paintings of stickmen in devastated landscapes. The series culminated in *'The painter of the Hole'*. In it an emaciated and hollow figure wearing an iron collar sits in a grey landscape staring at a canvas which is torn and empty. The artist, explained Grosz, 'believed once in a picture, but now there is only a hole without meaning, without anything ... nothingness.'

At first Grosz resisted offers to return to Germany after the war. It would have meant for him a failure to have become an American. Nevertheless he returned. There are several accounts of his last days in Berlin in July 1959. Wieland Herzfelde tells of an evening spent in a small inn in West Berlin when Grosz loudly praised Hitler. Anyone who didn't know him would have thought him a nazi. Those who knew him could glimpse again the young Grosz attacking the hypocrisy of a Germany in which no one but Hitler seemed to have been a nazi.

On the night of 5 July Grosz was accompanied back to his apartment after a convivial evening spent in a fashionable cafe. Early the next morning a newspaper woman found him collapsed inside the entrance to the house. She called several workers from the street to help her carry him to his apartment. He died as they tried to move him. It was ironically like a scene from one of his own drawings. □

Essentially amorphous

Socialist Register 1982
Merlin Press, £5.50

A better than average *Register* this time.

The contents can most conveniently be summarised under four headings: Britain, the Stalinist societies, Marxist theory, miscellaneous. No doubt some, perhaps most, of the contributors would protest against being roughly shoved into these slots. Nonetheless, given limited space, some such characterisation is necessary if readers of this review are to be able to form a general notion of the shape of the thing.

Stuart Hall on *The Battle for Socialist Ideas* in the 1980s tells us that we need more socialist propaganda. Another article on Britain is *Economic planning and workers' control*, a factually valuable and politically splendid survey by Ray Green and Andrew Wilson, which concludes its analysis of current left Labour shibboleths on the matter with Marx's 1875 comment:

'Despite its democratic clang, the whole programme is thoroughly infested with servile belief in the state, or, what is no better, by a democratic faith in miracles, or rather, it is a compromise between these two sorts of faith in miracles, both equally far removed from socialism.' Then we have two useful, if far

from revolutionary, items by members of the GLC Police Committee Support Unit, *The myth of black criminality* and *Scarman: the police counter-attack*, a criticism by Huw Beynon of the Seabrook school of 'Woe, woe, what has become of us' analysis (*Jeremy Seabrook and the British Working Class*) and John Saville's interesting and characteristically inconclusive *Reflections on recent Labour Historiography*.

Here too, although it does not fit the categories at all well, mention must be made of Ralph Miliband's passionate and transparently sincere obituary of Ruth First; a tribute and a reminder that socialist activists are sometimes murdered by agents of the boss class.

There are five pieces related to one or other aspect of Stalinist type societies—my definition, not that of the authors.

Twenty-five years after 1956: the heritage of the Hungarian Revolution by Bill Lomax; a good deal of interesting information here, but cast in the, to me, absurd framework that assumes the Hungarian regime has something to do with Bolshevism. *Solidarity After the Coup* by Denis McShane does not add a great deal to Colin Barker and Kara Weber's *Solidarnosc* (IS 2.15) but it is lively, vigorously written and puts the central political questions very clearly. I quote the second sentence and the last three:

'The workers, intellectuals and activists who formed Solidarity did not know how to convert the gains of August 1980 into permanent change... Power cannot be shared. It can only be transferred. And Solidarity, like all trade unions, was not the instrument for securing in a decisive fashion, that transfer of power.' Splendid Denis. And the Labour Party?

I am not competent to discuss the East German writer Christa Wolf's *Citadel of reason, a speech on Büchner*, and so merely note it. Ernest Mandel's *China: the economic crisis* is a very different matter. This is something that really ought to be read by anyone who is at all interested in the notion that there are, or can be, workers' states not created by or controlled by any actual working class. It is a classic of its kind.

'First, it is now clearer than ever that socialist revolution in China was necessary and historically justified.'

But in what sense was it a socialist revolution? Was it led by the working class? Or did the working class subsequently gain control? Ernest does not venture to suggest anything of the sort. On the contrary, he starts from the rulers who 'have faced a series of strategic problems rooted in the country's backwardness.' The workers (and the peasant masses) feature as *objects* in the struggle with these problems in Mandel's account.

'What are the causes of China's progress?' asks Mandel, and he replies, 'The main one is that

China's labour power is no longer a commodity, that there is no longer a labour market in China, that workers have job security...' Yet he also speaks of 'the enormous mass of unemployed', of the 'twelve million urban young people who left school in 1979 and were looking for jobs, only seven million got them.' He tells us that: 'the threat of dismissal now hangs over the heads of 100 million wage earners in China' and of 'hidden rural unemployment, estimated at 50 percent of the 300 million agricultural producers.' He tells us too that 'as a result of retrenchment, thousands of factories are idle or shut down.'

Sounds familiar. So too does his remark that 'inflation remained rampant'. Ah, but you see 'China's labour power is no longer a commodity'!

For those not bemused by Mandel's metaphysics there is a good review by Paul Keleman of the (Mandelist) book on the Ethiopian revolution by Halliday and Molyneux.

"'Revolution from above' write Halliday and Molyneux, 'is not so much an alternative to revolution from below as an extension or fulfilment of a mass movement from below, where the latter is, for a variety of reasons, unable to go beyond the stage of creating an atmosphere of national dissidence and to overthrow the established régime.'" Through its silences and misinterpretations, catalogued above,' writes Keleman, 'The Ethiopian Revolution suggests a contrary lesson: the lesson that the Eritrean and Tigrayan struggles continue to demonstrate in practice—the masses cannot be substituted for in history.'

Exactly so. On theory, loosely defined, we have a reprint of Deutscher's *Tragedy of the Polish Communist Party* (which first appeared in English in 1972) and a contentious piece, *Marxism and the Jewish Question* by David Ruben as well as some other items of interest.

The *Register* was intended, to quote the first (1964) issue, to be a journal devoted to 'socialist analysis and discussion', controlled by editors who hold 'a definite and committed point of view' but who 'have no wish to imprison discussion within a narrow framework' and so present 'a wide range of ideas and arguments, including those with which they disagree.'

It can indeed be fairly claimed that it has presented a wide range of argument over the years.

The claim that the *Register* has, as its axis, a definite and committed point of view is much harder to sustain. It is easy enough to say what it is not. Not Labourite, not Stalinist, not Eurocommunist (although with occasional leanings that way), not academic Marxist, not Third Worldist—and not revolutionary socialist either. There have been contributions from all (or

تونى كليف : سرمایه داری دولتی در شوروی

سرمایه داری دولتی چیست .

چگونه بوجود آمد .

چرا دولت شوروی يك دولت کارگری نیست ؟

آیا بحران اقتصادی در شوروی وجود دارد ؟

آیا قانون ارزش در شوروی عملکرد دارد ؟

آیا مبارزه طبقاتی ، سرمایه داری دولتی را تهدید میکند ؟

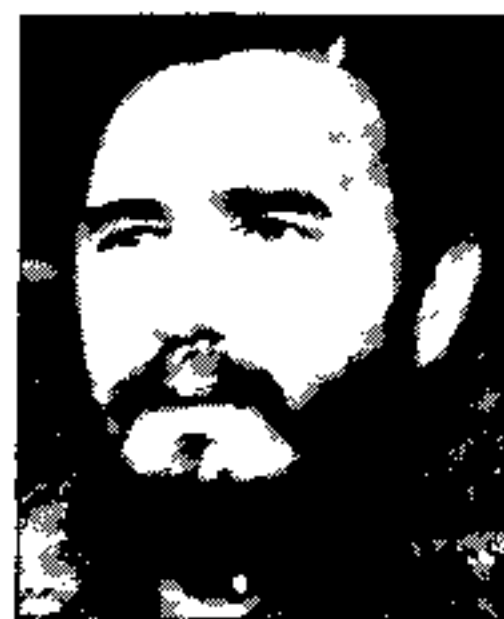
انتشارات سوسیالیسم

SOCIALIST PUBLICATIONS:
PO BOX 82
LONDON E2
ENGLAND

Tony Cliff: State Capitalism in Russia (FARSI)

£5.00 \$12.00

CASTRO, CUBA AND SOCIALISM by Peter Binns and Mike Gonzalez



What did Castro's revolution achieve? Does it provide a model for the Third World? This pamphlet gives the answers.

75p plus 20p postage/five for £3.50 post free from Socialists Unlimited, 265 Seven Sisters Rd, London N4 2DE

nearly all) these positions, in accordance with the stated position of wide-ranging discussion, but where is the central core of ideas against which these various tendencies are to be assessed?

What actually, other than the provision of space for discussion, does *Socialist Register* stand for? Who can say? It is essentially amorphous and evasive.

Naturally, there are those who regard this characteristic as desirable. And to declare an interest, it has permitted the inclusion of occasional contributions from supporters of SWP politics (Nigel

Harris, Dave Widgery, Ian Birchall, myself) which would not have been printed by other, ostensibly non-party, journals of the left.

Yet surely, after nearly twenty years of discussion, some definite conclusions ought to have emerged. Is there, for example, any 'actually-existing socialism' or is there not? Can socialism be achieved by the use of the existing military-bureaucratic state machine or can it not? What, at the end of the day, is the purpose of discussion if not to lead to decisions and so to action?

Duncan Hallas

issue but a human issue', a conclusion which irrevocably lines him up with the right-wing and against the socialists inside CND.

A review such as this is too short to show what is wrong with this position (besides, it has been done already in *Socialist Review* by Chris Harman in his excellent 'Marxism and the missiles', October/November 1980). What we can do, however, is to see how he gets to this position. Firstly we should note that he begins with a fundamentally correct observation—that the arms race has imposed on its participants broadly symmetrical structures of society (or perhaps, rather, it has revealed them as already having such symmetrical structures). But why not conclude along with Lenin, and above all Bukharin, that the drive to world war is inherent in ageing capitalism, that no new mode of production has to be invented to explain the renewed threat of war as the world system plunges yet again into the same sort of crisis that produced 1914-18 and 1939-45?

The answer is twofold. On the one hand Thompson either does not understand or, worse, refused to consider Bukharin's crucial contribution to Marxism. Otherwise he would feel no need to draw new modes of production out of thin air like rabbits from a hat. On the other hand, his break with Stalinism in 1956 was in no sense a real theoretical break. For he continued to think of Russia as having an underlying socialist structure even while continuing to criticise its leaders for using this structure in an inhuman way. Now if socialism and capitalism are incompatible, and yet, at the same time, a common logic of military competition has now arisen on top of what were these 'capitalist' and 'socialist' societies, then it is not so surprising to see Thompson concluding that we must now be in a post-capitalist and post-socialist 'exterminist' society.

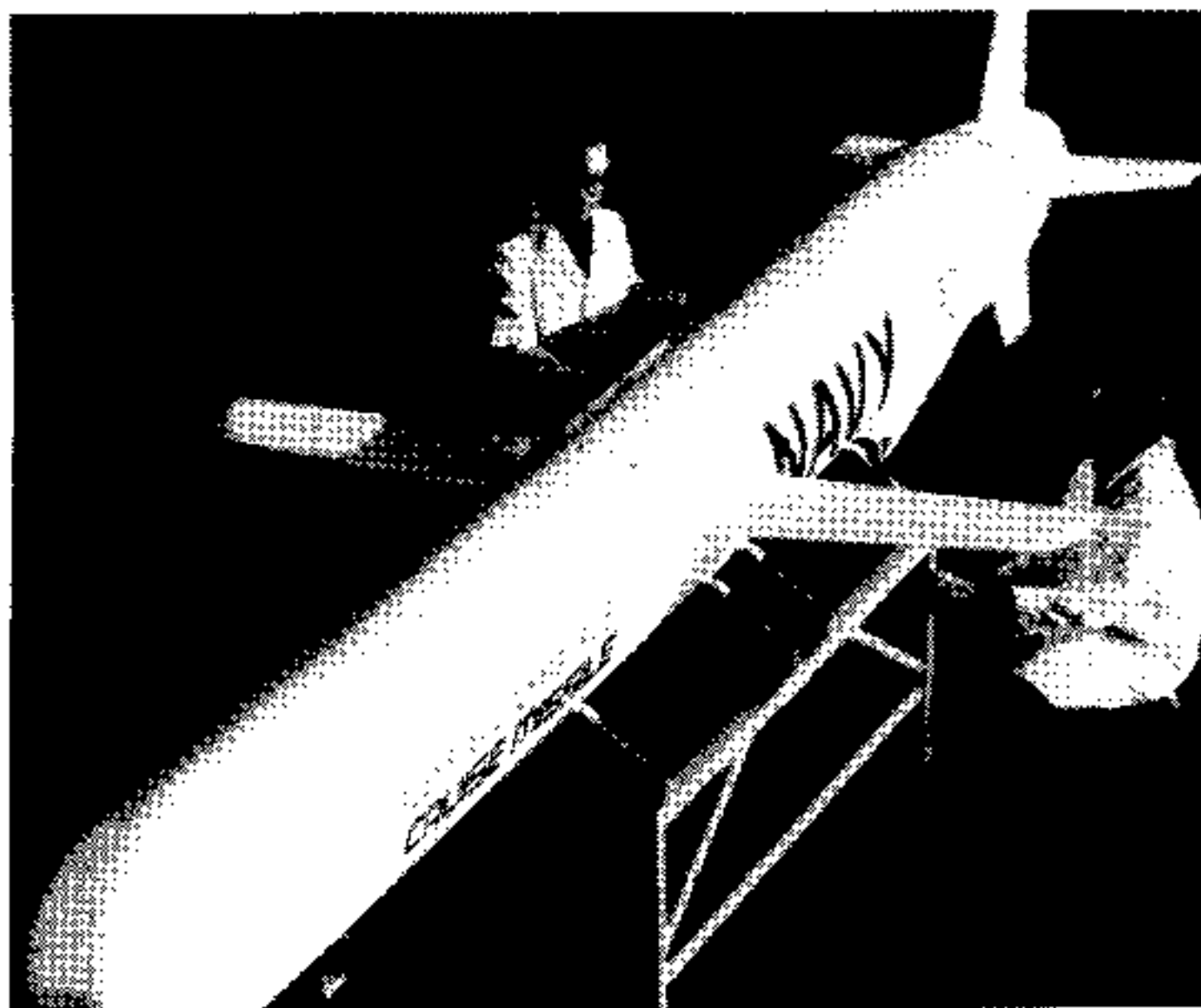
Impoverished by his lack of a theory of state capitalism on the one hand and his lack of a Bukharinite theory of military capitalist competition on the other, it is easy to stumble in this direction. Without the theory of state capitalism you cannot explain the symmetrical nuclear imperialisms of Russia and America, and without a

Lenin/Bukharin theory of capitalist world war you cannot begin to explain the onset of the new Cold War at the same time as there was a return of crisis to the world economy in the 1970s—unless of course you abandon Marxism altogether as does Thompson.

In its own superficial way the 'exterminist' thesis does at least recognise the symmetry between the nuclear imperialisms and makes an attempt (following C Wright Mills' sociological explanations of the 'military industrial complex') to account for how and when it came about. The same cannot be said, however, for most of the other contributions in this book. None of the thirteen other contributors make any attempt to explain the symmetry; none of them even intimate that there might be a Marxist theory—such as the theory of state capitalism—which makes such an attempt itself.

More remarkably, with one exception, none of the thirteen even begin to frame their answers to Thompson's 'exterminism' by starting off from Lenin and Bukharin's classic explanations of world war and then seeing how much of that analysis fits the situation today. The exception is Mary Kaldor. Her theoretical position is, however, an eclectic amalgam of Rosa Luxemburg and Karl Kautsky, C Wright Mills and Mike Kidron. She believes that war is 'necessary to but discontinuous from' capitalism, and that the Permanent Arms Race is the cause rather than the result of capitalist crisis. She concludes that the way ahead is via 'workers' plans' for the reconversion of war production plus an alliance with 'progressive', anti-militaristic capital. The result of all this is considerable confusion.

This book is not all negative, however. Raymond Williams argues against any slide into multi-



Arms race logic

Exterminism and Cold War
Edward Thompson and others,
New Left Books and Verso, London
1982. £5.50 (p/h).

Early in 1980 Edward Thompson was in despair. The new Cold War was already in full spate with Nato's December 1979 decision to deploy Cruise and Pershing 2 missiles in Europe; furthermore no movement had as yet emerged to oppose it. The despair spawned two publications—the first, *Protest and Survive*, was the highly successful pamphlet around which CND was initially re-

built; the second was more theoretical and reflective in nature, entitled *Notes on Exterminism, the Last State of Civilisation*, it was published in *New Left Review*. The editors have now republished it, along with a dozen or so responses in this book. In doing so they have certainly taken care to achieve a good geographical spread with these responses (from Russia the brothers Medvedev, from Italy Lucio Magri, from Japan Saburo Kugai, from Germany Rudolf Bahro—plus contributors from Britain and America); whether they have achieved an equivalently good political spread is another matter—but we shall turn to that below.

Thompson's thesis was a comparatively simple one. Both Russia and America are now dominated by the logic of an arms race, which, in its turn, has imposed upon each a symmetrical structure of society; in each country (and, by implication in the remainder of the world that each dominates), 'exterminism' rules. The implication here is that insofar as America, for instance, still has 'capitalist' elements within it, they must be seen as quite subordinate to its over-reaching 'exterminist' dynamics. From this Thompson then draws the conclusion that the Bomb 'is not a class



E P Thompson



'The smallest mass party in the world'
by Ian Birchall

Find out how we built it in this history of the Socialist Workers Party from 1951-1979.

60p plus 20p postage/ten for £5 post free from
Socialists Unlimited,
265 Seven Sisters Rd,
London N4 2DE



lateralism and against Thompson's exorcism of the class struggle—even if he does not attempt to answer the underlying theoretical questions involved. Noam Chomsky has a sharp and well-written polemic against US imperialism; and several authors argue, convincingly, that Thompson's analysis underplays the significance of Russian/American conflict outside Europe, particularly in the third world.

But the bulk of the objections to Thompson come from contributors intent on exonerating Russian imperialism in one way or another. In the case of the Medvedevs no real attempt is made to couple this with a socialist critique of Thompson. This is not true, however, for the two *New Left Review* board contributors, Mike Davis and Fred Halliday. For both of them the new Cold War is a struggle between 'capitalism' (America) and 'socialism' (Russia), and hence an 'instance of the global class struggle' (p53). From here it is but a short step to defending the right of Brezhnev and co to blow workers in the West to pieces.

Certainly they seem to believe that it is right for Brezhnev to threaten to do so. Davis, for instance, signals his approval for Brezhnev's military posturing by claiming that:

'It is possible that the Soviet Union's approach toward strategic nuclear parity in 1970-73 ... stayed Nixon's hand from the final, nuclear escalation as much, or more, than the fears of domestic explosions at home' (p57).

And Halliday agrees:

'... the new strategic potential of the USSR stayed the hands of US officials who might otherwise have envisaged direct inter-

vention, as in Iran' (p300).

He concludes by explaining the non-existence of CND-type bodies in Russia, not by referring to its repressive state apparatus, but rather by claiming that since Russia is not basically responsible for the Cold War, there is no reason to expect one to develop anyway:

'... if the political responsibility for the New Cold War is disproportionately attributable to the USA and its allies, the room for political mobilisation against the New Cold War is disproportionately restricted within the USSR and its associated states, to the point where it is not yet in any meaningful sense capable of independent articulation in them' (p320).

The consequences of all this are quite disastrous within the anti-war movements that have mobilised more than a million people worldwide over the past two years. If 'socialism' means the ideas of Davis, Halliday and co, then one can hardly expect 'socialist' ideas to gain much currency in such a milieu.

After all, the implication is that for Russia at least, 'deterrence' has worked, that the Bomb is a bad thing when targeted on Moscow, but a good thing when targeted on New York or London. No wonder that such a 'socialism' compares poorly with the more overtly anti-working class politics of Thompson's 'exterminism' in a CND-type milieu. Worse, by presenting this as the *only* version of a socialist perspective on the new Cold War, the editors have done their part in diminishing the credibility of *any* version of socialism.

Peter Binns

drapery business in Manchester.

Her personal sense of pride and self sufficiency ensured that she always retained her feminism but her growing involvement in business and the increasing remoteness of those early years in a textile factory appears to have lost her her spark for socialism.

This book, compiled by her daughter Doris—who she used to take around the country with her in those early days—is a record of that life although there is much missing. Ada Nield Chew appears to have destroyed most of her papers in later life.

It also contains a collection of her letters which were to bring her to prominence and a selection of her sketches, 'vignettes' of working class life which she wrote for national political and local papers of the time.

Interesting though the sketches

are they fall half way between journalism and fiction and lack of real literary merit gives them a passing interest only.

This book is of value for those early letters written from the heart of a miserable existence and also for the brief glimpse it gives us of working women's involvement in the early years of the Labour Party and suffrage movement.

But by and large it suffers from being too sketchy. Not enough is known of Ada Nield Chew to provide an in-depth biography. However it does point the way forward for the book which has yet to be written.

Ada Nield Chew was only one of a number of working class women caught up in the politics of the time. An examination of that would be a more substantial book.

Ceri Jones.

Shaping things to come

Partial Progress—The Politics of Science and Technology

Dave Albury and J Schwartz

Pluto Press, 1982, £4.95

This book is a breathless survey of a wide range of issues related to science and technology, from the Davy lamp and Luddism to the Lucas Alternative Plan and Microelectronics. The book also sets out to be a socialist critique of capitalist science and technology.

In their account of the Davy lamp, the writers look to see who benefited by its introduction. Humphrey Davy was a stooge of the mineowners who designed a miners' lamp which allowed coal seams to be exploited which were otherwise unworkable. The owners got their coal and the miners continued to have 'accidents'.

By using other examples, Albury and Schwartz gradually build up a picture of present day science and technology. They dwell on the point that science is ideological with in-built ideas of progress and objectivity mixed in with dashes of elitism, sexism and racism.

The novel part of the argument goes as follows: environmentalists, trade unionists and others have responded to issues from nuclear power to high technology medicine. All these responses have been inadequate. Socialists in particular have been naive, in part because they have inherited a view that science is progressive and have refused to recognise that this is no longer the case.

Correct responses to these problems are crucial for the authors because:

'The shaping of things to come will depend on how effectively the struggle over scientific and technical issues is carried out in the future'.

This is because they think that, for example, microelectronics (the

hardware with the built-in capitalist assumptions) is an essential part of capitalist strategy to restructure capital at the present time. Not only that, they think the scientific and technological issues are *the* issues to be confronted.

But these issues are bound up with the bread-and-butter issues of pay, redundancy and hours of work.

It is these that can spark off industrial action, challenging the power of the capitalists and setting limits to their technology. It is the power of the working class and not their view of science and technology that is the key.

Though the authors rightly criticise plans for alternative production such as the one produced by the Lucas Aerospace Combine Shop Stewards' Committee, they do not manage to map out a strategy which avoids these pitfalls.

Lamely they put forward rules to help you in your struggle,

'Never trust a research report, never trust a scientist, don't get discouraged, get help ...' (p178).

The book is a useful introduction. The title, 'Partial Progress' is very apt.

Walter Page

Letters from Crewe

Ada Nield Chew—The life and writings of a Working Woman.

Virago £4.50.

Ada Nield Chew was a working class woman who devoted 20 years of her life to the socialist and suffrage movement at the turn of the century.

As a young woman 'desperate for money' she became a tailoress in a Crewe factory. The appalling wages and conditions she and the other women there had to endure prompted her to write a series of protesting letters to her local paper.

These letters drew the attention of the world outside not just to the plight of the factory women but also to the authoress herself.

Dismissed from her job as a result of her letters, she was taken up by the ILP which she joined in late 1894.

So she began a political journey which took her through work as an organiser for both the ILP and later the Womens Trade Union League.

It was a journey in a physical sense too for much of her time was spent travelling around the country on speaking tours coming face to face with the wretched conditions of working class life.

Wearisome though it may have been it must also have been highly rewarding. For in the years 1900 to 1914 when she was active as an organiser for the League, trade union membership among women trebled.

As the years went on she became more involved in the suffrage movement. But always from a working woman's point of view. She argued passionately against the Pankhursts, 'fine ladies' she called them, and refused to join their Women's Social and Political Union.

But then almost as suddenly as she entered political life she disappeared. A pacifist, she played no active part in the anti-war movement of the first world war. And once the war was over she became more and more involved in her

TROTSKY'S MARXISM

by Duncan Hallas



£2 plus 40p postage

PARTY AND CLASS

by Chris Harman

35p plus 20p postage/five for £1.50 post free

Socialists Unlimited,
265 Seven Sisters Rd,
London N4 2DE

Better read on

Every three months the **Bookmarx Club** offers a selection of good books for socialists by post at reduced prices. It is a service every *Socialist Review* reader should take advantage of. **Charlie Kay** presents a guide to this quarter's list.

1) **The Revolutionary Ideas of Karl Marx** by *Alex Callinicos* £2.75 (3.95)

There are a lot of introductions to Marx about, but, until this one, not a single one you could recommend with any degree of enthusiasm. They are either pieces of reformist or Stalinist hackwork, or, more often today, academic books for students, presenting Marx as a great sociologist, economist or whatever. Alex Callinicos's new book is the first introduction for years written by someone who emphatically agrees with Marx's central message of proletarian revolution. It's written for active socialists who want to know about Marx's life and thought. It is clear, but it doesn't fudge any of the difficulties. It agrees with Marx's central ideas, but it is not frightened of pointing out where Marx was unclear, wrong or is now dated. It has filled a yawning gap. This is an introduction that can be recommended without any qualification to beginners. It is also a book that will be read with profit by even the most experienced and knowledgeable.

2) **Of Bread and Guns** by *Nigel Harris* £2.40 (2.95)

Anyone who has ever heard Nigel Harris speak must have been struck by the force he gives to the basic Marxist idea that we live in a *world* economy, and that what we are suffering here is part of a *world* crisis. He couples a breadth of vision with a wealth of detail to show just how absurd are the fashionable plans for tinkering with one national economy or another. He makes bank credits and commodity prices come alive, showing just how a movement on the New York stock market can cause devastation in Bangla Desh. That combination of breadth and vision and wealth of detail is a central feature of his new book on the world economy in crisis. It should give a depth to arguments *Socialist Review* readers are having every day.

3) **Braided Lives** by *Marge Piercy* £1.55 (1.99)

Marge Piercy's seventh novel is a story about the USA in the 1950s. It centres around Jill, a working class woman from Detroit who goes to college, and is told from the standpoint of her later success as a poet. The novel recounts her struggle to control

her own life in a period when abortion was a criminal act. As the author herself says, recent attacks on women in the USA have made the story of that struggle an important one today.

4) **Bitter Fruit** by *S Schlesinger and S Kindzer* £3.15 (3.95)

This is the story, written by two American liberals, of how the CIA and the American State Department conspired to overthrow the reformist government of Arbenz in Guatemala in 1954. It is an exciting book much of which reads like a thriller. But it is also an important book because the 1954 Guatemala operation was the classic case of subversion by US imperialism in the third world. Guatemala was quite literally the original 'banana republic', its economy dominated by the United Fruit Company. The fate of Arbenz's timid attempts to change that are a text book case of the fate of third world reformism, and a text book exposure of the Cold War rhetoric about the 'Free World'.

5) **The Rebel Girl** by *Elizabeth Gurley Flynn* £3.15 (3.95)

In the end the IWW, the American Workers of the World or Wobblies, were a failure, crushed by massive repression in the First World War, and prisoners of their rejection of the need for a revolutionary party. But they were an inspiring failure, organising the apparently unorganisable, using the most imaginative means of propaganda and agitation against the most appalling odds. Elizabeth Gurley Flynn was one of their leading organisers. This autobiography is the story of her 'first life' organising with the Wobblies (before she joined the Communist Party in 1926).

6) **Bread and Roses** by *William Cahn* £4.00 (4.95)

Lawrence, Massachusetts, 1912, was the scene of one of the greatest—and most successful—strikes organised by the IWW. All the Wobblies' flair was employed to organise to victory textile workers speaking more than twenty different languages. This book tells the story using the quite incredible photographs taken at the time.

7) **The Last Days of America** by *Paul E Erdman* £1.55 (1.95)

Paul E Erdman is the author of *The Crash of '79*. At first sight he is an unlikely candidate for inclusion in a socialist bookclub. He is after all a former banker and boss of an electronics firm. But that is part of his strength. He writes thrillers about the machinations at the top of the system which are both credible and subversive because they suggest just how crazy that system is. His latest, about the director of a cruise missile company trying to capture a multi-billion dollar contract from NATO, keeps up

the exciting high standards of his previous novels.

8) **The Absolute Bourgeois** by *T J Clark* £4.00 (4.95)

This book is a case study of the relationship between art and revolution. It tells how artists like Millet, Daumier and Delacroix reacted to the different periods of the French Revolution of 1848: from the art of the barricades to the effect of reaction. When it was first published our predecessor, *International Socialism*, described it as 'a detailed and sensitive study which breaks down the barricade between art history and socialist theory.'

9) **Lenin** by *Georg Lukacs* £1.60 (2.00)

Georg Lukacs was a Hungarian intellectual won to marxism by the Russian Revolution. He was Commissar for Culture in the short-lived Hungarian Soviet Republic of 1919. He is best remembered for his philosophical *History and Class Consciousness*, published in 1923, and for his subsequent work as a brilliant (but Stalinist) writer on literature. This little sketch of 'the unity of Lenin's thought' written just after Lenin's death, is less well-known. Undeservedly. Because it is Lukacs' best book and easily the best short study of Lenin's political theory there is.

10) **Really Bad News** by *The Glasgow University Media Group* £3.15 (3.95)

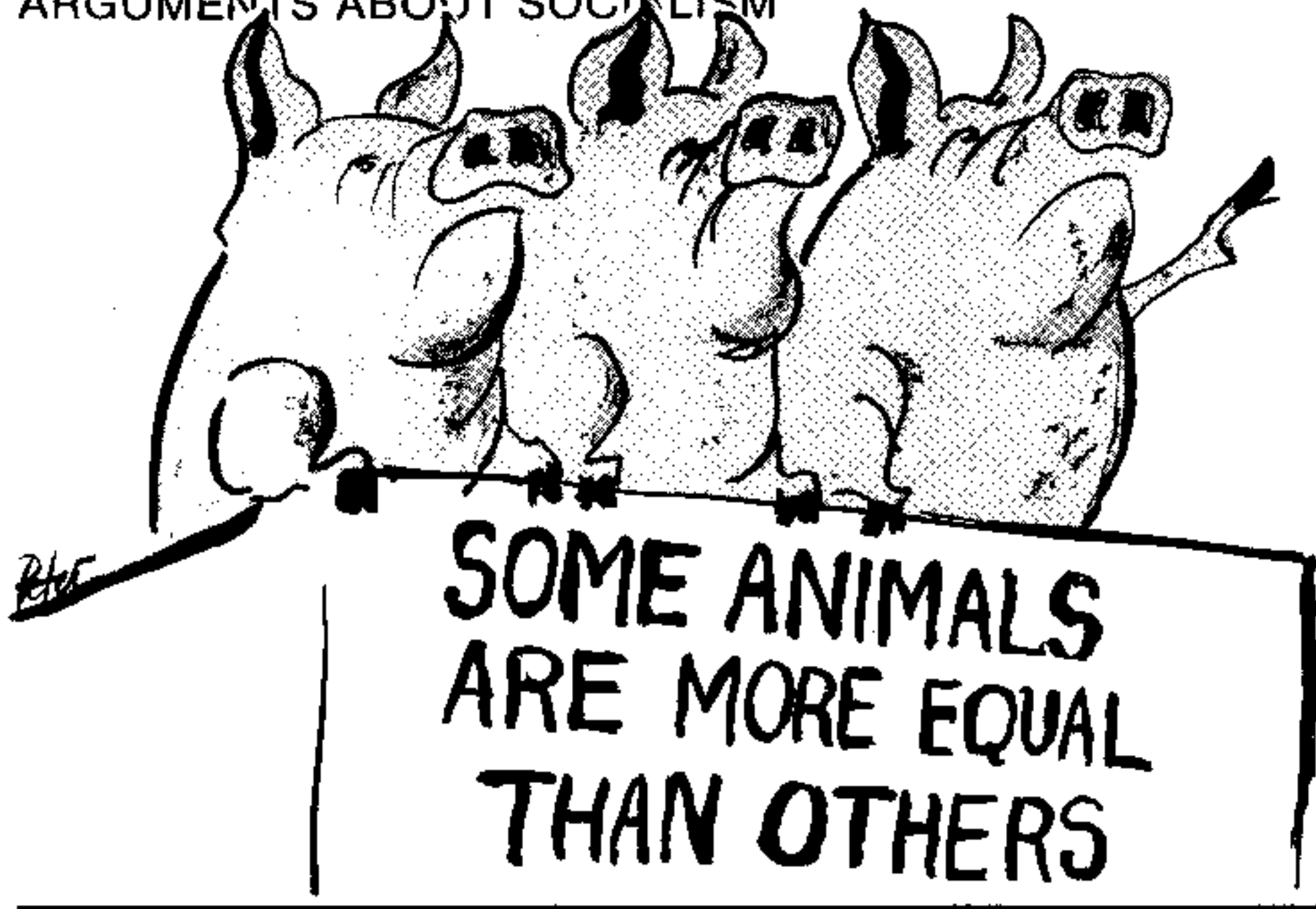
Every socialist knows that television news and current affairs programmes are biased to the bosses. But when it comes to arguing that, then you need more than the bald assertion. You need the details, you need to show the exact mechanisms of the bias. This is where the work of the Glasgow University Media Group is so valuable.

11) **The Occupation of the Factories** by *Paulo Spriano* £3.00 (4.95)

1919 and 1920 in Italy were known as the two red years. The wave of class struggle reached its climax in September 1920 when a million engineering workers occupied their factories all over the peninsula. Paulo Spriano's book is the classic account of that struggle. Very straight-forwardly written it contains a wealth of detail of how the different factors—workers, union leaders, bosses and politicians—played out one of the highpoints—and tragedies—of the European workers' movement.

12) **The Spook Who Sat by the Door** by *Sam Greenlee* £1.55 (1.95)

This is a fast and exciting spy story with a difference. It opens with a liberal American Senator trying to win black votes by denouncing the CIA's whites-only recruitment policy. The hero of the book is the first token black they recruit and the plot concerns the use to which he puts the training they give him. The book is brilliant on white racism and those blacks who collaborate with its liberal wing. But be warned: women appear only as 'chicks' and the author is a million miles from class politics. Despite these serious flaws the book is a gripping read with a lot to say about US society.



Revolution can't work?

Sometimes it seems like revolutions just aren't what they're cracked up to be.

After all, we've had quite a few in the course of this century. And with what result? In modern Russia we have the 'New Tsars', the latest of whom is a KGB man. In China, whose Great Cultural Revolution once inspired a generation of student radicals, world-wide power now rests with a gang of grey mediocrities.

Zimbabwe's 'Marxist' rulers attack the workers, Fidel Castro attacks gays, the Ayatollah attacks just about everybody. In Indochina, the heroic fighters of a decade ago are now fighting each other. And the less said about Kampuchea the better.

So it's not only professional cynics who might conclude that revolutions simply replace one gang of dictators or cut-throats with another. That there will always be a ruling class. That mass revolutionary struggle cannot create a classless society. And, therefore, that Marxism is just a utopian dream with rather bloody practical consequences.

But just a moment: it's not quite as bad as all that. For a start, most of the nations that have been through revolutions are glad of it. The Russian revolution, for example, cleared away a decaying autocracy, inspired a huge international workers' movement, and opened the way for the industrial development of the country. People there today are rather better off than under Tsarism.

Castro proved that a tiny nation can defy US imperialism, and the Vietnamese proved that the imperialists could be thrashed in direct combat. Zimbabwe shattered the structures of racism in one country and increased the pressure dramatically on the South African regime.

And you only need to conjure up comparative mental images of India and China today to conclude that Mao and his People's Army achieved something fairly important.

Still all these places remain class societies. In all of them, there is an elite on top. Doesn't that prove that Karl Marx's hopes for a world without classes were a fantasy?

Not for a minute! You cannot measure Marx's hopes against the results of any of these revolutions. You have to bear in mind the concrete preconditions which he himself saw as necessary for socialism.

Marx's hopes rested not only with the heroism of the masses, much though he valued it, nor with their ability to smash existing oppressive regimes—however important that is in order to clear the way for progress. He looked above all to the productive power of human labour which was being unleashed by modern industrial society.

Modern industry, he wrote:

'... has accomplished wonders far surpassing Egyptian pyramids, Roman aqueducts and Gothic cathedrals ... (it) has created more massive and more colossal productive forces than have all preceding generations together ... What earlier century had even a presentiment that such productive forces slumbered in the lap of social labour?'

These were the accomplishments of capitalism (though it was the workers who did the actual productive labour). And dialectical thinker that he was, Marx went on to hammer out all the ways that capitalism lays the basis for socialism. It centralises industry into a coherent system; it concentrates resources; and above all it creates the working class.

Not only does it turn the mass of the population into wage and salary earners, but it concentrates them into large groups, teaches them to work co-operatively, disciplines them.

And best of all, through the example of its own revolutions against pre-capitalist forms of society, it teaches the workers the basics of

political struggle. 'What the bourgeoisie therefore produces, above all, are its own grave diggers.'

From all this it should be obvious that for Marx, socialism presupposed the results of capitalist industrial development. And because this development was increasingly *international*, his idea of socialism was international as well. 'United action of the leading civilised countries at least, is one of the first conditions for the emancipation of the proletariat.'

Where then do revolutions in places like Tsarist Russia (rather backward economically) or China (very backward economically) fit into this picture? *Taken purely on their own*, they don't. It is true that you can throw out the old gang of rulers, and redistribute the existing wealth more fairly. But in such a situation, says Marx, 'only *want* is equalised ... and all the old crap must revive.'

When there is not enough to go around, there will be a struggle over scarce resources. You can't decide democratically who is going to eat and who is going to starve! Necessarily, the 'old crap'—elites, ruling classes and all that goes with them—will revive. Put very simply, this is what happened in Russia. The possibilities facing China, or Cuba, or any 'third world' revolution were and are essentially similar ... *if you consider them on their own*.

But here again the historic achievements of capitalism come into play. Modern industry has created a *world* market and a *world* economic system. And even though the 'third world' countries are a very subordinate and impoverished part of it, what happens there has a direct impact on the rest of the world.

For this reason, third world revolutions have immense potential. By snapping a 'weak link' in the world capitalist system, they can spur on movements in the industrialised countries. And a successful revolutionary movement in the west, in turn, could help the third world over the barriers that separate it from the road to real socialism.

They are also important in another way. The bourgeoisie, in making its own revolutions, taught the workers political struggle. Similarly today, the experience of successful struggles in Vietnam or Cuba or Southern Africa provides a living school of revolution for the working class world-wide. It offers lessons we can learn, positive and negative, and a continuing source of inspiration.

And the limited revolutions we have seen so far, fated though they were to give rise only to a new set of ruling classes, nevertheless prove that revolution *is possible*. It is up to us to translate that lesson into mass, socialist political action in the industrialised countries.

Should a socialist revolution begin in, or spread to the industrialised world, that will be the real test for Marx's theories. With the power of the industrial working class linked to the resources of modern industry and technology, the conditions he set down for building socialism will be present. Then we will see whether Marx was a utopian dreamer or the most practical thinker of our age. Of course, only a hopeless doctrinaire could claim to be absolutely sure of the result.