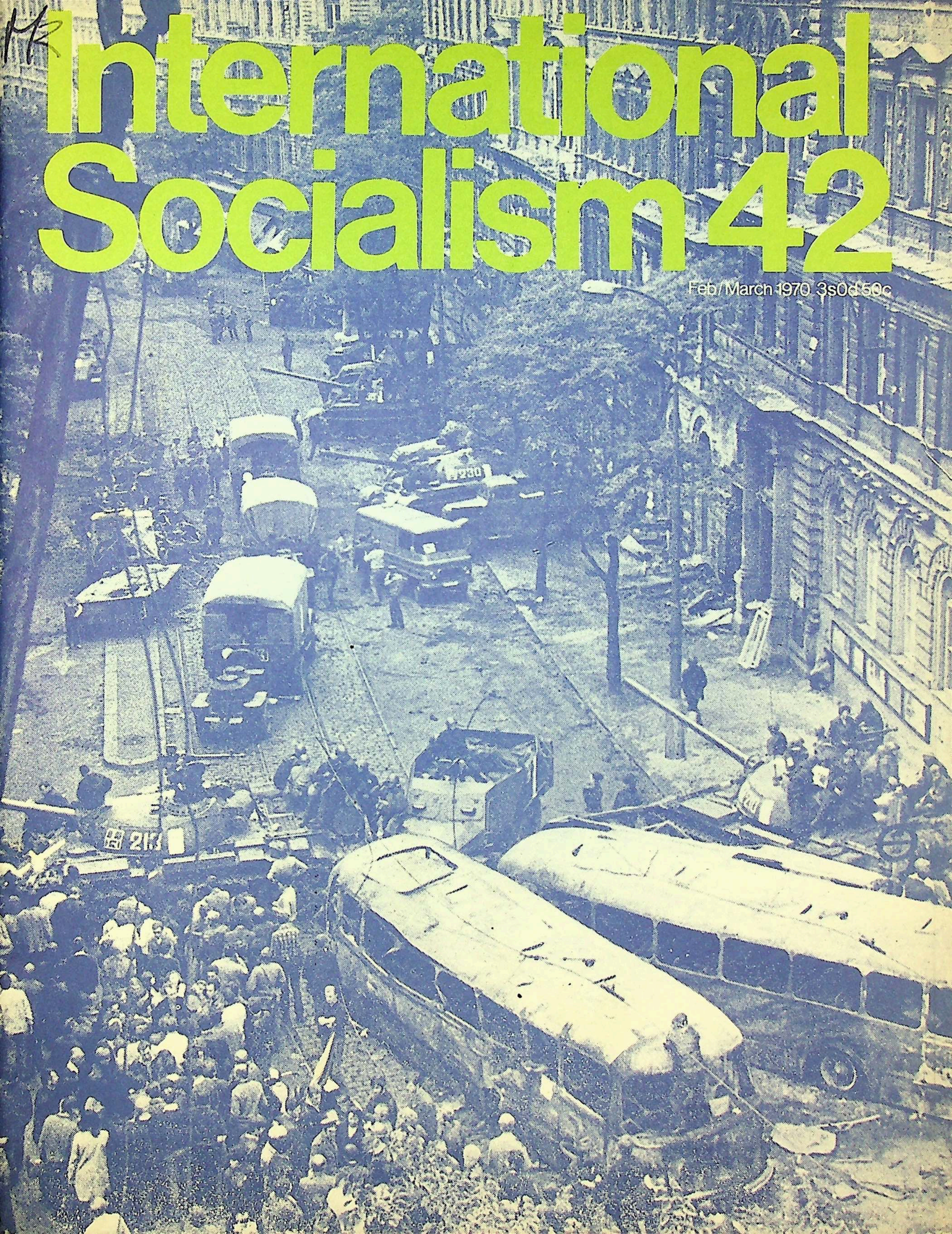
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Editorial

Their Election and Us

The tone of official politics in Britain is increasingly dominated by the certainty of a general election within the next 12 months. Both parties are making noisy but marginal adjustments to their proclaimed policies so as to appeal to their traditional supporters. Labour leaders promise occasional pieces of legislation to no immediate advantage to capital (although to little disadvantage either) — hence talk of yet again abolishing prescription charges, of extending the scope of rent restriction acts, of enforcing equal pay. Hence also the likelihood (providing the world economy does not suffer too much from the expected US recession) of a short pre-election boom. At the same time the Tories' attempt to strengthen the commitment of their followers by indulging in rightist rhetoric. They raise the spectre of 'law and order'; they mouth concern at the government's failure to enact meaningful anti-union laws; they do little to discourage the open racialism of their own right wing; they demand tax changes; they even mutter about state interference in industry. Yet they know that given the real balance of social forces outside parliament their policies in power could differ only in details from Wilson's.

Despite the emphasis and exaggeration of party differences as the election draws nearer, the outcome will not alter the strict correlation between the needs of capitalism and the policies of whichever government is elected. Even in classical reformist terms, a Labour victory offers little. For five years the Wilson government has proved to be, if anything, more successful at carrying through ruling class policies than the Conservatives. It was able to manipulate ideological loyalties so as to gain acquiescence in incomes policy and wage freeze. It was able to squeeze welfare expenditure — cutting down on free milk, postponing the raising of the school leaving age, persuading Labour local authorities to charge 'economic' rents, and so on. It alone could carry through a reduction in average real net earnings for the first time in a generation. In addition, precisely because it has not been committed to some of the elements in the traditional Tory ideology, Labour has been able to implement the sorts of policies required by the advanced sectors of British capital: speeding up the fusion of the State and big business; pouring in massive funds to lubricate mergers and to encourage technological development; nationalising steel in order to ensure an efficient supply of raw materials for key manufacturing sectors; liquidating unprofitable defence commitments East of Suez.

In the past social democratic governments have been able to improve working class conditions at the national level only when such changes correspond with the needs of capital: on the one hand in reducing extra-parliamentary discontent, on the other in rationalising the workings of the system itself. When there has not been this congruence of interests, such governments have always gone back on their promises. What is unusual about the present government is not that it has been unable to introduce reforms, but rather that this failure has created so little political reaction within the working-class movement itself.

This can only be explained by developments present long before Labour came to power — what we have referred to in this journal in the past as the 'shift in the locus of reformism'. Throughout the nineteen fifties and after the permanent arms economy provided the basis for a continual expansion of capitalism. The living standards for employed workers could undergo continual improvements. These were gained, however, not as a result of national battles but through numerous fragmented and isolated battles waged at the shop-floor level. The trade union apparatus played a minimal but essential role in that it continued to be the focus of minimal class identity and to provide the framework upon which organisation in each shop was based. The reformist political organisations played virtually no role at all. The loyalties defined and emphasised in struggle were not to the Labour Party; nor could the benefits accruing to the class in any way be ascribed to it. While in opposition Labour could at least lay claim to being the custodian of gains unobtainable through fragmented parochial struggles, however militant — pensions, welfare benefits, housing. But in a period of full employment these were marginal concerns for the best organised and most conscious sections of the class. And Labour in power has abandoned its claim to be able to offer improvements in even these areas.

The overall result is that while Labour has been able to offer less to the class, the mass of workers have expected less from Labour. Hence the apathy towards institutions built with so much effort over so many years, the decline in real party membership, the drainage of activists from the local party organisations. Hence also the pathetic spectacle of the official Labour left: claiming to represent the best traditions of the movement, yet unable to mobilise any section of the class, with few ties with real workers, dependent upon the residual loyalty of Labour supporters to a political machine with Wilson at the top for their parliamentary seats, therefore unable to criticise his betrayals effectively.

The experience of the last four years has not altered the fundamentals of this response. Indeed, in some ways they have been strengthened by the unified offensive of employers and government against working-class gains of the previous 20 years. Even now as whole sections begin to react against real

depreciations in living standards or increased fatigue following productivity deals, the reaction typically takes the form of a rediscovery of trade union consciousness. Insofar as there is a national response to national problems, this is an industrial response expressed through union channels, official and unofficial. Typical are the teachers' struggle and the movement for parity with the Midlands in the motor industry. Precisely what characterises these is that although they raise political questions in the sense that they clearly defy government policy, they are still far from posing explicitly alternative political programmes (correct or otherwise) to the government's. Even those left reformist union leaders who could, if they wished, cash in politically on the discontent below, refuse to give flesh and blood to their own proclaimed vaguely oppositional sentiments. Indeed, they continue to dole out the funds that maintain Wilson's apparatus.

In electoral terms this means that how the mass of workers vote is determined by the remnants of old loyalties. Increased numbers may abstain. But while trade union militancy is seen as opening a road for reforms, new and viable working-class political allegiances cannot be expected to develop. Those workers least aware of their class identity and most gullible to ruling-class myths will continue to vote Tory. Those must militant and most conscious of their opposition to the status quo will see no choice but to vote Labour. Even where there might be an alternative on the left (a CP candidate, an independent leftist, or even a revolutionary candidate) this will not be seen as offering any credible alternative as far as class goals are concerned; at best it will provide an opportunity for registering individual dissent from government policies.

What applies to militants in general also applies to the revolutionary Left. Unless the completely unexpected occurs the election will not provide opportunities for participation in any major regroupment of class forces. Even opportunities for making propaganda through electoral participation will be minimal. One corollary of the shift in the locus of reformism is a general decline in real interest in elections — at least unless a major social crisis occurs (as in, say, Northern Ireland last year). Yet propaganda remains the only activity open to us.

At the same time we cannot be completely indifferent to the outcome of the elections. The politics of Labour might be more or less identical to that of the Tories. The relationship between the Labour Party and the organised working-class might be weaker than in the past. But in their relation to class forces the two parties are still not identical. A Labour victory will indicate support for capitalist polices disguised to varying degrees so as to gain working-class votes; a Tory victory will mean support for open and undisguised ruling-class domination. The latter will be seen as a defeat, albeit a minor one, for anti-capitalist forces. And in a sense it would be: certainly any growth in the Tory vote would represent an erosion of minimal class identity among workers and therefore a real, although small, weakening of working-class strength. Leftists in the Labour movement will, of course, blame such an erosion on the policies of Labourism itself. But such a task would be harder if it seemed that leftists had in fact encouraged a Labour defeat.

Further, although it cannot be said that at present many people have positive illusions in the reformist pretentions of the Labour leaders, a Tory victory would actually create these. Ex-ministers would lead protests against the very continuation of their own policies (as Castle and Greenwood were on unemployed demonstrations in 1963). It would be that much more difficult to show the inapplicability of reformist alternatives.

For these reasons, although our main aim in the election period should be to make propaganda against the policies of the Labour government and to indicate the source of these in reformist theory and practice, it would be a mistake, although not a major one, for the Left to call for a vote 'against both Tories' and to urge abstention. This would be to claim that a vote for the overt party of capital and a vote for the shamefaced party of capital are the same, a claim which most militant workers still reject. It would be to accentuate precisely what differentiates us from most workers, not what we have in common. If there were anything like a credible alternative to offer this would be justified; if there is not it only makes the long term task of relating revolutionary politics to the aspirations of ordinary workers that much more difficult.

Letter to Readers

One anniversary the left won't spend much time celebrating this spring is the 10th year of **International Socialism** as a printed journal. Yet we have managed not only to appear regularly over this period, but to increase our frequency and size. We have outlived journals that used to provide us with healthy competition: both **Labour Review** and **International Socialist Journal** have long since ceased to appear. Nor have we undergone the convulsive transformations in style and political line that have characterised, for instance, **New Left Review.** We are still recognisably the same product with the same politics as when we started.

One feature in particular has remained unchanged over these 10 years. Our price has remained at half a crown. Despite escalating printing and paper costs and the increased average size of the journal, we have done our utmost to keep it as cheap as possible. Unfortunately all good things come to an end sometime. The disappearance of the two and sixpenny coin has robbed the old price of whatever rationale it had. From now on **IS** will be 3s or 15p. Subscribers will continue to receive **IS** at the old price until their subscription runs out and those who renew their subscription before the next issue may do so at the old price.

An innovation in the present issue is the printing of two of the documents that will form the basis of discussion on political perspectives at the forthcoming conference of the IS group. We do this because we feel that they will be of interest to many readers who might otherwise never come across them.

Most of our writers will already be known to many readers. Nigel Harris and Peter Sedgwick both teach: at the Centre for Urban Studies and York University respectively. Andrea Savonuzzi is an Italian socialist at present studying in London. Chris Harman is currently unemployed.

As for future issues of **IS**, we already have on stocks an article from a Detroit reader on 'Mao as a philosopher', as well as a promise from a northern supporter of a study of 'The politics of unemployment'. And the second part of Peter Sedgwick's 'George Orwell, International Socialist', is still a real, if distant, prospect.

Survey

After the Offensive

Andrea Savonuzzi (January 22, 1970)

The Italian 'hot' autumn is over. Practically all the contracts which were due for renewal have been signed. Yet it has left behind a maize of unsolved problems, a trail of dead, and a massive repression against leftists and trade unionists.
For us as socialists it is essential to analyse the history and events of the last few months to see how the perspectives outlined in the Survey piece in September have remained unchanged and to draw from this experience important lessons for the future.

The Struggle

It is difficult to express and convey fully the courage, determination and enthusiasm which Italian workers have displayed over these months. In spite of provocation from the police, the authorities and the bosses, they have managed almost without exception to remain undeterred and not to lose sight of their objectives.
It must be stressed that the impetus of the struggle was given by the rank and file. Yet the movement has been directed by the official trade union apparatus. This apparent contradiction is both real and unreal at the same time. One the one hand the pressure from below has resulted in the unprecedented unity of all trade unions (Christian Democrat, Social Democrat and Communist) an alliance which has been formed first at the rank and file level and then mirrored at the top. The apparatus has been able to regain control of the leadership of the struggle only to the extent that it has accepted and advanced the genuine demands of the base. However, once the union bureaucracy had regained control, they were able to use it to divert and dampen the struggle.

This does not mean that at the trade union level the contracts have resulted in a complete sellout. On the contrary, large (if not dramatic) increases in wages have been won. The working week will be reduced to 40 hours without loss of pay over three years. The right of the trade union to be represented in the factory through a shop and department delegate structure and general assemblies has been won. The differentials in benefits, holidays and assistance between blue-collar and white-collar workers have been decreased. All this goes most of the way towards meeting some of the demands of the rank and file. They are important concessions wrested from the bosses with great sacrifices. (For many months take-home pay has often been below half its normal level.) The trade union bureaucracy, however, in fighting for some of the trade union demands of the workers has managed to frustrate their wider aspirations. The struggle has effectively been politically defused.

The Employers

The rift between large and small employers already apparent in September has increased over the last few months. While both sides complain bitterly about the hardship and difficulties which the concessions they had to make to workers are going to cause them, the truth of the matter is that they affect them very differently indeed. The more modern international employers (Fiat, Pirelli, Iri, etc) can easily afford the increased costs by raising productivity, expanding production and generally taking over a larger share of the market. Internationally also they are better placed to take advantage of the revaluation of the mark. Many small or medium small producers may well, instead, be forced out of production or to merge with the larger giants.
This rift is well reflected in the turmoil within the Confederation of Italian Industry (Confindustria). The smaller producers are leaving it to the giants and flocking towards the Confederation of Small Industries. Even within the nationalised industries there is a rift between large and small.
The contracts which were agreed to separately industry by industry led to the fragmentation of the working-class offensive in the last stages of the struggle. The weaker sections were left to fend for themselves. The same process was mirrored within the industrialists. Yet it had a totally different meaning. The unity of the working class is its very strength. For the employers, instead, a strategy which is designed to drive the least efficient out of business or into the arms of their bigger brothers strengthens the class as a whole. The process may be superficially similar, but it is qualitatively different.
The differences between the two sections of the employing classes, today as in September, result in two different political perspectives. On the one hand the more dynamic and less economically threatened members of the ruling class opt for a reformist path, a strategy based on the integration of the CP into the government sphere in the hope of neutralising the working class. On the other, the more backward business and industrial sectors are calling for law and order and a switch to the right.

The Failure of the Right Wing

The Social Democrats are the chief exponent of the right-wing solution. By splitting from Nenni's Socialists on the issue of the CP's possible contribution to the government, they had clearly indicated over the summer that they intended to use the inevitable disorders of autumn to appeal to the country as a party of order. To this effect a campaign was mounted to create tension and anxiety. The sharp contrast between the hysterical articles in the papers and the respon-

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sibility and cool determination of the workers threatened to puncture the fear of revolution that they were counting on until the death of a policeman and the explosion of a bomb in Milan. Yet the hysteria and the violence are not unconnected. Even **The Observer** wrote, 'Nobody is crazy enough to blame President Saragat for the bombings. But the entire left is saying today that his "strategy of tension" indirectly encouraged the far right to go over to terrorism'.[1]

This strategy has, however, failed in spite of **Nouvel Observateur's** report that immediately after the death of the policeman President Saragat sent a telegram of condolences accusing the leftists before any proof was presented or arrests made.[2] An attempt was made to capitalise on the bomb tragedy according to the **Evening Standard:** 'At the moment of panic, after the bomb, the Italian President, prompted by powerful industrial forces, planned . . . the dissolution of the two Chambers and a coup d'etat a la de Gaulle'.[3] But this failed.

It is impossible to say whether the reports in these papers are correct. The Italian press has remained silent on all this. Indeed, attempts were made through the various Italian embassies to silence the reporters. Yet what is clear is that a right-wing turn inspired by the more backward industrial concerns and some of the more reactionary political forces has not taken place or has been stopped. This is not accidental. The strength of the left and the margin for manoeuvre which Italian capital has for reformist policies still imply attempts to induce the CP to join, or at least support, the government in the near future.

The Communist Party

Out of the struggle the CP has emerged as a responsible party of order. It is true that through its trade union it has largely led the trade union struggle. But what would be more accurate to say is that the party has abdicated all responsibility of leadership to the trade union. It has increased its membership — no doubt losing some of its most militant members but recruiting from previously unorganised and unpolitical workers.

The expulsion of a group of left-wing intellectuals who had started a magazine, **Il Manifesto,** which expressed mildly revolutionary aspirations and opposed the policy of entry into the government, has created some unrest in the Party. Although the magazine was only for consumption by intellectuals and these dissident comrades had in no way attempted to create a working-class following for themselves, or to set up a real oppositional tendency inside the Party, they have still gathered some support. It is a symptom of the troubled state of many CP ers that in Rome, Pisa, Bergamo, Naples and Cagliari there was deep unrest. Some branch committees had to be dissolved and some provincial Federations disciplined. Yet although this may help the left groups in some ways, it paradoxically also strengthens the Party. The CP's strategy of bourgeois respectability and the attempt to enter bourgeois coalitions demanded the expulsion of these timid revolutionaries.

The loss of even a few hundred members up and down the country and the danger of the pull which these comrades could exercise outside the party is a small penalty to pay for the increased security which the party as a whole will be able to afford the bourgeoisie. In the next few months with the election of the regional governments the CP should make its first decisive step towards the government. Already they have held as an example before the eyes of all the relative quiet and calm of the Emilia region where most of the local councils are already partly in their hands.

The Repression
At the present moment the two sections of the bourgeoisie are still unable to solve their conflict one way or another. At one and the same time approaches to the CP and random acts of repression are made. The liberal government of the liberal parliament, manned mostly by anti-fascists, is using fascist laws, in particular Article 272 which forbids propaganda for the dictatorship of one class over another, Article 305 which forbids subversive politics by association (any association), and Article 415 which forbids stirring up class hatred. Seven thousand leftists and trade unionists are now under indictment under these acts. Yet in the long run there can be no solution to the problems of the Italian ruling class with this kind of semi-repressive measure which can only heighten the class struggle.

The prospects for the Italian ruling class are still those of relative expansion in spite of a massive flight of capital abroad. So long as these perspectives hold so does a reformist solution. Already the more progressive elements are thinking of using the Constitutional Court to declare the inapplicability of these laws.

The Left and the Rank and File Committees
The magnitude of the struggle and the unity of the three main trade unions which diminishes their explicit political allegiance should have opened new perspectives and opportunities for the revolutionary left. The attempts by the trade union bureaucracy to divert the attention of the workers at the height of the struggle towards protests against high rents, the chaos of urban transport, the inadequacies of the welfare state and governmental corruption, could have given the left an important leverage. Most of the weapons in the hands of the bureaucracy are double-edged. When the struggle is specific, they attempt to widen it in the hope of diminishing its intensity. But this leads them to raise more political slogans and more political demands. Such is a contradiction of the impasse and ambiguity in which they find themselves. On the one hand they rely on control of their mass base for their bargaining power with the ruling class, on the other they constantly need to prove their militant opposition to employers to retain their base.
The more political perspectives which the bureaucracy has opened up could have been better used by the left. Instead of exploiting these contradictions they relied on blanket opposition to all actions of the bureaucracy to increase their political standing and to heighten consciousness. Inevitably they have tended to fail.
A precondition for an effective policy by the left today is the recognition of the importance of the official trade unions. Instead they simply raise the utopian call for a revolutionary trade union. Thus they left themselves open to accusations of splitting the working class just as it was enjoying its newfound unity. The problem today is not the setting up of new trade unions but drawing up and fighting for a set of demands which will effectively attract around the left groups the most conscious elements of the class in a programme of internal opposition to the existent union bureaucracy.
This, however, requires a clear perspective and theoretical understanding of the role of a vanguard party, the trade unions, etc. The history of Stalinism which still distorts, even if by rejection (which is not yet total or coherent) the Italian left, makes progress very difficult.
These inadequacies led to the relative isolation of the left groups from the struggle of the workers. More tragically, perhaps, the very same problems led to the relative ineffectiveness of the rank and file committees.
These are democratic institutions set up by militant workers inside factories often with the aid of outside politicos. During the last couple of years and throughout the summer they have been a very important element in the struggle. Yet during this autumn they, too, have proved unable to provide a political leadership. They, too, have been left largely watching from the sidelines as the official trade union apparatus regained control of the rank and file.
At the time of the guerilla struggles of the summer the rank and file committees were able to increase their prestige. They were able to inject politics into the factory, press for rank and file control and initiative, and win important concessions.
When the struggle expanded, however, the crisis of the rank and file committees became apparent. Having remained outside of the trade unions and in a sense counter-posing themselves to them, they could not lead the struggle on the factory floor. This would have required that they accept delegated authority from the rank and file to negotiate with the union apparatus and with the employers. Yet they rejected this role. This meant that they were able to provide new methods of struggle for the workers, such as the wildcat strike and more flexible opposition to the employers. But they were unable to substitute themselves fully for the trade unions, unable to provide a national organisation, unable by law to sign contracts with employers. They relegated themselves to the role of pressure groups outside of the mainstream of events. In a sense they had exiled themselves from the class to which they belonged.
Implicit in their actions is the confusion between the political vanguard and the democratic self-organisation of the class. By trying to fulfil both roles, they fulfilled neither.
The left has also proved to have an ultra-left position towards the police force. It is perhaps comprehensible. The brutality of the Italian police is well known. After the killing of a policeman in Milan, there was a full-scale police insurrection in the barracks and a desire expressed to 'clean up the university' and do away with the left — an insurrection which might well have had fatal consequences and had to be put down by other policemen using tear gas. Still it was essential that strikers and demonstrators differentiate between the role which policemen play and the policemen themselves. Acute social unrest is reflected in the police force as much as in the petit-bourgeoisie as a whole. Indeed there are ample signs that there is deep dissatisfaction among policemen in Italy. Letters have been sent to newspapers complaining about their conditions and expressing sympathy with the ideals and aims of the students. There have also been some sitdown strikes in barracks of policemen who refused to go on duty. These contradictions might have been usefully exploited with a sensitive attitude. The chance was lost.
The theoretical, political and practical problems which beset the Italian revolutionaries have no easy solution. I certainly do not want to imply that they do not raise important issues of principle. One of the most unhealthy aspects is, however, the failure of the different groups to openly debate and discuss their differences in order to see common positions and solutions. Instead there is a chronic sectarianism, a failure to tackle theoretical differences. Indeed there seems to be an extreme suspicion of any theoretical approach. This is an insurmountable barrier which faces Italian revolutionaries in the present period.

The Bombs
The explosion of the bomb in a Milan bank raises a whole number of questions. It is an unprecedented act of violence

in a country where the price of human life has never been very high anyway. It is impossible today to say who is responsible for it. Certainly, however, it is completely outside the tradition of Italian anarchism which has traditionally tended to focus its attention upon the elimination of leading personalities, specifically rejecting the massacre of innocents. It is also quite clear that the act itself can only serve the interests of the extreme right.

Some liberal papers have attempted to explain these apparent contradictions by saying that in the last few years the difference between some of the more weird anarchist groupings and some of the fascist ones has been very tenuous. Indeed some have alleged the fascist provocateurs have entered some of the more ideologically confused of these groups and specifically the 22nd of March movement, members of which are now under police arrest accused of the bombings.

Once again it is impossible to say whether these allegations are true. What is certainly true, however, is that from the evidence provided so far by the police against members of the movement there is no ground at all for thinking that they are actually responsible. Indeed it looks like the frameup of the century.

This in itself might explain the choice of anarchists as the culprits. They are the most isolated, most easily attacked groups of the left, and in turn they justify the repression of the left in general.

In the next few weeks the police will have to reply to a few questions and provide some explanations. A railwayman, Giuseppe Pinelli, is alleged by them to have jumped from a fourth floor window of a police station after an interrogation had proved him deeply implicated. Indeed on the same night a chief of police in Milan explained that all his alibis had collapsed and that his act could be the equivalent of a confession. Since then at least five witnesses, amongst them one policeman, have substantiated Pinelli's alibi. So why did he 'jump'?

The chief accused is at the moment Pietro Valpreda. The police claim to have irrefutable proof of guilt based upon the testimony of a taximan who is supposed to have taken Valpreda to the bank where once again he is supposed to have placed a bag containing the bomb then returned to the taxi without it. These are some of the facts which have emerged since. Valpreda is supposed to have taken a taxi 150 yards from the bank and having been set down again 150 yards from the bank in a different spot due to the traffic. Is it logical that one should risk recognition to avoid walking 150 yards? The police had in fact already shown a picture of Valpreda to the taximan before the lineup in which he was picked out of five men, all of them utterly different from him. Valpreda had come to Milan in a small Fiat in order to meet his lawyer before attending a hearing about the explosions at the Milan Exhibition the previous April. Is it logical that he should, (a) not use his own car but a taxi; (b) that he would choose the very day in which the police knew he was in Milan to place a bomb, an act for which he was already under suspicion.

Conclusions and Perspectives

At the moment one phase of the workers' struggle is over. In the next few months other contracts are up for renewal in some of the more backward industrial areas such as textiles. The left once again will be faced with a challenge. In order to meet it, the rank and file committees will have to understand that their role is to be something like a militant shop stewards' committee within the structure of the unions. They must not be the exclusive preserve of politicos but open to all genuine militants. They must accept delegated authority. They must fight for the recognition of their role within the trade union movement. The left groups must debate all the theoretical issues and strategies which confront them openly with a view towards unification. It is impossible to predict whether either the rank and file committees or the revolutionary groups will be equal to the task.

The Italian ruling class is deeply split on the strategy to follow and the political solutions to seek. Since the most powerful industrial groups support a reformist policy and the integration of the CP into the government, for the time being this can be the only possible solution. Much, however, depends on the international economic situation and on whether, therefore, a reformist road will remain open.

The left in Britain must concentrate on the existing repression and the obvious frameups. In this area invaluable aid could be given to the Italian comrades.

1 **The Observer,** December 14, 1969.
2 Reported in **Unita,** December 29, 1969.
3 **Evening Standard,** January 14, 1970.

Divide and Rule?

The following is a shortened version of speech made by a representative of Lutte Ouvrière **at a public meeting organised by LO on the subject, 'The peasant revolt and the working class'.**

Since the end of the summer holidays the Government has been confronted with the discontent of workers, small traders, students and peasants. Faced with this general hostility it has so far largely suceeded in standing up to all of it. But what it is concerned to do at all costs is to turn the working class away from other social groups in struggle. Even more, it is trying, within the ranks of the working class itself, to split the workers into two hostile groups.

This tactic can be summed up in a phrase which has now become classic: divide and rule. In concrete terms that means: present every striker as a 'subversive' element or a 'red' in the hope of turning him into a bogey-man that will frighten the middle classes — peasants and small traders. That also means giving credence in the working class to the idea that the CP manipulates every strike movement, thus dividing the workers into supporters and opponents of the CGT. There is no shortage of examples to illustrate this tactic.

On several occasions in recent weeks members of the government have launched violent attacks against the CP and the CGT, who are presented as the instigators of the recent strikes and are accused of using the workers' trade union demands to carry through their so-called 'subversive' plans.

In this respect the government seems to have changed its tactic towards the CP, and thus to have broken with the policy followed by de Gaulle between 1958 and 1968. For, in face of the Communist Party, with its influence in the labour movement and its importance in the political life of the country, the bourgeoisie has several possible strategies.

The first consists in making full use of the CP as an ally, that is, as the Maoist comrades put it, using it as a fire-brigade with the job of putting out the flames of social conflict as soon as they appear. This is the line de Gaulle followed for 10 years. Moreover, this tactic was not confined to merely abstaining from attacks on the CP and the CGT. De Gaulle admitted the latter to all negotiations as a full participant. For, far from wanting to smash the political and trade union organisations of the working class, as some comrades asserted, de Gaulle was rather able to make use of them for his policies, in order to muzzle, or at least to contain in very strict limits, every social movement.

But from this point of view, many things have changed today. In May and June 1968, the bourgeoisie did not forgive the CP and the CGT for failing in their role as warders. For not only were the CP and the CGT unable to oppose the strike wave but, even worse, while trying to stop it they spread to the whole country a movement which was to become the longest strike that the French working class had ever known.

What the ruling class blames the CP for is being too touchy on its left, too sensitive to pressure from the rank-and-file, in short, for not behaving like a responsible major political party.

The CP, in order not to have enemies on the left, took it upon itself to launch a general strike, a result which the leftists on their own could never have achieved. And the bourgeoisie won't swallow that. The situation is aggravated by the fact that since the fall of de Gaulle the CP has found itself in a position where it is particularly sensitive to criticism from the left. For it is clear that today the political perspectives that the party can offer its militants are, in the short term, almost non-existent.

The next elections are three years away, and much-discussed 'left unity' has come to seem very dubious to many militants in face of the complete disintegration of the 'Federation of the Left'. In these circumstances the Party leadership can scarcely find any good reasons to offer its troops for holding back on the struggle, or at least these 'good reasons' are in danger at last of seeming very questionable. For years the CP militants have been told that a wide-ranging struggle was impossible because there was a strong government. But this no longer exists. They have been told that a general strike was scarcely possible because the lads weren't ready for it. But May-June 1968 has taken place, and the memory of it is far from being erased. As for the argument that militant struggles will frighten the petty-bourgeoisie, it has lost much of its force since the small traders and peasants also adopted direct action methods.

In these conditions thousands of good Communist militants can no longer be given adequate reasons for doing nothing in face of the deep discontent of the working class. The leadership of the CGT wants to avoid at any price seeming soft in the eyes of these militants. Hence its attitude in a number of actions that have taken place during the autumn. For example, remember the railway strike. So as not to appear to be lagging behind an independent union which was in a small minority, the CGT spread throughout the industry a strike which without its intervention would doubtless have been confined to a few sectors. And the minority union which called the strike was in no way leftist. Once again, in the eyes of our rulers, the CGT has shown itself to be irresponsible. The members of the government, moreover, took advantage of Séguy's speech at the Mutualité on September 13 to create a great scandal by crying out against subversion, but above all to make the CGT understand that they were in no way prepared to tolerate its leftist outbursts, even if they were purely verbal.

It is all these factors which seem to have made the government determined to carry out a completely different policy with regard to the CP, with the support of broad layers of the bourgeoisie who found de Gaulle's attitude in this matter hard to put up with.

The bourgeoisie has already tried this policy of isolation of the CP, with a certain degree of success, between 1949 and 1953. Certainly the context of the period was somewhat different, and the general atmosphere of cold war then prevalent in Europe and the USA greatly contributed to the isolation of the CP.

We must remember that from 1945 to 1947 the CP had been a government party which allowed the bourgeoisie to get on its feet again by making the working class roll up its sleeves. The CP was only able to do this by playing the role of a prison warder in the factories and using all its strength to prevent an expression of the discontent building up within the working class. The breaking point was reached in April 1947 when the Renault strike broke out against the CGT, a strike which rapidly spread to other factories. The CP was then confronted with a choice: either to be loyal to the government by condemning the strikes, that is, by directly opposing the workers and its own militants, or to proclaim its solidarity with the workers, that is, to disown the government, while at the same time encouraging a return to work. And the CP, always sensitive to pressure from the left, chose the second solution in order not to cut itself off from its most combat militants. The bourgeoisie didn't forgive it this choice, all the more because the departure of the CP from the government in a sense opened the floodgates. During the second half of 1947 and throughout 1948 strike followed strike, hunger march followed consumers' demonstration. Although the CP and the CGT took part in all these movements, they took good care not to orient them towards a general strategy capable of endangering the régime.

From the end of 1948, with the subsidence of the strike movement, successive governments tried to carry out a systematic repression against the militants of the CP and the CGT. The CGT was excluded from the administrative councils of French railways and from all the parity commissions. The bourgeoisie found it all the easier to isolate the CGT because the other unions, the CFTC and the FO, were playing the government's cards all down the line.

From March 1952 to June 1954 there was a succession of

three governments, under Antoine Pinay, René Mayer and Joseph Laniel, in which the socialists did not participate, and which were based on the most reactionary section of the right. Unable to respond to the actions against it by mobilising the working class, the CP reacted by means of adventurist actions which cut it off a bit more from the mass of workers, but which allowed it to keep its militants in hand. A notable example of an adventurist action was the demonstration against the American general Ridgway on May 28, 1952, where for a whole day the CP militants stood up to the police. The failure of the strike called at Renault led to the sacking of all the CGT stewards.

Two months after Laniel came to power the discontent of the working class exploded. On August 4, 1953 anarcho-syndicalist militants in the FO post office federation at Bordeaux called a strike which spread first of all through their own profession, then to electricity workers, miners, to the airlines, banks, insurance companies, shipbuilding, etc. Soon there were four million strikers throughout the country. The government's requisition orders against the railway and post office workers was a failure. Finally the government scrapped the decrees it had proposed. A period had come to an end.

It is easy to understand why Chaban-Delmas and his friends would like to return to the same policy. But if it is probable that they would like to return to a situation like that of 1949 it is by no means certain that they can do so. For today isolating the CP and the CGT is dependent on at least two conditions: (a) on the one hand, a certain demoralisation of the working class, which means that it would not react against the attacks made by the government on the CP and the CGT; (b) on the other hand, open or tacit complicity of the other unions, notably the CFDT and Force Ouvriére, who would be willing to play the government's game.

Are these two conditions fulfilled at the present time? Yes and no. It is true that, for the moment, even if the working class is not demoralised, it is nonetheless, thanks to the policies of the unions, in a state of mobilisation which cannot fail to favour the government's plans.

It is this situation which has encouraged the government to move its pawns forward and try out the ground for its anti-working-class policy, notably in the electricity supply industry. For if the strategy of isolating the CP was decided on some months ago it could only be applied tactically on the condition of not provoking a direct confrontation with the working class and thus producing a response on the part of the workers that might turn directly against the government and put a stop to its plans. That is doubtless the explanation of the great prudence shown by the government in September. For at the end of the summer holidays the chief fear of the bourgeoisie and its politicians was a working class reaction to the devaluation and the austerity measures introduced by the government.

But, with three months' hindsight, we can see that such a reaction did not take place. Not that there wasn't great discontent within the working class. Since September numerous industries have been involved in struggle. The railway strike was followed by strikes in Paris transport, electricity supply, post office, dockers, airlines, etc. In the engineering industry, whether at Peugeot, at Manufrance, at CARL, or Renault-Le Mans, the workers usually embarked on struggle with great militancy. But if the unions didn't openly oppose such movements, they did all they could to limit them to a particular sector and prevent any expansion.

In face of this attitude, the bosses used a flexible tactic. It is still difficult to say whether the tactic was successful. But what is certain is that the bosses and the government have regained confidence in themselves, and that their fears at the beginning of September have given way to a much more aggressive attitude to the workers. They can only be encouraged in this attitude by the total absence of reaction to the very real provocation of the use of CRS, bulldozers, etc, against the gas and electricity workers.

The other precondition for the success of the government's plan is that Force Ouvrière and the CFDT should be willing to act as its accomplices. That Force Ouvrière is ready for a whole-hearted collaboration with the régime is scarcely surprising. But for the CFDT the problem is quite different. Not that this union is, in any way, 'leftist', as some comrades seem determined to believe. From its support of Poher in the presidential elections to its agreement to sign deals which threaten the right to strike, as in the case of civil servants and electricity workers, the CFDT has returned to its old ways, and is back in the bosom of the government.

The problem is essentially different for the CFDT because of its rank and file. Over the years it has won a significant influence in the working class (above all among technicians). Because of the fact that it often appeared more dynamic than the CGT, it succeeded in attracting a number of good militants, and even of leftists, who are not prepared to see their union following the FO line, whatever opposition the government may put up.

And so, here too, the bourgeoisie's game is not won in advance.

New Openings

The following is a shortened and edited version of a discussion document published by the Sozialistische Arbeitergruppe (Socialist Workers' Group) in Frankfurt-am-Main. It is a critique of certain tendencies in the now fragmenting SDS, and at the same time offers an analysis of revolutionary perspectives for the period following the strike wave of

last autumn.

It is not an accident that at present among the still predominantly student revolutionary left in West Germany, Lenin's work **What is to be done?** dating from 1901-1902 is enjoying a revival, but not his essay on **Left-wing Communism** from 1921.

West Germany in 1969 is not Russia at the turn of the century. But it is this simple fact which is wilfully ignored by many 'revolutionaries'. They misuse **What is to be done?** as the justification of an 'ultra-left' policy of the sort which Lenin fought against bitterly and consistently. The revolutionary groups took from **What is to be done?** such concepts as 'trade union consciousness' and 'economism', and, in the first phase of a strategy oriented to industry, they rejected **all** forms of economic activity. The workers' struggles for wages were dismissed as revisionist, reformist, social-democratic, etc. Only direct confrontation with the instruments of capitalist domination — in the factory, in the university, on the streets, or in apprentices' hostels — were admitted as part of the revolutionary strategy. According to this strategy, actions in the factory only became meaningful if they were directed against the structures of authority and control within the hierarchy of the factory. District base groups in Frankfurt in the spring of 1969 decided, for exactly the same reasons, not to attempt any agitation in the factories; clearly they were not yet strong enough to lead a direct 'political' attack on the capitalist factory, so they decided first to turn to the consumption and leisure sectors, and the conflicts arising there.

What was the reaction of those who for years had written off the economic struggle of the workers when, in September 1969, a wave of strikes for wages spread through the Saar, Ruhr and other industrial centres of West Germany.

It must be made clear from the start, that they could not react on a **practical** level, since it was not possible overnight to overcome the hitherto existing isolation of the student revolutionary left from the core of the working class (that is, the workers and employees of 20 years' standing in the big factories). The comparatively great importance of the Communist Party cadres in the development of at least some of the strikes vividly illuminates the chief weakness of the revolutionary left — the lack of roots in the working class. The SDS groups stood at the gates of the factories, the CP could act on the factory floor.

Fundamentally, in its interpretation of the September strikes, the Left sticks to its false and sectarian evaluation of trade union, ie economic, struggles. The demand of workers for higher wages, their struggle for economic improvements, is immediately dismissed as 'social democratic' and 'traditional'. Confronted with the trade union struggle, these 'revolutionaries', as it were by a trick, manage to avoid a thorough self-criticism. While previously economic struggles were generally interpreted as 'immanent to the system', able to be integrated, in face of the strike wave they made a 180-degree turn: now a particular **manifestation** of the economic struggle was interpreted as being latently revolutionary. For example, the Heidelberg SDS write: 'The social-democratic (ie 'economic') consciousness of the workers has taken on a practical form in opposition to capital, to the unions and to the SPD, because the latter have become increasingly entangled in their own contradictions. By taking on this practical form it has ceased to be social democratic.'

The contradiction erected here between a radical form of struggle (spontaneous resolute strikes) and economic consciousness exists only in the heads of the comrades of the Heidelberg SDS. The demand for higher wages is in no way 'social-democratic', but an economic or (what comes down to the same thing) a trade union demand. As such it is neither revolutionary nor reformist in the sense of a reformist **political** strategy. The economic struggle of the workers is the most elementary form of class struggle. Revolutionary struggle in no way means abandoning the daily struggle against the direct **effects** of capitalism, but on the contrary it means a systematic linking and merging of the economic struggle with the revolutionary political struggle for the overthrow of capitalist rule.

Most analyses of the September strikes, inasmuch as they represent more than a mere description of events, tend in the same direction — that is, to an overestimation of the revolutionary potential of the strikes. This is particularly clear in the evaluation of the Klöckner strike. It is interpreted as the prototype of a revolutionary strike; for example, Lefevre writes: 'We can see clearly how the radical forms of struggle and the clear consciousness of the **non-trade union** character (!) of the strike coincides with a great capacity for self-organisation on the part of the workers.'

According to this definition the strike of the Hessen rubber workers in 1967 was 'traditional', 'reformist', 'social-democratic', etc, because it was organised and supported by the union, but the Klöckner strike was 'anti-capitalist', 'non-trade union', 'potentially revolutionary' . . . because the workers in spontaneous struggle came to a sense of contradiction between their interests and those of the union bureaucracies, and because they organised the strike themselves without the support of the union machinery. According to this definition, too, the strike of the Saar miners was 'revolutionary', because they turned against the union bureaucrats, and organised the strike themselves; here too 'social democratic consciousness' broke out into 'practical spontaneity'. There was only one flaw on this strike; the strikers were so carried away they applauded the Christian Democratic local representative Röder, who had expressed 'solidarity' with their demands.

Taking the example of Lefevre's article (quoted above) we shall now show some of the particular consequences that such a position leads to. This article will therefore be criticised as an example, because in it the false interpretations that have also appeared in other analyses are here theoretically formulated and developed consistently into an organisational strategy. Moreover the article had a very wide circulation in a variety of national and local SDS publications.

Lefevre sees latent revolutionary tendencies in all strikes that are organised by the workers themselves outside of the trade unions. Thus he sees it as a contradiction that the workers at Hoesch on the one hand demanded an hourly bonus independently of the negotiations on the scale of wages, but on the other hand supported the strategy on wage rates of the IG Metall (metal workers' union). According to him the demand for wage increases above the standard rate is to be considered 'revolutionary', because allegedly the strikers were 'intentionally going beyond the unions' line of conciliation'; but the support of a wage claim to raise the standard rate is seen as a regression in the 'traditional framework, integrated into the system'. But why should the Hoesch workers, having been successful in their demand for 30 Pfennig over the standard rate, not support a demand for the raising of the standard rate by about 14 per cent? Money is money, after all. In a number of steel works the workers abandoned their claims for increases above the standard rate after the IG Metall had made its claim for a 14 per cent increase of the standard rate. To accuse these workers of following the 'trade union line' is absurd. On the contrary. The union apparatus followed the line of the strikers (even

though it was with the intention of bringing the strike movement under control). The tactical mistake of the strikers in this concrete example lay elsewhere; instead of breaking off the strike movement as soon as the demand for 14 per cent by the IG Metall leadership was announced on Saturday, September 6, the strike should have been continued until the negotiations for this 14 per cent were successfully carried through. The whole strike movement in the steel sector could thus have given itself a more general aim going beyond the limits of the particular factories; they could have prevented the IG Metall leadership having things their own way and aimed for a central demonstration of the Ruhr area on the day of the negotiations. The encouragement of solidarity which would have been produced by such an extension of strikes in particular factories for wages above the standard rates into a general strike movement for an increase in the standard rates is of course hard to estimate. In any case this was the only possible alternative strategy which would have opened the possibility of a quantitative and qualitative generalisation of the strike.

Lefevre erects a false antithesis between union bureaucracy and strikers. The conflict didn't arise because the strikers advanced from a purely trade union consciousness to forms of revolutionary consciousness; on the contrary, just because they had developed a trade union consciousness of solidarity and because the unions had carried out their 'trade union' tasks only in a very partial and incomplete fashion did the conflict between workers and union bureaucrats arise.

The assistance that a revolutionary organisation can offer to workers in struggle consists in its ability to develop the class consciousness of the workers by helping them in their struggles for day-to-day demands. In this it cannot confine itself to presenting the workers with the magic words 'self organisation'. (Lefevre himself confirms that in the present circumstances the Berlin comrades cannot be of use to the struggling workers in an unofficial strike at Siemens or AEG-Telefunken, because the solidarity of the comrades is primarily expressed in the form of abstract exhortations to self-organisation.)

Lefevre cannot understand that in a round of negotiations where the workers intervene on their own initiative, in some circumstances a much higher level of consciousness of the corruptness of the union bureaucracy (though not anti-trade union consciousness) may arise, than in a strike for wages in a particular factory, which takes place alongside a round of negotiations. Thus the workers at Hoesch during their dispute with the management of their firm did not in any way feel themselves weighed down by the IG Metall bureaucracy. All they felt was how the IG Metall gave way to their pressure. On the other hand, the Dortmund miners, who, after the conclusion of a bad wage agreement turned to their unions and tried by means of strike action to force a reopening of the negotiations, brought out — intentionally or unintentionally — a sharp confrontation between the strikers and the union bureaucracy.

The abstract call for self-organisation does not contribute to the solution of the difficulties which face wage-earners today. The question that has to be answered concretely is: how, and for what purpose, are workers to organise themselves. The formation of a strike committee for the struggle against the employers and against reactionary factory committees may be an important first step in self-organisation. But strike committees are transitory forms of organisation. Today the real power for the defence of workers' interests in the factories lies in the factory committees, employees' committees and shop stewards' organisations. A real durable defence of workers' interests in the factory will only become possible when the employees or the organised workers win control of these institutions. Self-organisation means the creation of organs of struggle which can be controlled by the workers themselves. To win control of the factory committees and the shop stewards' organisations, to ensure in advance that the newly elected factory committee remains responsible to the workers after the election; such transitional demands already lead to an essentially higher form of self-organisation than a transitory strike committee or informal base groups.

At a particular stage of the struggle it may be the job of revolutionary socialists to campaign for such a strategy in the factory. But just because revolutionary socialists know more than the workers they are advising, just because they know, for example, that the arms economy is not crisis free, but produces new forms of political and economic crises, which means there is no perspective for defensive struggles on the factory level, they have to propagate more far-reaching forms of organisation. Already in the present sitation of the mining industry it would not be sufficient for the miners to develop a strategy of control of the committees by the workers. More than any other section of the working class they know from the coal crises that the miners of a particular pit can be powerless, however militant their pit committee may be. We have already seen that the miners of six pits were powerless, even though the strike of the Dortmund miners was led and co-ordinated by a central body. The miners came away empty-handed.

As far as the Dortmund miners' strike is concerned, we may comment: their weakness did not lie in the fact that their demand for 1,000 Deutschmark minimum wage was directed at the leadership of the IG Bergbau (miners' union) (rather than directly at the Ruhr Coal Co), but in the fact that they were not strong enough to spread the strike to other pits, and thus increase the pressure on the union leadership to such an extent that they would have been **compelled** to reopen negotiations. (A demand for wage increases above the standard rate would have been condemned to failure from the start.)

In the present situation, burning of union membership cards is the most inappropriate tactic. The workers are not 'indoctrinated' with trade union consciousness, as Lefevre believes; this consciousness corresponds to a long historical experience of the working class, that a trade union organisation is necessary to carry on the day-to-day struggle against the employers. Just because Lefevre sees the spontaneous strike for wages, in which a confrontation with the union bureaucracy arises, in which, to use Lefevre's terminology, the workers abandon the 'trade union line which props up the system', as being potentially revolutionary, just because he has an excessively limited conception of the 'only valid means of struggle', just for these reasons he is unable to contribute anything 'useful and valuable for the praxis of the workers'. And just because he arrives at a definition of the revolutionary workers' struggle as being anti-trade union, the organisation tasks of the revolutionary left appear to him in such a limited form.

The emergence of conflicts between the union machine and striking workers, the increasing importance of strikes on the level of the particular factory in recent years, are certainly significant. An analysis of them gives us information about the tendencies in the development of the West German working class movement, as they have already manifested themselves over the last few years. An analysis of the strikes also permits a first attempt to define what concrete forms the self-organisation of workers may take in the present stage of economic struggles. But a Berlin comrade above all ought to know that such an analysis cannot be the basis for a

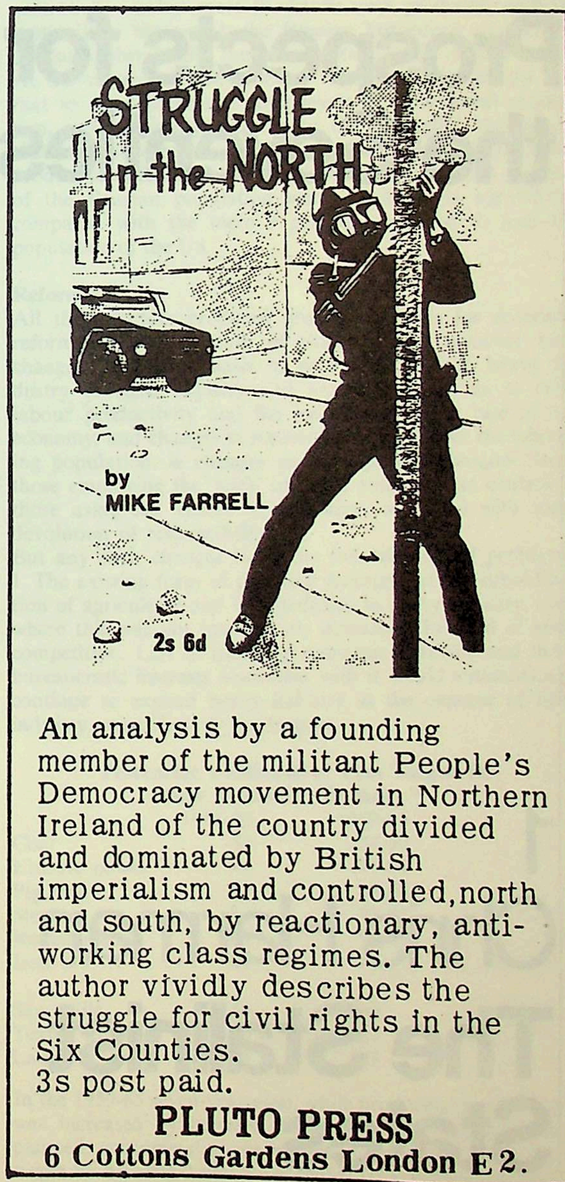
thorough reorganisation of the revolutionary left. He ought to know that in Berlin every conflict between workers and capitalists, every conflict between union bureaucrats and union members, is overshadowed by the 'Berlin problem'. Any serious Berlin crisis could destroy the fruits of 10 years' of industrial militancy, unless socialist cadres have a clear answer to the questions: what is the social nature of the German Democratic Republic, what are the class interests of the Berlin workers in face of the East and West German regimes.

Lefevre confuses the economic struggle of the workers with revolutionary class struggle, and thus also confuses the organisational tasks of the striking workers with those of the revolutionary left.

It is our task to embark now on the building of a revolutionary workers' party, which must be based on a programme which covers the essential political features of capitalism. In face of the centralised and disciplined power of the capitalists it must be an equally centralised and disciplined combat organisation of the proletariat. This organisation can therefore only be a democratic centralist revolutionary workers' party.

Such a revolutionary programme cannot be 'drawn up' today in all its elements. Nor can a vanguard be called into being by an 'act of founding'. There are dozens of organisations which endow themselves with the title of vanguard. But this is only one of the dangers that can be observed at present within the revolutionary left. The organisational path indicated by Lefevre is just as false. We cannot conceive of the reorganisation of the revolutionary left as a process of centralisation of the base groups. The very idea of base groups demands that to some extent the question of longer-term strategy should remain open. Of course the improvised nature of the base groups allows a temporary unity of action between various revolutionary groups and individuals. But this lack of a perspective leads, in changed political circumstances, to their disintegration or paralysis — that is, when fundamental questions have to be answered which hitherto have been, consciously or unconsciously, neglected or excluded in the group's discussion. Embryos of a revolutionary party — which must now be created — do not arise out of a movement in which the 'natural tendency to split' has been just as 'naturally' overcome. On the contrary, organisations can only be created by a conscious act. Some elements of the revolutionary left are now beginning to develop a process of **comprehensive** political agreement, though to start with this is limited to a local level.

A fundamental reorganisation of the revolutionary left must be based on agreement on such points as the character of Western neo-capitalism, the nature of the states of the Eastern block, the nature of the colonial revolution since the Second World War, the relation of workers and students, the organisational question, both in the immediate future and in the long term, etc. The new revolutionary party will not develop in a straight line from the present groups. There will be unifications and also splits.



Chris Harman Nigel Harris

Prospects for the Seventies

1 Chris Harman

The Stalinist States

Introduction

It is now more than 40 years since Stalin eliminated all rival tendencies in the Communist Party and State apparatus and set the Russian society on the course of industrialisation in competition with the West. Since then regimes on a similar model have been imposed (by the Russians) on six States in Europe and one in Asia (North Korea) and have come to power through indigenous movements in at least five countries (Yugoslavia, Albania, China, North Vietnam and Cuba). No analysis of the possibilities for socialism on a world scale can be complete without some analysis of the dynamic that determines the development of these regimes, the domestic and foreign policies of their rulers, and the likelihood of socialist revolution within them.

The underlying dynamic behind the various external and internal policies of these regimes results from their participation in a competitive struggle with other ruling classes (both private capitalist and, increasingly, state capitalist as well) for control over productive forces. No national ruling class can survive this struggle unless it continually expands its military potential by expanding the productive forces at its disposal. If it can do this it can subordinate other ruling classes to itself; if it cannot it will be subordinated.

The result is that each ruling class

(1) behaves internally like any capitalist firm, organising production so as to continually force down the price paid for labour power to an historically determined minimum and to transform the surplus over and above this into capital;

(2) utilises whatever opportunities exist for imperialist exploitation of neighbouring nations. This is evident with the large, highly developed Russian bureaucracy, but is a trait that exists in embryo in the others — witness for instance Yugoslav attempts to dominate Albania in the early post-war period.[1]

The Russian economy: The Stalin period

During Stalin's lifetime the forced development of the Russian economy so as to provide the basis for arms competition with the Western powers meant that there was a continual overall adjustment and readjustment of production inside Russia to changes taking place elsewhere. Its insertion in an international competitive system meant, in Marxian terms, that the law of value applied to the Soviet economy as a whole.[2] The bureaucracy had continually to relate the production costs of the economy as a unit to production costs in the capitalist world.

At the same time, however, within the different branches of the Russian economy various factors prevented a fully rational calculation of production costs.[3]

1 Workers did not freely dispose of their own labour power. Their ability to do so was restricted by legal constraints against absenteeism, lateness and changing jobs without prior permission. For those in the labour camps (up to 10 million, ie about a third of the size of the industrial working class in the 1930s) there was no control at all over their own labour power.

2 Labour power was often paid at below the historically and culturally determined subsistence level (in Marxist terms, below its value).[4] Again the most extreme instance of this was in the case of slave labour.

3 The form of organisation of planning led each ministry, **glavk,** trust and firm to attempt to achieve a high degree of autonomy. This followed from the authoritarian nature of the planning system. Those in charge of each section of industry were bent on achieving the highest level of physical production. This was dependent upon maintaining a regular

flow of production, which in turn was dependent upon a continual flow of components and resources. This was only guaranteed if production of such resources was directly under the authority of the particular section. Hence, each ministry, **glavk,** etc, attempted to produce as many of the resources it required as possible itself and to reduce its dependence on the rest of the economy.[5] The result was a continual tendency to departmental autarchy, with continual duplication of production processes.

The cumulative effect of these three factors was that while there was a degree of control over outputs from the economy, fitting these to the needs of competition with the West, there was also a wasteful division of inputs. The pricing system reflected these irrationalities, rather than real production costs. This in turn made any rational comparison of costs within or between productive units impossible.

During Stalin's lifetime these inefficiencies hardly seemed to matter. The economy expanded at a virtually unprecedented rate. And most of this expansion was concentrated in the crucial heavy industry sector. All this was possible because of the huge spare natural and human resources that were available.[6]

In the 1950s, however, many of these excess resources began to be used up. Although labour productivity was increasing, in terms of what crucially mattered — its relative level compared with the US — it was still the same 40 per cent in 1950 as in 1937-9.
The rate of economic growth could not be maintained unless there was:

1 An overcoming of at least the worst irrationalities in the allocation of resources. This was partly achieved in the mid-1950s with the 'freeing' of the labour force — the liberating of the majority of those in the camps, and the removal of legal sanctions against changing jobs, absenteeism, etc.

2 A raising of the level of labour productivity. But this was impossible without raising the level of consumption of the workers. Such was the case particularly in those productive processes too complex to be easily supervised from the outside. Wherever production demanded the attention, initiative and therefore the commitment of the worker, crude external threats of the sort that typified the Stalin period could not raise real labour productivity — at best they could result in a quantitative increase in the number of shoddily produced goods. In these areas productivity could only be increased by permitting a devolution of initiative to those actually engaged in the production process while increasing their commitment to production through improved standards of living, etc.[8]

This is particularly true of two sorts of productive processes: on the one hand agricultural production, particularly animal husbandry, on the other the sort of technologically sophisticated production associated with an advanced economy. One of the most striking aspects of the Stalin period was that while industrial production rose at an unprecedented rate, agricultural production stagnated. Even though Stalin could claim that Russia would be the greatest grain-producing country in the world within three years in 1929 and again in 1935, and though Malenkov claimed in 1952 that a target of 130 million tons of grain had actually been achieved, after Stalin's death Krushchev [9] made clear 'that as regards grain production the country remained for a long time at the level of pre-revolutionary Russia'. He gave the following figures to back up what he said:

	Crop Yield per Hectare (centners)	Total Grain Return (poods)
1910-14	102.5	4,380
1949-53	105.2	4,942

Thus the harvest in 1949-53 was only 91.7 million tons, despite the fact that the population had grown 30 per cent. Such is the efficacy of Stalinist 'planning'.
As regards livestock farming the situation was even worse. Production actually fell during the Stalin period.

	Total Livestock
1916	58.4m
1953	56.6m

Once further development of industry became dependent upon raising real wages, the problem of agriculture became central. For unless more foodstuffs were produced, with the best will in the world, the Russian bureaucracy could not increase substantially the consumption levels of its workers. At the same time the problem was aggravated by the fact that to even achieve existing levels of agricultural production, a very large proportion of the population that would otherwise have been available to raise the level of industrial production had to be employed there — in 1956 43 per cent of the Russian population were employed in agriculture, compared with the mere 9 per cent required to feed the population of the US.

Reforms
All these factors produced growing pressure for economic reforms after the death of Stalin. These involved both changes in the emphasis in production — from heavy industry to light industry and agriculture — so as to raise labour productivity and the long term growth rate of the economy, and changes in methods of control over the labouring population, ie changes in 'managerial techniques' from those employing the 'stick' of crude authoritarian control to those using the 'carrot' of incentives combined with some devolution of responsibility.
But any such changes faced the following set of problems:
1 The existing form of planning presupposed the subordination of agriculture and light industry to heavy industry, even where this was not immediately demanded by need of arms competition. Left to itself the economic structure and those bureaucratic interests associated with it would automatically continue to expand heavy industry at the expense of light industry, regardless of plan targets:

Percentage Fulfilment of Plan Targets in New Productive Capacity [10]

	1956-60	1959-65
Coal	53	54-60
Electric power	—	91-94
Pig iron	89	63-68
Steel	83	74-82
Rolled metals	65	59-75
Iron ore	84	—
Saw mills	36	46
Textile mills	36	63
Looms	37	47

In the 1959-65 seven-year plan, while producers' goods output was increased by between 8 and 12 per cent higher than planned, consumers' goods output increases fell short of the target by between 2 and 5 per cent.[11] (If a further distinction,

between producers' goods for agriculture and light industry and producers' goods for producer goods industries is introduced, the gap is even greater.[12])

This tendency for heavy industry to hog resources available for growth could only be overcome by a conscious effort on the part of the central apparatus to change the pattern of economic organisation.

Any attempt to change the organisation of the economy, however, of necessity involves a **political** struggle against important interests within the bureaucracy. In particular those who gained enormous power with the central role the repressive apparatus played in achieving the economic goals of the bureaucracy in the Stalin period resist any changes likely to diminish this role. They are backed by bureaucrats associated with heavy industry and by all those throughout the bureaucracy who identify their own power and prestige with old methods of control.

This central contradiction between the class goals of the bureaucracy (the relentless expansion and transformation of its own economic base) and its form of class organisation (in a frozen, centralised, totalitarian structure) [3] between the forces of production and the relations of production, cannot be overcome, even partially, without attempts to reform the bureaucracy itself. This will be resisted by those, associated with the old structure, often best placed politically to resist reforms.

In order to try and overcome conservative sections of the bureaucracy opposing reforms in the 1950s, the central political apparatus (or a section of it) attempted to mobilise other elements in the bureaucracy. This was the real significance of the anti-Stalin campaigns of 1953, 1956 and 1962. But there were clear limits within which this was possible. Much of the conservative resistance could not be overcome without the danger arising of the repressive apparatus vis-a-vis the rest of society being paralysed, thus unleashing forces that might easily turn against the bureaucracy as a whole (as in East Germany in 1953, in Poland and Hungary in 1956, in Czechoslovakia in 1968-9 and in China in 1966-7).

In Russia itself the bureaucracy stopped short of taking measures that might have had such disastrous effects from its point of view. But this of necessity meant failing to carry through reforms wholeheartedly.

3 At the same time, the pressures of continued short-term military competition with the West (and, increasingly, with other state capitalist countries, eg China) provided arguments for those who oppose reforms. For this means that any deployment of resources towards light industry and agriculture in order to raise long-term labour productivity is likely to mean a slowing down of the short-term rate of accumulation and a weakening in the military sphere. Failures to carry through the redeployment of resources to improve living standards are blamed on the needs of 'defence', as for instance with the failure of agricultural investment to grow at the planned rate in 1968.[13]

4 Because the reforms are only **reforms,** not a complete transformation of the system, and in any case are only carried through half-heartedly, they never achieve the results prophesied by their proponents. They never do more than tinker with the fundamental cause of the problems: the alienation of the worker from the production process and therefore his refusal to display the commitment to his work needed for increased labour productivity in both agriculture and areas of advanced technological production. Like their equivalents in the West the most advanced reformers will talk about 'workers' participation' but not about real control. Even a limited devolution of initiative from the central apparatus to plant managers, allowing them to relate the tempo of production to the possibilities of profitable exchange of products between themselves, the State and the consuming population (so-called 'market socialism') has to be carefully controlled by the centre, although it might lead to more efficient employment of resources, lest it also allow managers to make decisions in opposition to the class goal of the State capitalist bureaucracy as a whole: accumulation in competition with other ruling classes.

The result is that reforms introduced cannot come to terms with the real roots of these problems. For instance, two of Khrushchev's chief attempts to come to terms with the agricultural crisis — the Virgin Lands scheme and the Maize Campaign — merely involved an extension into new areas of bureaucratically controlled production. For this reason they were easy for the bureaucratic mentality to carry through. But they also necessarily reproduced all the failings of the bureaucratic approach to agriculture. Again, in industry, Khrushchev's attempts to overcome the irrational autarchy of ministerial departmentalism by organising industry on a regional basis through Sovnarchozy merely resulted in new forms of autarchy. Hence the piecemeal dismantling of that system.

At the same time, any attempt to introduce new planning mechanisms alongside old ones may merely mean that the worst of both worlds results. For instance, a weakening of central control over investment and pricing decisions may remove what constraints there are forcing the natural expansive tendencies of those running heavy industry to take account of the needs of the whole economy. The result is then likely to be (as in Czechoslovakia in 1968) disproportionate growth and inflation.

The lack of efficacy of such reforms serves to reinforce the arguments of those who anyway fear change. This makes it more likely that further reforms will be carried through in a hesitant, half-hearted manner and lack success.

The Situation Today

The overall result of these differing pressures has been:

1 Reforms have only been introduced slowly within Russia itself. Many of the most important ones introduced during Khrushchev's rule were abandoned after his fall (due in turn to the failure of reforms, particularly in agriculture). The reforms introduced in industry since have been brought in on a very tentative basis, and there are continual reports of their frustration by sections of the apparatus. The disproportion between the growth of industry and agriculture certainly has not been overcome.

Percentage Achievement of Plan Targets

	Plan IV 1946-50	Plan V 1951-5	Plan VI 1956-60	Plan VII 1959-65
Gross industrial output	117	109	99	102
Gross agricultural output	78	—	89	68

2 The rate of growth has slowed down. According to Russian sources it has fallen from 8.2 per cent in the period 1956-62 to 6 per cent 1961-65; according to American sources from 6 per cent 1956-60 to 4 per cent in the 60s. In either case, the rate of growth is nothing like the level displayed during the Stalin period, and is in fact less than that displayed by several Western economies. The difficulty Stalinist economic structures face once a degree of industrialisation has taken place is graphically illustrated by a table showing the growth rates of the different East European states ordered according to their degree of industrialisation:

Eastern Europe: Compound Annual Growth Rates of National Income[14]

	1950-55	1955-60	1960-65
East Germany	11.4%	7.0%	3.5%
Czechoslovakia	8.0	7.1	1.8
USSR	11.3	9.2	6.3
Hungary	6.3	6.5	4.7
Poland	8.6	6.6	5.9
Bulgaria	12.2	9.7	6.5
Yugoslavia	23.0	7.5	8.0
Rumania	13.9	7.0	8.7

The origin of these difficulties quite clearly lies in the fact that as accumulation takes place, unless there is a more than equivalent increase in productivity, the increasing proportion of dead labour to living labour (the organic composition of capital) will result in a relative decline in the amount of value produced.

Average Annual Increment of Output per rouble of Investment[15]
(in roubles)

	1951-5	1956-60	1961-5
National income	2.4	1.6	1.3
Gross industrial output	6.4	5.1	4.7
Gross agricultural output	2.3	3.0	0.8

The implication of these figures is that unless there is a considerably increased rate of exploitation of labour, the rate of profit in Russian industry will undergo a drastic decline, and hence also the resources for further investment and growth of industry. Hence the concern of the central apparatus to prevent factory managers giving wage increases above the level of productivity increases.

The overall result is that the Russian economy faces a chronic crisis of slowing growth rates. A solution to this would only be possible by raising productivity at a faster rate than at present. But this is impossible in industry unless the Stalinist heritage in agriculture is overcome. This, however, is in turn impossible without ploughing into agriculture resources from heavy industry and arms production.

Since the overthrow of Khrushchev, the Russian leadership has had certain successes in the agricultural field.

Agricultural Production[16]

	1948-52	1965	1966	1967
Wheat production (thousand tons)	35,759		100,499	77,419
Maize production (thousand tons)	5.751		8,410	9,163
Hens' eggs (millions)	11,700	29,068	31,372	33,666

	1947-8/50-1	1962/3	1963/4	1964/5	1965/6	1966/7
Cows (millions)	24,357	37,987	38,384	44,231	45,608	46,813

This has permitted a small increase in the average annual rate of growth — according to Russian sources from an average of 6 per cent 1960-4 to an average of 6.9 per cent 1965-7.[17] But this improvement in agriculture does not seem to have been due to factors that will endure. The level of investment in agriculture seems to have fallen below the level of Khrushchev's last two years. In 1964-6 it only rose 15 per cent as opposed to 17 per cent in 1962-64. Similarly fertiliser deliveries increased in 1964-6 only 39 per cent and in 1967 by 10 per cent as opposed to 53 per cent in 1962-4. The major change leading to improved production, in fact, seems to have been the fact that for various reasons the agricultural work force which fell by 9 per cent in 1962-4 rose slightly in 1964-6 .[18] This, however, is not an advantage that Russian agriculture is likely to have for long.[19] At the same time the constant total work force figure hides two important facts: firstly the work force is an ageing work force, with a continual drain of youth from the countryside[20]; secondly, it does not contain nearly the required number of skilled personnel required for increasingly mechanised agriculture — while the estimated demand for specialists in 1970 is 2 million, the number in 1966 was only 770,000 and was increasing at a decreasing rate.[21]

Finally, the factor that has permitted improvements in agriculture cannot but increase the problems of industry. In the past if long-term plans calculated for increases in labour productivity were impossible under the existing structure, this was to a large extent compensated for by an absolute growth in the labour force 'by a percentage varying from 13 to 21 per cent of total employment . . . in absolute figures, from 6 to 10 million people'.[22] But 'in 1966 for the first time since the war available manpower fell short of the annual plan (by 100,000 men) and in 1967 . . . by 600,000 men'.[23] This perhaps explains why the current five-year programme is being underfulfilled in industry as well as agriculture and why for the first time in 40 years heavy industry is suffering.[24]

All this means that the resources of the Soviet bureaucracy can be expected to grow at a declining rate, while the demands on these resources increase — through military competition threatening to attain unlimitable levels with ABMs and MIRVs, and the conflict with China, through the need to invest in new areas if productivity is to be forced up, through the need to placate the demands of a working class continually growing in numbers, experience and self-confidence.

Because of this increasing strain on resources, the more grandiose of the promises to the workers of the Khrushchev era stand no chance of being fulfilled. Although wages and conditions for workers have improved, they still remain relatively meagre. Thus despite considerable increases in minimum wages over the last 10 years, they are still low, at 60 roubles[25] (on a rough calculation about £20) a **month.**[26] Again, increases in paid holidays in 1968 meant that 40 per cent of workers only received a total of 15 days per year.

In housing, despite attempts to overcome the abominable overcrowding of the Stalin period (in 1950 average housing space per inhabitant of the USSR was about a quarter less than in 1923) Khrushchev's 1957 'aim of ending the housing shortage in 10 to 12 years' is no nearer accomplishment than comparable claims by British housing ministers in the same period. The 1959-65 plan for housing was underfulfilled by 15 per cent, the 1966 plan by 11 per cent and the 1967 plan by 12 per cent. A considerable proportion of this consists of private and co-operative house building, both of which would seem to favour well-to-do bureaucrats at the expense of ordinary workers.[27]

Reforms — New Problems

If the introduction of economic reforms does not yet seem to have done much to release more resources for the Russian bureaucracy, it does promise to confront them with new problems. Limited improvements in the living standards and cultural level of workers, while not overcoming their fundamental lack of commitment to the regime, are likely to increase their independence and morale. This can only raise

the level of self-confidence and combativity of the masses. At the same time the promise of reforms, the limited destruction of an authoritarian routine, arouses expectations that the regime cannot fulfil. This will inevitably mean the development of class militancy among Russian workers. This will be intensified by the fact that the reforms imply new sorts of hardship for workers. For instance, increased concern with labour costs can only mean a growth in frictional unemployment. 'As the reform develops, surpluses of manpower will increase, but the element for its absorption — capital investment — may even be reduced in comparison with the initial drafts (of the current five-year plan). Problems of placing a large number of people in jobs will arise. . . .' [28] There is no dole in the USSR, only a fortnight's pay upon dismissal, although the average period between changing jobs is about 24 days.[29] In addition the reforms make even more transparent the exploitation of the workers in the factories. In the first year of the most recent batch of reforms in 699 out of 703 enterprises subject to them, productivity rose by 8 per cent, but earnings of industrial-production personnel by only 2.8 per cent. In 522 enterprises payments from the 'material incentives fund' amounted to only 0.5 roubles per month for workers, as against 4.2 roubles for all personnel.[30]

The National Question in the USSR

Finally, successful implementation of reforms can only heighten the forces leading to discontent among the non-Russian nationalities inside the USSR (who now constitute a majority of the total population). The major factors providing a basis for national oppression inside the USSR since the rise of the Stalinist bureaucracy in the 20s have been:

1 The determination of the central apparatus based on Moscow to prevent any tendencies towards autonomy and independent decision-making by sections of the apparatus elsewhere. This means continually curtailing and limiting the powers of local party chiefs, etc (a tendency already manifest as early as 1923 in the disputes over the Georgian question). Local bureaucrats have continually to prove that their major concern is central bureaucratic interests, not those of the local population.

2 The centralised bureaucracy identifies its ability to dominate and extract surplus value with its ability to prevent other social forces mobilising. This means preventing the formulation and communication of alternative ideologies to its own. This implies continual imposition of a homogenous culture and is aided if there is a single dominant language, for the urbanised areas at least. Hence the continual attempts at Russification of national minorities, the discrimination against them within the bureaucracy, etc.

3 'Divide and rule'; by discrimination against the minorities and in favour of the Russified, the bureaucracy strengthens the ideological basis of its own rule. This is particularly clear in the case of anti-semitism.

4 Within the lower ranks of the bureaucracy cultural background undoubtedly determines the likelihood of rising upwards. This, on the one hand, gives millions of petty bureaucrats an interest in maintaining great Russian dominance, on the other it increases the resentment of those from non-Russian backgrounds.

Successful implementation of reforms will add to these at least two more factors. Firstly, as the level of technology advances, those with the most advanced culture (in the main the Russians) will be favoured. At the same time, the increasing stress upon efficiency, productivity and the optimal deployment of resources is likely to concentrate further industrial advance in the most industrialised areas. Already in the late 50s 'it was a repeated source of criticism that ministries found it convenient to direct investments, wherever possible, to developed regions, to save overheads'.[31]

National pressures can thus be expected to grow on two new bases. There will be increasing anti-Russian feelings among minority nationalities who increasingly find themselves deprived of possibilities for material and cultural advance. And the local sections of the bureaucracy, resentful at the low priority given to the development of the areas of industry under their control will try and trade off this discontent so as to blackmail the central apparatus into providing more resources for investment. There is already a prototype for such developments in the growth of Slovak national feeling within Czechoslovakia prior to the ousting of Novotny. The Slovak bureaucrats were willing to co-operate with the Czech reformers, even though they were suffering from the effects of reforms already implemented and because of the low level of development of Slovak industry saw no need for them, provided they were promised an increased cut of total national investment for their industry. This was crucial in cracking the hold of the central apparatus in 1968.

Russia and the Other Satellites

Although the bureaucracies throughout Eastern Europe (except for Yugoslavia and Albania) and in North Korea were put into power by the Russians, they were never integrated into the social structure of Russia itself. Instead, Stalin gave them a high degree of control over the internal running of the economy, providing they subordinated themselves to the Russian bureaucracy as far as the output of the economy was concerned. This meant copying the Russian emphasis on production of means of production (at least as far as the industrially advanced satellites were concerned), passing a proportion of this product straight to the Russians (through reparations, mixed companies, commodity transactions at token payments, etc [32]) and permitting the Russians a near monopoly of their trade.

These bureaucracies were thus established in business on their own, even if by a more powerful partner. They developed interests of their own in developing industry at the fastest possible rate so as to provide themselves with the bases for economic and military independence. They willingly accepted the policies imposed on them by the Russians insofar as they facilitated these goals.

But the interests of the bureaucracies in the satellites (and also in the countries where they came to power without Russian aid) can clash with those of the Russian bureaucracy. When this happens the outcome is invariably ideological dispute, giving way to raucous insults, military preparations and even armed conflicts. For instance, economic disagreements played a key role in the split of Tito with Stalin in 1948; the split of Mao and Hoxha with Khrushchev in the early 60s was at least in part motivated by economic questions; the question of the allocation of resources within Comecon underlay the split of Rumania with Russia; and the development of what might be called 'national bureaucratic' trends in Poland and Hungary (in 1956) and Czechoslovakia (1968) was similarly motivated.

The result is that there is a shifting pattern of alignments between the differing Stalinist States, depending on the needs of accumulation at a particular point. This might mean a particular national bureaucracy acquiesces in Russian dominance for quite a long period (as the Czechs did during the 50s when their economy grew at a fast rate due to the ability to sell its produce in the rest of Eastern Europe) but it also means that there can never develop a stable State capitalist bloc. Only one other factor can tie a particular national bureaucracy to the Russians for any long period

(apart from the crudest of physical threats) — its lack of a viable national base of its own without Russian support (hence the acquiescence of most Eastern Europe bureaucracies to intensified Russian exploitation in the 1948-53 period and Husak's support for the Russians today).

Permanent Revolution

In the past the pressure for reforms has been stronger in Eastern Europe than in Russia itself, for various reasons — the higher level of economic development; the outflow of resources to Russia (particularly in the early period); the greater importance of foreign trade and therefore of trade balances; the deeper traditions of militancy within the working classes; and the shallower roots of the ruling class.

While the crisis of state capitalism has been chronic inside Russia, in three cases in Eastern Europe it has taken on an acute form. Events in Poland and Hungary in 1956 and in Czechoslovakia in 1968 reveal a stereotyped pattern of development:

1 The failure of the economy to achieve balanced growth results in a split within the apparatus. One section begins to demand wholesale reforms and also to question the relationship with Russia.

2 The 'reforming bureaucracy' cannot take over control without immobilising its enemies, who normally control the police apparatus. It therefore begins to demand for itself the right to organise within the party and looks for allies to back it up.

3 At a certain point the 'reforming bureaucracy' calls in certain intermediate strata (intellectuals, journalists, students) to help it paralyse the apparatus and let it take over.

4 But this permits, even encourages, extra-bureaucratic classes (above all the workers) to mobilise, at first behind the slogans of the 'reforming bureaucracy', but increasingly on their own account through workers' councils, etc. The revolution becomes **permanent** and its demands take on a new significance.

5 The 'reformers' having come to power try to ride the storm. But they can only do so by reasserting the basic class structure of the society.[34] This means destroying whatever gains the workers have made. At first the 'cold' method of ideological hegemony is tried (eg, Gomulka successfully, and Nagy, unsuccessfully, in 1956 and Dubcek in 1968); if this fails, then the 'hot' method of armed repression, based upon Russian troops follows (Kardar in 1956, Husak in 1969).

6 In any case, the reforming section of the apparatus is forced to come to terms with its enemies, internal and external, and their methods, if it is to avoid complete dissolution by the forces it itself has unleashed. It is forced to reimpose relations of production that, despite modifications, are in contradiction to the maximal development of the national economy.

China and Russia

The Chinese bureaucracy faces a crisis similar in some ways to that confronting the Russians, but at a quite different stage in its development.

Mao Tse Tung took power 20 years after Stalin in a country considerably more backward than Russia in 1929. The gap between the forces of production at his control and those in the hands of the Western imperialist powers was immense. In addition from the beginning there was the need to contend with the inclinations of the Russian bureaucracy to dominate China.[35] In sum, the pressures on the Chinese bureaucracy to industrialise have been even greater than those on the Russians.

At the same time, however, the objective possibilities for industrialisation have been much less. The industrial base Mao took over was considerably smaller than Stalin's in 1929. The specific nature of most Chinese agriculture made primitive accumulation more difficult; rice culture demands intensive care and is not readily accessible to external, authoritarian control. Attempts to force up the surplus through the crudest sort of exploitation, in imitation of the Russians, inevitably leads to considerable drops in total production, threats of famine, etc. As a result attempts to overcome Chinese backwardness by a voluntaristic approach to industrialisation have collapsed in disarray. For instance, by any standards the 'great leap forward' of 1958-60 was a failure. It has been estimated that with the retreat from this policy agriculture, that had constituted 39.2 per cent of the national product in 1957, rose to 47.1 per cent in 1962, while industry fell from 20.3 per cent to 14.5 per cent.[36] During the period of Mao's rule the agricultural population has been growing (by about 75 million between 1952 and 1957) not declining, as in Stalin's Russia, or indeed, in almost any other country undergoing industrialisation.

The Russian bureaucracy has never been willing to aid the Chinese in their difficulties. They gave the Chinese loans of only $300 million in 1950 and $130 million in 1954 (considerably less than to non-Communist countries like Egypt) and Mao's reported request for a third loan when he visited Moscow in 1957 was rejected. 'Far from being free, Soviet aid to China was rendered mainly in the form of trade and that is certainly not a one-way affair . . . even the war material supplied in the war to resist US aggression in Korea has not been given gratis.'[37] Nor did the Russian bureaucrats hesitate about exploiting the Chinese: 'The price of many goods we imported from the Soviet Union were much higher than those on the world market', complained the Chinese government.[38] Finally, the sudden withdrawal of Russian technicians from China in the early 1960s did incalculable harm to the Chinese economy.

The reasons for the refusal of the Russians to offer aid to the Chinese were clear. To have done so would have diverted resources which, faced with falling growth rates, they preferred to invest more profitably in the USSR, or at least in wooing uncommitted countries like Egypt. To give in to Chinese demands for more aid would also have encouraged other state capitalist countries to resist the over-riding demands of the Russians. At the same time this attitude could not fail to have an impact on Chinese policies. A growing resentment against the Russian leaders and their policies was inevitable. So was a rejection of the ideology of 'peaceful co-existence', with its implication that belt-tightening in order to carry through primitive accumulation was not necessary. The Chinese bureaucrats felt they had nothing to lose by challenging the ideological pretensions of the Russian leaders. Besides which, a propaganda war with the Russians provided a climate in which cohesion needed for industrialisation could gather support.

It should not, however, be thought that the Chinese bureaucracy is intrinsically more revolutionary than the Russian. Although it rejects 'peaceful co-existence' as a proclaimed policy, it is willing to pursue it in many individual cases. Hence, the role of the Chinese Communists in tying the Indonesian party to the regime of Soekarno, the undeviating support for the military regime in Pakistan throughout a revolutionary situation there and the 'cultural revolution' in China, the support for Boumidiene against Ben Bella in Algeria, the refusal to support the left wing of the Palestinian guerrilla movement. In fact, the Chinese bureaucracy is willing to turn to any ally for support, providing that by

doing so it does not weaken its own national independence.*
Finding industrialisation immensely difficult because of the policies of the major capitalist or state capitalist powers, the Chinese bureaucracy is forced into a seemingly revolutionary opposition to all of them. At the same time, its desperate search for friends leads it into support for some of their nastiest lieutenants in the 'third world'.

Within China itself the dangers of economic stagnation have produced the 'cultural revolution'. In order to try and break forces he considers an impediment to China's industrial advance, Mao has felt compelled to try to carry through from above a massive reform of the Chinese bureaucracy. So as to pressurise existing office holders he has unleashed a massive mobilisation of strata transitional between the bureaucracy and the rest of the population (the 'red guards' — students and school children). To this extent his methods are similar to those of the 'reformers' in Eastern Europe. However, the possibilities of improving the economic situation in this way have been much fewer. If anything, the development of the economy and of the level of culture has been harmed by the turmoil of the 'cultural revolution'. (It is difficult to know for certain, seeing it is many years since statistics on economic performance were last published.)

The most significant result of this mobilisation of the 'red guards' against a section of the bureaucracy, that like the efforts of the reformers in Eastern Europe, it permitted masses of workers to mobilise against the bureaucracy as a whole (in December and January of 1967). Again, as in Eastern Europe, the 'reformer' Mao beat a sharp retreat in the face of this danger and came to a reconciliation with many of his enemies, setting up the 'revolutionary committees' and restoring order with the use of the army.

The outcome of the 'cultural revolution', like the retreat from the 'great leap forward' before it, illustrates the extent to which the Chinese bureaucracy finds itself in a blind alley, finding industrialisation increasingly difficult, but unable to relinquish its class goal and submit to the embraces of the great powers. It cannot take effective action to solve its problems. All it is capable of is irrational voluntarism at home, and propaganda unaccompanied by meaningful deeds abroad.

A limited confrontation with Russia aids the Chinese bureaucracy in its attempts to maintain 'national unity', ie, its own control over Chinese society. But it must be emphasised, the Chinese cannot gain from any large-scale military confrontation with the Russians. Claims by the Kremlin and its sycophants that the Chinese are preparing an aggressive war merely serve to cloak the aggressive intentions of their authors. It is the Russian bureaucracy which seems increasingly compelled to make threats, which sets about establishing military pacts with a variety of reactionary regimes, which parades its destructive potential — all because of a verbal challenge to its hegemony by the Chinese.

* The same applies to the Cuban bureaucracy, although in its case, for strategic reasons the Soviet bureaucracy is willing to give aid. But the Cuban bureaucracy resents the price it has to pay for this, for instance, having to concentrate all its efforts on sugar production. Nevertheless, in the struggle between Russia and China, Castro has supported the Russians. He even went so far, at the Tricontinental conference in 1966 as to affirm that 'the Chinese government has put itself on the same side as American imperialism'. Incidentally, the participants in this conference included such 'revolutionaries' as a minister from Pakistan, Nasserites from Egypt and delegates from Boumidien in Algeria. More recently the desperate nature of Cuba's situation has forced Castro to follow a seemingly more radical policy. But he is still unable to support the real revolutionary forces in the world: witness his support for the Russians in Czechoslovakia and his refusal to speak out against the betrayal by the French CP of the May movement.

The Overall Perspective

The overall trend throughout the state capitalist world is one of declining growth rates and of lessening resources to meet the challenge of the private capitalist regimes and the demands of the indigenous masses. Within each state capitalist country this means increased concern with a stringent allocation of resources. But this inevitably increases the international conflicts between the different bureaucracies.

The Russian bureaucracy controls an empire that displays increasingly centrifugal tendencies. It finds increasing difficulties in keeping the regimes of Eastern Europe in check. In the next few years it wil face similar problems vis-a-vis the component nationalities of the USSR itself.

The failure to grow at the desired rate cannot but have repercussions inside the apparatus itself. For the one factor that above all bound dissidents within the ruling class to Stalin in the 30s and 40s no longer holds. The members of the central political apparatus have no tangible evidence that the policies of their leaders are maximising their interests. This lack of ideological certainty is translated to the rest of society by the intermediate strata (intellectuals, students, etc). During the Khrushchev period there were attempts by the bureaucracy to come to terms with all these difficulties. Certain sorts of reforms were carried through. There were successes. But these did not measure up to the demands of the situation. At the same time they presented new sorts of dangers to the apparatus. When, despite the reforms the economy failed to pick up, Khrushchev was jettisoned, and what might be called a 'conservative bureaucratic reaction' followed. The apparatus begins to look back upon the Stalin period with a certain nostalgia.

Internationally, the Khrushchev period was one of 'polycentrism', in which the Kremlin seemed willing to allow the tendencies towards national independence within the satellites a degree of leeway. Although a 'propaganda war' developed with the Chinese, this did not reach the level of physical threats. Rumania and North Korea were allowed to develop near-complete national independence.

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Now, however, the Russian bureaucracy has reverted to crude repression in order to prevent changes it sees as dangerous to itself. That is why it has invaded Czechoslovakia and has threatened war against China. That is also why it has clamped down on the 'literary opposition' at home.

The new policy of the Russian apparatus consists in trying to freeze social forces. But this of necessity means preventing changes necessary if accumulation is to take place successfully. Nowhere is this more fully illustrated than in the consequences of the Husak regime for Czechoslovakia. But other East European states face similar, if not yet so grave, difficulties (eg, Poland) that the bureaucracy dares not come to terms with. At the same time the Russians are unprepared to provide the resources necessary to help solve these (as they did with short-term loans to Hungary after 1956). Despite their large rouble balance in Moscow, the Czechs are still refused a hard currency loan. The failure of the Kremlin to solve its own economic problems means it can no longer bail out its supporters in Eastern Europe.[39]

Such an approach can only lead to a further growth of discontent among the populations both of Eastern Europe and of Russia itself. This in turn necessitates further repression. One of the main aims of the threats to China is clearly to teach a lesson to dissidents within Eastern Europe and within the USSR.

However, these measures only serve to make more difficult the long-term problems of the bureaucracy. Firstly, they make more difficult reforms necessary if the rate of growth is to rise, and secondly, they necessitate a shift in resources from areas which will raise the level of productivity to military expenditure, etc.

The bureaucracy becomes entrapped in a vicious circle. Any way in which it attempts to solve some of its problems is likely to increase others. For instance, it could gain resources for investment and foodstuffs through a series of massive commercial deals with Western capital (which would also have the effect of solving some of Western capital's problems, by raising profit rates, etc). But this would increase other problems for the bureaucracy: on the one hand, it would make more difficult the subordination of the whole economic process to the needs of military competition; on the other, it would increase the difficulties for the central apparatus in maintaining ideological control over the component section of the bureaucracy. For this reason, the present dominant wing of the bureaucracy is likely to be as hesitant about such developments as about other sorts of reforms.

If reforms, in collaboration with foreign capital or otherwise, are not carried through, however, the chronic crisis of the Russian and East European economy can only grow worse. Despite their repressive methods the leaders of the central apparatus will increasingly seem to be an impediment to efficient production. Working from hand to mouth, their methods will be unable to impress even the central apparatus itself. Covert dissidence will come to characterise whole layers of the bureaucracy. Given its growing cynicism and scepticism, the strong-arm methods of the apparatus will convince no one. Despite the growing level of repression, the pay-off will decline. The bureaucracy will experience increasing difficulty in maintaining control over its own dissident elements, over intermediate strata like intellectuals and students, and over the rest of society.

Yet it is also increasingly clear that the bureaucracy is unable to carry through reforms on anything like a successful basis without a split of the proportions that characterised Hungary in 1956 and Czechoslovakia in early 1968. Such a split could only be the prelude to an immense crisis throughout the USSR and Eastern Europe, in which the extra-bureaucratic classes would mobilise behind their own demands. Yet if it cannot or will not split, the bureaucracy faces another danger equally horrifying to itself. This is from the working class of the industrial heartland of Russia itself. As it becomes clear that the promises of the Khrushchev era are not going to be fulfilled, so the likelihood grows of a minor incident causing a massive eruption of working-class insurgency, as in Berlin in 1953, Budapest in 1956 or Paris in 1968, but this time on a scale unprecedented in world history.

In either case, the chronic crises of state capitalism will inevitably reach a nodal point at which the whole system is threatened. What happens then will depend upon the ability of the different classes to mobilise around programmes reflecting their own genuine interests. In such a situation, the most dangerous development from the point of view of the working class would be a 'Polish' one, in which the ideological confusion of the masses permitted the reforming bureaucracy to retain power.

Given the impossibility of any sort of generalised political agitation in Russia prior to the collapse of the apparatus, it is difficult for socialists in the West to do a great deal to aid directly the development of class conscious elements inside Russia and the satellites. But we can and must give aid to those elements in the Stalinist states who propagate a revolutionary socialist position (for instance, Kuron and Modzelewski in Poland); build a revolutionary movement in the West based upon clear-cut hostility to the state capitalist bureaucracies which cannot be ignored by those inside the Stalinist states (certainly a source of ideological strength for the bureaucracy in the past was the fact that millions of the most militant Western workers were willing to listen to praise of the Stalinist regimes); within this consistently oppose all those who peddle illusions about the 'progressive' nature of any section of the state capitalist ruling classes; and finally, oppose all the means by which the Russian bureaucracy attempts to retain control over the situation. Above all this means opposing its repression at home (against intellectuals, workers and national minorities) and its attempts to subjugate other state capitalist countries (the invasion of Czechoslovakia, the threat to China).

1 Cf Sayers, 'Between East and West', **IS 41.**
2 For elaboration of this argument, see T Cliff, **Russia: A Marxist Analysis,** Ch 8, and also C Harman, 'The Inconsistencies of Ernest Mandel', **IS 41.**
3 As with monopolies in the West the overall operation of the law of value permitted partial negations of it.
4 The urban minimum wage was fixed at 300 roubles a month (about £9 a month) in 1956. Even this figure gave low-paid workers an average increase of 33 per cent (V Mayer, **Zarabotnaya plata v periode a k Kommunismu,** Moscow, 1953, p 91, quoted in A Nove, **An Economic History of the USSR,** London. 1969, p 346).
5 Cf Cliff, **op cit,** p 245, also Nove, **ibid,** p 343.
6 For example, between 1929 and 1955 the absolute increase in production in the US was similar to that in the USSR, but the labour force rose only 33 per cent in the former compared to 350 per cent in the latter.
7 W Galenson, **Labour Productivity in Soviet and American Industry,** New York, 1955.
8 Ie, by raising real wages to the subsistence level.
9 Plenum of the Central Committee of the CPSU December 15-19, 1958 (Russian) Moscow, 1958, p 19.
10 Figures from K Fitzlyon, **Soviet Studies,** Summer 1969, p 179.
11 Nove, **op cit,** p 353.
12 For a lengthy discussion of this tendency in the Polish economy and of the economic unbalance created, see J Kuron and K Modzelewski, **A Revolutionary Socialist Manifesto (Open Letter to the Party),** IS, London nd, p 27.
13 Cf **Financy SSR,** 28/69.
14 From J Knapp, **Lloyds Bank Review,** October 1968, p 9.
15 From K Fitzlyon, **op cit.**

16 Figures abstracted from UN Agricultural Statistics 1969.
17 Calculated from UN Economic Bulletin for Europe, vol 2 No 1, p 20.
18 Wadekin in Soviet Studies XX, No 3.
19 The current five-year plan aims at a reduction of more than 10 per cent in the agricultural work force.
20 Between 1959 and 1964 a quarter of those between 17 and 23 left the countryside.
21 Cf Ladenkov, Voprosy economiki 1967 No 20 (translated in **Soviet Review** IX No 3): 'The rate of increase in equipment on State and collective farms is higher than the rate of growth of cadres operating the equipment'.
22 Fitzlyon, **op cit**, p 177.
23 **Ibid.**
24 **Economist**, December 27, 1969.
25 L Kunelskii, translated in **Soviet Review** IX No 4.
26 And this applies to some quite skilled personnel, for example, nurses who have completed five years' training recently received a wage increase, from 60 to 70 roubles per month, **ibid.**
27 The deposit for one room in a co-operative housing apartment is 1,200, to 1,360 roubles — equal to just under the average annual wage of 'office and factory workers'.
28 **Economy i mate matichiskie methody No 6, 1966**, p 805.
29 **Ibid.**
30 **Voprosyekonomiki** No 4, 1967, p 31-5.
31 Nove, **op cit**, p 354.
32 See Ygael Gluckstein, **Stalin's Satellites in Europe**, London, 1952.
33 Cf Gluckstein, **ibid**; Sayers, **op cit.**
34 Which is why any theory that only calls for a 'political revolution' in Eastern Europe today has basically reactionary consequences.
35 For example, their continued occupation of Darein, Port Arthur and the South Manchurian railway until 1954, and their special relationship with Kao Kang who controlled Manchuria in the same period.
36 Figures quoted by T Cliff, 'Crisis in China', **IS 29.**
37 **Peking Review**, May 8, 1963, p 13-14.
38 **Ibid.**
39 This above all applies to agriculture, where the placating of the satellites has meant a growing drain on the Russian bureaucracy's own limited resources. 'The USSR has in effect "rescued" the rest of Comecon from the effects of this trend (against expansion of primary products). Smileck states that the net Soviet exports to other European members of Comecon rose from $284 million in 1955 to £1,655 million in 1965.' M Kaser, **Comecon**, London, 1967, p 150.

2

Nigel Harris

The Third World

1 Where We Stand

IS's position on the backward countries in the past has been in essentials a reiteration of the points advanced by Trotsky in **The Permanent Revolution.** The heart of this position is the declaration that only through the agency of the industrial working class in the backward countries can imperialism be decisively defeated in the backward countries and can socialism become a possibility. But if, in the unstable conditions of a backward country, a minority proletariat can defeat imperialism by establishing workers' power, the dictatorship of the proletariat, that dictatorship can only survive and provide the basis for socialism if it is able to spread the revolution to the imperialist countries themselves. If the revolution does not spread, then the dictatorship of the proletariat is likely to be defeated or wracked with the internal contradictions of a backward society in an imperialist-dominated world. On the other hand, if any other class leads the onslaught on imperialism, then the perspective of the revolutionary movement will be nationalist rather than internationalist. Thus, the contradictions of isolated backwardness will be enshrined from the very beginning in the movement; the movement will not be able to break fully with imperialism; and ultimately the post-revolutionary regime will turn upon the working class itself.

2 Introduction

(a) Events since 1917 have continued to demonstrate the long-term attrition of the world bourgeoisie. On the one hand, in the advanced capitalist countries, the position of the mass of private owners of the means of production has been successively limited by two interdependent processes: (i) the concentration of production has continued to separate the mass of small powerless owners from the largest owners and managers of companies; (ii) the alliance between the largest companies and the State, embodied most clearly since the last world war in the permanent arms economy, has further concentrated power within a minority of the owning class. Without a solid core of State capitalism, private capitalism in the advanced capitalist countries cannot survive. Finally, the accumulation of capital in a whole new area of the world economy, the Eastern Bloc, has not been undertaken by private capitalists but by the State. On the other hand, in the backward countries, the native bourgeoisie is too small — because its role is circumscribed by imperialism — and too integrated into imperialism itself, to constitute an independent national class. To survive, it also needs a more or less extensive public sector to protect it and make profitable enterprise possible. Thus, on a world scale, the bourgeoisie has proved progressively less capable of reproducing itself. The dominance of private ownership has been steadily weakened, without this weakening in any way the dominance of capitalism as a system or the dominance of the world ruling classes.

(b) The integration of the parts of the world economy has also continued at an increasing pace since the First World War. But this integration does not signify increasing interdependence. Contrary to Lenin's account of imperialism, the evolution of the world capitalist system has not led to the advanced countries being the purely consuming segment and the backward countries the producing segment, of the world economy. On the contrary, the advanced countries have concentrated an increasing proportion of **both** production and consumption, thereby making themselves less, not more, dependent upon the backward countries. This asymetrical integration means that any socialist strategy that relies **solely** upon a revolt in the backward countries producing a major economic crisis in the advanced countries is doomed to failure. This is not, however, to say that the political implications of a revolt in one or more backward countries could not be important

in the advanced countries. Around the European block of advanced countries, there are numerous 'weak links' which, if broken, could perhaps precipitate a political challenge within the advanced countries. Ireland is one of the more obvious examples, but there is also Spain, Greece, Turkey, Algeria and the European countries under Soviet domination. These are among the same selection of countries seen by the Bolsheviks as important for the development of the European struggle. Lenin himself carefully distinguished between the different implications of struggles in near and distant backward countries:

> 'The struggle of the oppressed nations **in Europe,** a struggle capable of going to the lengths of insurrection and street fighting will "sharpen the revolutionary crisis in Europe" infinitely more than a much more developed rebellion in a remote colony. A blow delivered against the English imperialist bourgeoisie by a rebellion in Ireland is a hundred times more significant politically than a blow of equal weight delivered in Asia or Africa.' [1]

On the other hand, it would be quite wrong to underestimate the **indirect** effects of a struggle in a more remote backward country. Thus, the strain of the Vietnam War on the US government has precipitated important conflicts within the United States. The tension between expenditure on defence and on urban renewal and welfare payments brings the Vietnamese struggle into the middle of the internal American political debate.

(c) The regimes in the backward countries face three interrelated problems:

(i) the national question — that is, securing or preserving the national independence of the country concerned;

(ii) the agrarian question — that is, transforming agriculture so that simultaneously the rural population secures rights in the land and an adequate livelihood from agriculture, at the same time as there is an agricultural surplus capable of supporting the cities and the drive to industrialisation;

(iii) the development question — that is, raising the rate of the accumulation of capital to the point where a long-term transformation of the economy takes place. This transformation is embodied in a rapid expansion of national output at the same time as the share generated in agriculture is declining, and the proportion of the population employed in agriculture is declining.

The impossibility of solving permanently any of these three problems arises directly from the failure of the world proletariat to present a revolutionary challenge to the system as a whole. Of major importance in this respect is the failure of the proletariat in the advanced countries to challenge their respective ruling classes, and thereby make possible — at a minimum — the destruction of the straightjacket of Stalinism on the one hand, and Social Democratic reformism on the other. A revolutionary proletarian response to the rise of Nazism in Germany, to the Civil War in Spain, to the Second World War, to the carve-up of Europe after the war, to the Hungarian revolution, and so on, would have laid down a series of political alternatives with major implications throughout the world. Without the example of a proletarian alternative from the most advanced and experienced sections of the proletariat, the field was left open in the backward countries to other political alternatives.

3 The Class Struggle in the Backward Countries

(a) Stalinism and Social Democratic reformism were the two faces the proletariat of the capitalist countries presented to the rest of the world. They were also the active forces on the Left organising within the proletariats of the backward countries. In practice, Social Democracy was much less important than Stalinism, and less clearly distinguished from it, than in the advanced capitalist countries. Thus, at no stage in the struggle for independence, did the major political alternatives available encourage an authentic, independent proletarian response, an explicit demand for the dictatorship of the proletariat, workers' power. Moreover, changes within the capitalist countries and between the imperialist powers and their colonial dependencies made it possible in a large number of cases for political independence to be granted without a major social struggle. The damping down of a domestic social struggle inhibited the formation of politically distinct classes and permitted a heterogenous class coalition to wage the battle for independence.

(b) But these two 'external' circumstances — the internationally available political alternatives on the Left, and the reaction of imperialism to the struggle for independence — were also matched by certain objective features in the new working classes of the backward countries. These objective features would not have inhibited a proletarian movement had it appeared, but, in the circumstances, they fitted closely the political priorities of Stalinism. Very briefly, these features were:

(i) telescoped economic development created new working classes in the backward countries which are much more sharply differentiated within the class. The working class simultaneously includes both the most advanced strata of technically highly skilled workers in — by world, not local, standards — the most sophisticated industries; plus an important block of unskilled or semi-skilled workers in industries important in earlier phases of development (for example, cotton textiles) both large-scale and small; plus an enormous mass of workers, many of them illiterate, in small-scale shops, household and traditional craft industries; plus an even larger number, partially employed in petty trading and miscellaneous services.

The old working class of Western Europe in the early phases of capital accumulation was, by contrast, concentrated in the second of the four groups listed above — a small group of highly differentiated skilled workers, along with a mass of unskilled labour, both employed in what are today backward industries, with a much smaller section in the last group (petty trading and miscellaneous services).

Again, the speed of the development of working classes has tended to prevent the slow development of forms of working-class organisation. The pattern in Europe where skilled workers were able to organise craft unions, which then provided the stable leadership for mass unions, has not been possible in most backward countries. In many cases, the leap to mass industrial unions has been made, without the sinews of organisation within the factories being capable of sustaining such units.

Furthermore, the proportions between production workers and other workers within the working class in backward countries has changed significantly. New investment has the modern technical characteristic that enormous additions are made to output with relatively little new employment (in comparison to 19th century European industrial investment). This relative decline in productive workers within the working class in part changes the nature of the class. Thus the pivotal role played by a concentrated mass of productive workers in the history of West European capitalism cannot be repeated in exactly the same way. On the other hand, the modern economy — even in backward countries — is a much more interdependent process, so that the effects of a relative decline in productive workers is offset by the interdependence

of all segments of the modern economy.

On the other hand, social differentiation seems also to be more pronounced in the working classes of some of the backward countries. In British working-class history, the conflicts between workers from different parts of England, between English, Irish and Jewish workers, were factors which inhibited class solidarity, but these seem of less significance than the open communalism among, for example, Indian workers, or tribalism, among African workers. Imperialism itself deliberately played upon these divisions in order to maintain its control, and the newly independent ruling classes have not been averse to pursuing the same tactic. However, this factor cannot be assessed independently of the available political alternatives which stress class solidarity. In the absence of such a political alternative, the social fragmentation of the working class continues to reflect the fragmentation of the peasantry between different districts (since many of the new workers are rural migrants). This fragmentation, left to itself, can be very restrictive for a very long period of time, and is ultimately only superseded by the unified attack of the ruling class.

(ii) Imperialism and full or partial State capitalism has created a much larger urban petit-bourgeoisie. For Marx, the petit-bourgeoisie was pre-eminently the mass of peasant small-holders, the shopkeepers and independent artisans or small businessmen in small towns — that is, all **small property-owners.** By the nature of its mode of production, such a stratum was incapable of collective political leadership and, as a result, oscillated between the two major classes, the proletariat and the bourgeoisie. By contrast, in the backward countries today (and, for that matter, in the advanced capitalist countries) the urban 'petit-bourgeoisie' is **propertyless,** pre-eminently engaged in large-scale bureaucratic employment, especially in the agencies of the State. Its material conditions of life are very poor, particularly in comparison with its aspirations to a fully middle-class way of life. On the other hand, its employment subjects it — as was not the case with the Victorian petit-bourgeoisie — to large-scale collective organisation, although not to direct organisation in the production process (that is, the sources of the generation of material wealth remain outside its activities). Yet, being propertyless, this stratum has no vested interest in the private ownership of the means of production, nor is the bourgeoisie proper large enough to be a major point of attraction for this stratum. Because it is heavily concentrated in the cities, it dominates urban politics, particularly on the Left. And for obvious reasons, this stratum is primarily interested in an extension of the power of the State.

(c) Thus, as a result of this changed class structure — of the weakness of the bourgeoisie proper, of the failure of the proletariat to raise an independent political alternative — the central debate in many backward countries is not that between the proletariat and the bourgeoisie, but between the urban petit-bourgeoisie — pressing for an extension of the State and of public employment — and the rural petit-bourgeoisie — pressing for the devotion of more national resources to agriculture. This is the heart of a struggle which appears in its external form as a political debate between State ownership — identified by the urban petit-bourgeoisie as 'socialism' — and rural capitalism.

The bourgeoisie proper is too weak to survive on its own, and the index of its weakness is shown in its dependence upon the State, the public sector and national planning. Thus, the bourgeoisie may for limited purposes ally with the urban petit-bourgeoisie against the rural challenge of landowners, landlords and kulaks, but it is more likely in the long term to ally with the rural petit-bourgeoisie in defence of private property. In any case, the role of the bourgeoisie is, at every stage, qualified by its intimate involvement with foreign capital, by its role as a fifth column of imperialism within the politically independent State.

(d) The perspectives of Stalinism appeal directly to the urban petit-bourgeoisie. The mass of Communist Party members is most often drawn from this section of the population. The upper stratum of the working class is often better off than the mass of the bureaucratically employed petit-bourgeoisie, and it has not in the past identified its interests separately. Indeed, the organisation of the working class itself has most often appeared, not as the action of the skilled workers, part of the self-activity of the class itself, but as a by-product of the struggle of the urban petit-bourgeoisie for dominance. Urban petit-bourgeois political parties created trade unions as ancillary supports for their politics, rather than workers creating unions to defend their interests. In the independence struggle, as in Bismarck's Germany, the workers traded their political loyalty for the promise of welfare legislation and improved wages once independence had been won. After independence, where full State capitalism was not achieved, the urban petit-bourgeois political parties continued to use sections of the working class as supporting forces in their struggle for power, but at each stage ensuring that these forces did not assume any kind of independent role (thus, for example, the bribe for worker loyalty in the independence struggle was in part a body of labour laws; since independence, labour courts have become a major institution in mediating the class struggle; the law is introduced by the State, itself the bastion of the urban petit-bourgeoisie; its existence demands that trade unions be operated by lawyers, that is, members of the urban petit-bourgeoisie, and that only trade unions 'recognised' by the State be permitted to fight in the courts). Again, however, the lack of an independent proletarian challenge makes possible the role of the urban petit-bourgeoisie. If the challenge existed, then it would not be possible for the urban petit-bourgeoisie to play the role it has done.

(e) Thus, the objective characteristics of the industrial working class and its relationship to other classes, have provided an important basis for the success of Stalinism or perspectives close to Stalinism. This in its turn has inhibited the appearance of an independent proletarian politics. And this in turn has left the national stage vacant to purely nationalistic forces, and in particular, to the struggle for State capitalism by the urban petit-bourgeoisie.

4 The Role of the Petit-Bourgeoisie

(a) However, whether or not a genuine national bourgeois revolution is possible or the proletariat fails to begin the permanent revolution, the central questions facing any particular backward country remain. The vacuum has been filled by different types of petit-bourgeois leaderships, borrowing at different times on the grievances of different sections of the population in order to build and lead a coalition of classes. The existence of the vacuum has lent a degree of autonomy to sections of the urban petit-bourgeoisie that was not envisaged by Trotsky (indeed, this possibility was explicitly ruled out by Trotsky in **The Permanent Revolution**).

But if there are great similarities between the sections of the urban petit-bourgeoisie in different countries, there are also striking differences in the degree of autonomy with which such sections have been able to act. For example, both Mao Tse-tung in China and M K Gandhi in India built movements of class coalition. Mao warded off the demands of poor peasants in order to keep the rich peasants and small

landlords in his coalition, stressing always that domestic issues of class conflict must be subordinated to the central task of evicting foreign imperialism. Likewise — although in very different language — Gandhi consistently opposed class demands within Congress, stressing the need for 'harmony' in the common struggle against the British. In China, social disorder and military organisation in a remote geographical area underpinned the supremacy of Mao within the Communist Party, and the relative independence of the Party from class interests; as a result, Mao was scarcely ever openly challenged by a class-oriented opposition. In India, the struggle was waged in the centres of power, and Congress was a coalition of interests wider than those used by the Chinese Communist Party. Gandhi's attempt to secure the adherence of large landowners to his cause, and keep loyal the largest capitalists, brought him under continuous attack from the urban petit-bourgeois elements within Congress. Both Mao and Gandhi claimed that it was really the peasantry which was the basis for the movement, but in practice both relied heavily on sections of urban classes — the small town petit-bourgeoisie — and the rich peasantry. What most sharply differentiates the two movements is Mao's use of military force. The army gave the CCP its independence of class interests; the lack of military force made Gandhi as much victim as master of the class coalition he led. But the possibility of using independent military force was a function, not so much of CCP politics or subjective wishes, as the concrete circumstances of the struggle in China.

Thus, the clearest difference between the two movements is in the degree of autonomy available to the leadership. Where the autonomy was greatest, as in China, the circumstances of the national independence struggle were particularly unique. In the spectrum of independence struggles, the Indian example is much closer to the norm than the Chinese. Again, in China the final victory of the revolution led to a much more decisive break with the old order. In India, Congress tends constantly to resubmerge in the remnants of the pre-Independence society, to fight out in its midst the unresolved social struggle.

(b) In the case of China, nearly 100 years of social disorder, including the disintegration of the country, a major foreign invasion and waves of a long drawn-out civil war, preceded the Communist Party's victory. This background of long-term social collapse is essential in understanding how the leadership of the Chinese Communist Party was able

(i) to achieve a role independent of the entrenched classes of pre-revolutionary China; and

(ii) to secure a much more decisive break with the old order, and to undertake a much more radical attempt to solve both the national and agrarian questions.

But the social basis of the Chinese regime and the failure of the international revolution to relieve beleaguered China of its national isolation, also demonstrates that the Chinese leadership cannot finally answer the development question, and as a result, cannot therefore achieve long-term stability. In the period since 1948, the great efforts to accelerate the accumulation of capital in China have done little more than keep pace with the rate of growth of the population. The poverty of the population severely restricts the possibility of extracting a substantial surplus consistently over a long period of time. Without that surplus, only foreign assistance, itself only forthcoming in the event of a proletarian revolution in the capital abundant countries of the advanced world, could relieve the inner contradictions of the regime. But without development, the regime tends to stagnate or disintegrate into warring factions, which even further inhibits the national accumulation rate. And if the development question cannot be answered, then the other two questions will reassert themselves in new forms — concretely, for example, by peasant seizures of the land once more in order to secure a stable livelihood and throw off the yoke of the State's demand for the agrarian surplus; or by foreign encroachments on China's territory, encroachments which China can do little to prevent in conditions of backwardness.

(c) The Communist Parties have been, in the past, able to act as the most radical and disciplined wing of the urban petit-bourgeoisie. Ironically, they borrow from the historical experience of the proletariat under capitalism in order to organise the urban petit-bourgeoisie, and champion a coalition of interests. In the presence of an independent political proletariat, such organisation would be no more than a shadow, but in its absence, it has in a few countries — in conditions of long-term social crisis — been able to play a major role. But it is **only** in a few countries. In India, the non-Communist urban petit-bourgeoisie proved fully capable of leading the independence movement and resisting Communist takeover. The CP in India never came even remotely near to assuming a monopoly of the nationalist cause. In Indonesia, the nationalists were similarly easily able to control the movement, despite having to wage a bitter and sustained war against Holland, and they prevented PKI domination up to long after the achievement of independence. The same is true in Burma where the urban petit-bourgeoisie was much weaker, and in the Philippines and Malaya. Indeed, Vietnam where the Communist Party was able to secure an almost unchallenged hegemony of the nationalist movement, seems the exception rather than the rule.

Nor was it the Communist willingness to use armed force which secured their leadership. Between 1948 and 1950, the Communist parties of Burma, Malaya, Indonesia and the Philippines, all launched armed struggles and campaigns of

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guerilla warfare, sparked off by the victory of the Communist Party in China and the advent of the Cold War. In all cases, the struggles were disastrous, isolating the cadres from the centres of power and population, and destroying their political credibility. In Indonesia, it took 10 years for the PKI to live down this abortive episode. In Burma, the Communists became irrelevant rural fragments. In Malaya, the nationalist forces were pushed into the arms of the British in self-defence. In no case, did the armed struggle bring to the Communist Parties the hegemony of the nationalist movement. The failure of the advocates of universal guerilla warfare to analyse this disaster indicates the lack of seriousness in their perspective.

(d) However, in those exceptional conditions where the Communists have been able to lead a majority of the petit-bourgeoisie, victory has made possible a more radical attempt to overcome the three central questions facing backward countries. But this attempt is necessarily conditioned by world circumstances, by the demands which those circumstances make upon the new regime. The demands, with domestic material conditions, circumscribe at every stage how far the three central questions can be met. In failing to meet the three questions, the stability of the State capitalist regime is immediately placed in jeopardy. To form a stable ruling class — that is, a class the members of which recognise a common interest against the subordinate classes as more important than the interests which divide sections of the ruling class — requires both a long period of stability and a relatively high rate of growth of the national economy. Russia provides a good model in this respect. Without a high rate of economic growth, the rulers of Russia would have tended to disintegrate into warring factions, each competing to displace the other. High growth, expansion sustained in the armaments industry, gave Stalin the power to mobilise the majority against minority opposition within the Party, to create out of a socially heterogenous group, an homogenous ruling class. In this sense, China today does not possess a stable State capitalist ruling class. It has the embryo of such a class. Whether the Chinese leadership can create a class, at the same time as sustaining the rate of economic growth and warding-off foreign threats, turns upon the behaviour of the rest of the world, upon the imperialist powers.

(e) In all the post-colonial backward countries, the stability of the new regime, of the urban petit-bourgeoisie, is circumscribed by the existence of other entrenched classes — a land-owning class and rich peasantry, an urban bourgeoisie and proletariat. In the new regimes led by Communist Parties such is the autonomy of the new order, they have been able to liquidate over a period of time the exploiting classes, simultaneously expanding their own material base, the public sector. Thus in China, first the landowners were eliminated, then the rich peasantry, and finally, the national bourgeoisie (although in this case, interest and dividend payments to the **rentiers** were not eliminated until the Cultural Revolution, nearly 20 years after the revolution). This leaves, of the former entrenched classes, only the urban proletariat. In China, the regime has tried to keep the proletariat in alliance with the regime, but the demands of capital accumulation constantly push the regime towards diluting the working class — the 'worker-peasant system' — to cut labour costs. External threats impel the regime to expand its defence efforts which in turn force it to raise the rate of accumulation, which in turn increases the pressure on the subordinate classes and the likelihood that the 'alliance' will break down. If it does, the urban working class could once more raise an independent challenge to the regime.

(f) On the other hand, in those countries where the urban petit-bourgeoisie was unable to secure as much autonomy as in China, the role of entrenched classes is much more powerful. For the sake of simplicity, two separate cases can be identified. (i) countries where the urban petit-bourgeoisie was able to terminate the independence struggle, and thereby inherited a major position of power in the post-independence regime. In India, Congress tried to expand its autonomy by liquidating the traditional rulers, undertaking a land reform programme, and pursuing an industrialisation strategy for massive expansion of the public sector. In this way, it was hoped to secure the same result as that in China. However, while the traditional rulers were deprived of political power (based upon the old Princely States) and universal suffrage in the short-term undercut traditional power, nevertheless the old rulers and the richer peasantry infiltrated Congress to the point where it was possible for them to nullify the land reform and, indeed, expand their power by milking the State of development funds. On the other hand, within the organs of the State, the national bourgeoisie was able to protect and enhance its position, limiting the State to those industrial activities directly of need to private capital. In Egypt, the military origin of the new regime lent it greater autonomy than that secured in India, and it was able to make much greater encroachments upon national capital, but not to eliminate private land ownership. In both Egypt and India, a 'mixed' system prevails, that is, an unstable struggle between the urban petit-bourgeoisie and entrenched classes, between a public sector and a majority private one. Again, the movements of world economy in terms of changes in trade, capital, direct political manipulation, heavily determine how far this struggle can be won by one side or the other, and how far the accumulation process is raised or lowered.

(ii) Countries which did not go through an independence struggle at all, and therefore, ones in which the urban petit-bourgeoisie was never able to the same degree to achieve some political autonomy. In some cases, the State in these countries plays the role of a classically Bonopartist regime — as, for example, in Brazil — balancing between entrenched classes which ultimately control the main basis of power. Again, however, external events — like the role of foreign capital — can push even this kind of State into creating a public sector, which, in its turn, can sustain a separate interest striving to dominate the society.

(g) However, the fragmentation endemic in the petit-bourgeoisie does not cease to exist in modern conditions. Particularly is this so given that the urban petit-bourgeoisie only really creates its material basis **after** the revolution, and can only do so in conditions of rapid industrialisation. The main target of the urban petit-bourgeoisie is the State, and therefore **national** power is necessarily its sole aim. Conception of international solidarity obviously threaten this national power (unless 'international solidarity' is seen as **subordination** of foreign countries). Thus, the domestic fragmentation of the leadership is matched by the impossibility of an international alliance of petit-bourgeois regimes. Not only, therefore, is domestic instability one result, external disunity in the face of imperialism is equally disastrous. Given that many backward countries are primarily commodity producers for imperialist powers, the class nature of the regimes involved makes collaboration between them in order to control their markets impossible. Thus, for example, faced with a monopoly buyer of oil, the disunity of the oil-producing countries is the trump card in imperialist control. Individual backward countries are in this way vulnerable to

complete manipulation by the advanced capitalist powers. The only available response is an attempt at national economic autarchy, attempting to cut links with the world market. But this in its turn only makes even more difficult the process of capital accumulation, only 'drags backwards' the productive forces, as Trotsky says in **The Permanent Revolution.** The costs of this regression are enormous. One calculation estimates that in 1965 the backward countries spent $US2,100 million in domestic resources to manufacture automobile products which had a world market value of only $800 million. The backward countries paid this price in order to avoid importing these products from abroad. But the 'loss' of $1,300 million is just about equal to the amount in aid advanced by the World Bank in the 23 years of its existence.
On the other hand, where the State capitalist regimes also intervene internationally, they do so, not to create an international class alliance which will wage a common class struggle within a number of countries against those countries' ruling classes, but merely to imitate the tactics of the imperialist powers, to establish 'friendly' countries by offering aid and diplomatic assistance to the ruling classes. Thus, China's assistance to Zambia, or to Ayub Khan's Pakistan, at no stage hazards even mild criticism of the existing regime, and thus aids the existing ruling classes against their own masses. In the case of Pakistan, China merely 'ignored' the popular revolt of this year, remained loyal to Ayub right up to the end (much as the Soviet Union remained loyal to the Kuomintang right up to the Chinese Communist Party victory in China) and then merely transferred its support to the new military ruler, Yayha Khan.
(h) The instability endemic in the urban petit-bourgeoisie forces the leadership of each regime to employ extraordinary measures to enforce loyalty. Imitating the State capitalist regimes, one-party States are used to enforce a common discipline on the disparate elements of the ruling class. Any criticism at all threatens to open Pandora's Box, to release the stifled class struggle. To eliminate all forms of opposition by using the mechanisms of Party control, backed by liberal use of police truncheon, political murder and gaoling, describing the whole as 'real' socialism, corresponding to the 'classless' nature of the people, is one way to enforce stability. Another is to make the army the regime, so that to Party discipline is added military control. The central contradictions of backwardness which impel army rule have been seen most recently in Indonesia, the Sudan, Libya, Somalia, Brazil, Bolivia, Argentina. On the other hand, the impossibility of the ruling class surviving without the bayonet, is starkly matched by the impossibility of the bayonet solving the central contradictions. In Nigeria, Egypt, Pakistan, Burma, militarism is like a dangerous drug: the more it is taken, the more it is needed. Even the high rates of economic growth in Turkey and South Korea do not remove the instability. In Turkey, the army glowers in the wings, waiting only to return to power. In South Korea, the translation of the military leadership into civilian disguise only conceals the real balance of power. The prize for the year 1969 goes to Dahomey, clocking up its sixth **coup** since independence in 1960.
Again, the domestic instability provides an essential basis for imperialist manipulation — whether it be the French in Chad, or the Russians and Americans in the Middle East and south Asia, and so on. Thus, urban petit-bourgeois leadership simultaneously exacerbates the conditions of backwardness and strengthens the domination of imperialism on a world scale.
(i) Any ruling class or clique reduced to dependence upon its armed forces — as in China — or reduced to making the armed forces the core of the ruling class — as in Egypt — is in a state of grave weakness, of endemic instability. Since the question of political power cannot be settled decisively, and there is little possibility of relief from abroad, it is impossible for the regime to answer the development question. And this means that there can also be no permanent answer to the national and agrarian questions. Thus, the perspective becomes one of insoluble stagnation. It is the paucity of political alternatives which permits the long-term crisis to continue, the paucity arising from the failure of the proletariat to intervene.

5 **The Development Question**

(a) Hitherto the most important engine of growth, forcing the most rapid rate of capital accumulation, has been the world market. With the partial exceptions of American and Soviet development, virtually all other countries which have developed have done so by means of their relationship to the world economy, primarily by exporting goods but also by importing capital or, at least, capitalists. Today, there is no evidence at all that the exceptional conditions within which Russia and the United States developed (the land available, size of population, nature of external markets and technology) are shared by any of the currently backward countries. However, while integration into the world market appears to be a necessary condition of long-term growth, it is not a sufficient one. On the contrary, whereas in the 19th century, foreign capital went to backward countries to exploit raw material sources, thus expanding the export flow of the country concerned and making possible a major import flow of development equipment, now much of the direct foreign capital entering backward countries is interested in exploiting only the internal market and expanding its **imports** from its parent company in a metropolitan country. In the absence of large-scale exports from other sources within the backward country concerned, the balance of payments is a consistent restriction on the expansion of the economy, both in terms of importing new capital equipment, and also in importing raw materials and spare parts for existing plant (given a sluggish agriculture, the import of foodgrains may also exacerbate the working of the economy). On the other hand, to cut off all links with the world market (or at least, what links can be cut) is to force the economy back to an even more primitive stage, to base the accumulation process on what can be squeezed out of the local population. The problems involved in economic autarchy seem greater than the benefits which accrue from ending foreign exploitation, although quite clearly this foreign exploitation can be curtailed in certain respects. In the absence of an international revolutionary alternative which will break the stranglehold of world imperialism the contradictions of backwardness — for example, that increased exploitation by the world market is the precondition for an increased rate of domestic accumulation — are insoluble. It seems clear on the evidence since 1948 that none of the backward State capitalist countries has been able to sustain a rate of accumulation fast enough to constitute rapid development (there are few statistics on North Korea, but impressions suggest it has sustained the most significant growth). On the other hand, the most rapidly growing backward countries in the past decade are almost all in some way or other favoured client States (South Korea, Taiwan) satellites of a geographically close advanced market (Greece, Turkey, Spain; Jamaica and Mexico) or economies geared to export of one or more strategic commodities (Malaysia, Venezuela). Yet the growth that has taken place has not been rapid enough to subsume some of the central

problems, to expand jobs as rapidly as the labour force and food as rapidly as the population and accumulation needs. In Venezuela, after a decade of a 10 per cent rate of growth each year, unemployment is still as high as before. In India, unemployment and underemployment may cover as many as 30 or 40 millions. Meanwhile, the advance of world technology, monopolised at source by the advanced capitalist powers and designed for their needs, continually lowers the possibility of employing the population as output expands. As a result manufacturing continues consistently to employ a smaller proportion of the non-agricultural labour force. On the other hand, the fastest rate of growth stimulates very rapidly the development of a proletarian opposition which itself seeks to divert resources into wages — South Korea's ability to attract foreign capital is already under threat from the pressure of skilled labour for higher wages. Thus, even in the most 'favourable' conditions, the petit-bourgeois leadership is caught between the millstones of the world market and the proletariat, and its hopes of independent national power becomes increasingly illusory.

The symptoms of the crisis are: increasing financial dependence (an outflow of resources in repayment of aid, loans, dividends and interest); a relatively slow rate of growth, continually subject to restrictions from the balance of payments and fluctuations arising from oscillating or declining commodity prices; output expanding far more rapidly than employment, creating, as population and labour force increase, a growing army of underemployed and unemployed; the threat of the urban masses, subjected to conditions of the utmost misery. If the alternatives available are socialism or barbarism, the second has been the choice of the ruling groups in the backward countries today.

(b) There is little or no choice open to the leadership in the backward countries. Either they already command a part of the world market in a strategic commodity, or they are compelled just to hold on. For the oil producers, they command the commodity in highest demand, and therefore possess the most advantageous economic position. But their disunity, and the feverish search for oil resources or substitute energy sources within the developed countries (most recently North Sea gas, Alaska, etc) ensure that any individual oil producer cannot command his own price. This is even more true of other strategic commodities — copper, nickel, iron ore. If the price is too high, the capitalists of the advanced countries will find other sources (the US has just discovered between 250 and 1,000 million tons of exploitable iron ore in Nevada, for example; the British are reopening Cornish tin mines) or create substitutes. Thus, even commanding a strategic commodity gives only short-term and strictly limited bargaining power to a backward country, let alone the weakness of commanding a commodity which is not strategic (coffee, tea, cocoa, jute, raw cotton). On the other hand, without a strategic commodity for export, a backward country has only its internal market to offer as inducement to foreign capital.

(c) Closing the national borders in order to stimulate industrialisation so that formerly imported goods can then be manufactured domestically is only a short-term palliative. For on the one hand, foreign companies already within the economy are likely to become monopoly suppliers to the domestic market, making dependence on foreign companies even greater; and on the other, the ability of domestic companies to compete abroad is reduced since they now have a protected home market, and export earnings are a first casualty. Latin America is a good example in this respect. Import-substitution industrialisation has left most of the Latin American countries even more dependent than they were before. The intensity of US investment and intervention in South America makes these countries in certain respects an extreme phenomena. They did not participate in the colonial revolution of the 20th century (although, aspects of the revolution occurred in Mexico and Cuba, and abortively in Bolivia), and thus remain in some respects colonies without colonialism. On the other hand, the much longer phase of growth witnessed in some Latin American countries makes them the most backward of the advanced rather than the reverse. In class terms, such countries (Argentina, Chile, Uruguay) already have the class structure of a fully capitalist country, with a developed proletariat and dominating bourgeoisie. The role of the petit-bourgeoisie is accordingly much more restricted. In such countries, the agrarian question is much less serious (although, extreme in some areas of each country) but the national question much more so. Given the size and significance of the proletariat, the prospect of the dictatorship of the proletariat is, in purely objective terms, much more promising. The degree to which that promise is realised, however, turns upon the available political alternatives and how far these raise the question of the dictatorship of the proletariat.

(d) Just as in the period 1880 to 1914, so in the period since 1948 world trade has expanded very rapidly and, as one of its by-products, permitted the growth of a number of backward countries. The growth that takes place is distorted to fit the priorities of a world market dominated by advanced capitalism, but nevertheless it is growth. The expansion of world trade is essentially a function of the expansion of the advanced capitalist countries. In the earlier period, world trade was much more centrally an exchange between capitalist and backward countries, but today the most dynamic sector is the exchange between capitalist countries themselves. Thus, the growth in the backward countries that has taken place is at a slower rate than the growth of world trade itself. The long-term viability of the growth of world trade turns upon the rate and pace of growth of the metropolitan countries. Even if this were to remain high, the share of the backward countries in world trade is likely to continue to decline as it has done since 1950. The advanced capitalist countries are less and less dependent upon the backward majority, even though the domination of the backward by the advanced grows heavier. The drain of resources out of the backward grows larger, but that drain of resources is less and less significant for the growth of the advanced. Through a complex series of mechanisms governing aid, trade, foreign investment, as well as direct and indirect political means, the advanced powers continue to drain resources from the backward. Indeed, debt repayments in the immediate future will increasingly consume a larger proportion of the export earnings of the backward — when Shylock forecloses, all growth is likely to be paralysed. Given a prospect of relative stagnation in the advanced countries, the effects on the backward are likely to be extreme.

(e) In the attempt to overcome the crisis, particular ruling cliques will inevitably be forced 'Leftwards' — that is, they will be forced to make more or less substantial encroachments upon entrenched social groups in order to buy popular support for their own survival. Nasser's role in Egypt between 1956 and 1966 is an important example of this process. The fate of Nkrumah in Ghana and of Soekarno in Indonesia illustrates also, however, how fragile this Leftward movement is, how it is unable ultimately to honour its promises in conditions of intractable backwardness. Most recently, General Ovando Candia in Bolivia and General Velasco in Peru have similarly moved 'Leftwards' by nationalising major US oil interests in their respective countries. General Candia was one of the people involved in the murder

of Guevara, which has not prevented some of the Fidelistas rallying to the support of Candia as a Leftwinger. Velasco has followed up his measure with what looks like a radical land reform proposal.

Of course, in the world-wide struggle against the domination of the capitalist powers, socialists must support every move against that domination, whatever its source. But they must do so without illusions, that is, while seeing that this blow against imperialism does not break the contradictions of backwardness. Indeed, it may make some of them worse: without the oil cartel, Bolivia is already finding it extremely difficult to sell its output. As the first blow in an international strategy to destroy imperialism, expropriation of foreign capital is vital. But without that strategy — a strategy which is open to the international proletariat alone — expropriation is merely a measure to fortify the national power of a national ruling class. Nationalisation as a legal change of ownership has **no** socialist implications; it is only socialist if it represents a change in class power, a victory for the working class (and in the Bolivian case, the Bolivian workers will remain as they were before nationalisation). Of course, the struggle of a national ruling class for independence does have political implications. On the one hand, it can stimulate elements in ruling classes in other countries to imitate the process — thus, the Bolivian and Peruvian changes prompted an Argentinian general, Eduardo Labanca, immediately to proclaim an attack on all US investment in Argentina. On the other, workers, at first no doubt diverted by the 'Leftward' shift, also see how easy it is to make a major change of this kind, despite countless earlier arguments about its impossibility, and about how empty such a shift is in the absence of real class power.

The same kinds of considerations arise in appraising more or less radical regimes in backward countries. Socialists must support Nasser both against imperialism and against the reactionary regime of Saudi Arabia and the Gulf Sheikhdoms (themselves, much more clearly creatures of imperialism itself) but without identifying the regime in Egypt as 'socialist' or pretending that Nasser can win this struggle. The Nasser regime itself depends upon subventions from Saudi Arabia, the by-product of the activity of the international oil cartel. Without any kind of international class perspective, Egypt can do no more than operate as just another national unit trying to dominate other national units. Nasser cannot challenge Saudi Arabia on class and political grounds, and thus he cannot provide any ultimate perspective for Arab unity. Alone and isolated, Egypt's ad hoc responses to the contradictions of backwardness are the symptoms of crisis rather than means to solve it. Thus, the Leftward shifts have to be supported, but with critical insight into the preconditions for a real solution. The Leftward shifts are no more than stopgaps in the long-term crisis, itself generated by the impossibility of solving the development question in contemporary conditions. Certainly, they are no substitute for a proletarian internationalist strategy. As Fidel Castro is reported recently to have told a group of Brazilian revolutionaries: 'It is five times more difficult to develop a country than to win a war'. His pessimism clearly focuses on the fact that both radical reforms and a popular coup by guerilla forces do not in and of themselves overcome the contradictions of backwardness. The stalemate of development arises directly from the failure of the proletariat to present an independent internationalist alternative. The perspective for world trade makes it look as though the crisis will get worse, leading to greater differences within and between backward countries, greater obstacles to collaboration between backward countries, and greater domestic instability.

6 The Preconditions for a Socialist Movement

(a) The failure of the proletariat has isolated the Left, leaving socialists with no other weapons except intellectual or actual guerilla warfare. In the advanced capitalist countries, the memory of a strong political movement of the working class still in many cases remains. The ruins of that movement still mark the political landscape. But in many backward countries, there is not even the memory, only 'foreign' theories. Thus, it is not at all surprising that the first steps of opposition in backward countries learn little or nothing of the lessons of the working-class movement — except some of the rhetoric — and, usually unconsciously, revive pre-Marxist utopian socialist thought. For many revolutionaries in the backward countries, as with the utopian socialists, the working class is not the agency for the achievement of socialism, and the 'proletariat' can be any force which happens to be in opposition to the status quo. Given stagnation in the backward countries such forces multiply — the unemployed, the urban lumpen proletariat, sections of the richer or middle peasantry, tribal groups on the very fringes of society. As the society decomposes there are possibly many such groups, each capable of adding a little to the decomposition, but none capable of constituting an alternative ruling class. The political revolutionary, student or urban petit-bourgeois, sees his role as using such groups in order to seize power, and on this basis create an independent national economy and accelerate the rate of accumulation. The pre-revolutionary strategy depends for success on an available vehicle to transport the revolutionaries to power, and a **status quo** sufficiently rotten to collapse without serious struggle. The post-revolutionary strategy is entirely utopian economically, although important short-term advances can be made in terms of popular welfare.

The only example of success with this pre-revolutionary strategy occurred in Cuba. In the case of China, as argued above, not only did a major foreign invasion intervene, a World War, but also the Communists waged a struggle for nearly 18 years before coming to power. Similarly, the struggle in Vietnam is directly related to the peculiar — indeed, unique — overlapping of the decolonisation struggle and the Cold War. In the case of Cuba the decisive element in the confrontation between Castro and Batista was the collapse of the Batista forces rather than the size and significance of the Castro threat. To generalise the Cuban case requires us to believe that many regimes are as vulnerable as Batista. Yet, regardless of the brutality and corruption of numerous regimes, there are few countries of substance where there is any evidence of such vulnerability. Even Haiti has so far proved impregnable. In the countless rural guerilla revolts which have marked modern history — and earlier mention was made of the 1948-1950 Communist insurrections of South-East Asia — the surprising feature is how few, not how many, have been successful. Numerous regimes appear to be perfectly capable of tolerating rural revolt, even sustained like the Huks in the Philippines or the Malayan Communist Party, over many years, without this having any political implications for the country at all.

More than this, the actual politics of the revolutionaries concerned are essentially Narodnik, elitist and anarchist. Owing allegiance to no major class, such revolutionaries are responsible to no one. Therefore their political analysis turns not upon the nature of society and the class struggle, but upon their individual élan, their morality and dedication. They are, in all but name, Liberal nationalists of the 19th

century with the difference that the problems facing them are much more intractable, and that they require a social programme to attach their movement to the dynamo of the grievances of heterogenous social groups. Many nationalists in backward countries have certainly understood that the national revolution cannot today be achieved without a socialist programme. The success of the Chinese Communist Party in securing the hegemony of the Chinese nationalist movement has demonstrated that. In this sense, all revolutionaries are necessarily socialists today. But most of them have not understood that the national revolution is impracticable and utopian without an international revolution. All programmes — the Liberal for national independence, and the socialist for world revolution — have thus become one, all stages have become telescoped. The demands of 19th century Liberalism — of Garibaldi and Kossuth — for national independence, cannot be achieved this side of the world socialist revolution.

Without an international class strategy, each isolated revolutionary becomes no more than a nationalist. Political States replace classes. The 'third world' becomes a unified revolutionary class, despite the bitter class struggle running right through each member State of the third world. And the advanced capitalist world similarly becomes a unified ruling class, despite the class struggle which racks its very vitals. The political squabbles, leading to war, which divide the ruling classes of the backward countries are forgotten. And at its worst, the world's solitary enemy becomes the United States, a unified class of oppressors. In this scheme, there is no need for class at all, no need for a political party to embody the politics of a class, no need for the scientific analysis of society as the basis for strategy. Only that revival of anarchist mythology, The Deed, undertaken by the saints, is required to set the world tumbling. And for the deed, individual morale, not class solidarity and clarity of political purpose, is the precondition. Nor are advocates of this position in any way susceptible to argument. The countless failures of The Deed are as nothing to a solitary success. The failures are explained as those of individual dedication, not of the objective situation. Society is thus always a bonfire, and the revolutionary's sole function is that of spark.

In practice the truth is less heroic and simple. Of course, in certain circumstances the spark is vital, but alone it is certainly not enough. The dedication of revolutionaries is also vital, but alone it is not enough. Dedication untempered by a clear knowledge of reality is merely stupidity — the tiny socialist forces can be completely eliminated, and the movement set back for many years as a result. In practice, Mao was among the most cautious political leaders of any revolutionary movement, which is why he took so long to come to power and did so unhampered by loyalty to any specific class. Castro is much more clearly the model for revolutionary audacity, but even in his case the lack of a class movement which emancipated itself crucially weakened his challenge to Batista and his post-revolutionary attempts to build a strong State. The fate of Guevara in Bolivia is the more standard result. On the other hand it would be quite wrong to denigrate the heroism and sacrifice of these populist revolutionaries. Their defeat is a defeat for the Left. That they are misguided is a product of our failure to create a proletarian movement which is a viable alternative to the solitary national **coup.**

However, whatever the role of populist socialists in backward countries, their effects in the advanced capitalist countries can be dangerous, both by diverting the centre of revolutionary attention away from the proletariat, and by substituting élan for theory. More to the point, the muddled class orientation of such socialists makes them easy victims for shifts in the politics of particular ruling classes. Maoist foreign policy occasionally favours particular capitalist classes — for example, the French — because de Gaulle was seen as 'anti-American'. 'Anti-Americanism' thus becomes the key criterion of a revolutionary. Within each capitalist country, one segment of backward national capital is struggling against advancing international capital, and an alliance between backward capital and the 'revolutionaries' around a programme of radical nationalism might have some success. Servan-Schrieber's account of US domination of Europe, in defence of the existing European ruling classes, could thus come close to Maoism or Fidelistas. Given the stagnation of capitalism, the rising threat of proletarian challenge, the need by ruling classes for diversifying politics — racialist and nationalist — the way would be open for some political alliance in which the rhetoric of revolution is married to the politics of conservatism. When Hitler came to power in Germany a number of important Social Democrats thought it was a major advance to socialism. Some of the Maoists and Fidelistas could go the same way. The class nature of any possible future socialist movement is the only protection against individuals pursuing this path — working-class power is the aim, not radical action or institutional reform alone.

Populist socialism today embodies despair at the intractability of the contradictions of the world as well as the rebirth of hope that change can be achieved? If the class is dormant, then at least one individual will strive to bear witness to what he believes. If he is successful in attaining power, then he will begin to describe the unique way in which he came to power, his technique, his contribution to science. Thus, in China, an account of military technique replaces class politics. But this substitution saps any possibility of serious social analysis, of locating revolt **within** existing society rather than on its margins. It means also that analysis takes its frame of reference as the national borders, and 'internationalism' is not class solidarity across frontiers, but merely sentimental dogmatism that, for example, **only** armed struggle on the Vietnamese, Chinese or Cuban 'models' (and each is seen as exclusive of the others) can lead to socialism. Again, nationalism dominates even this semblance of internationalism, reformulating the Stalinist contention that defence of the Soviet Union is the defining characteristic of a true proletarian internationalist. Thus, an essential part of any attempt to overcome the populist position involves necessarily coming to terms with the Russian experience. The Maoist muddle about Stalin is a good example of their failure in this respect. The Maoists in Britain today are not Stalinists, but they do not know it, and if they did they would not know why.

(b) In terms of the perspective facing us, the strategy of rural guerilla warfare remains very strong among socialists in the backward countries, in the absence of any other. But, in Latin America, the failure of Che Guevara in Bolivia has been a major blow to the credibility of this strategy. One of the first results has been a return in many countries to the earlier, pre-Cuba, urban guerilla action, on the model of the Tupamaros of Uruguay. This is an important change, although it still leaves the socialists acting out mass resentment before a passive audience, rather than building an organised class movement. Nevertheless, the socialists are forced back into the areas where the proletariat is concentrated, are forced into political argument rather than self-imposed isolation. The change occurs at a moment when military rule in much of Latin America is curbing the possibility of economic and political advance by the working class. Of course, as earlier noted, there are pressures on some of the generals 'Leftwards' which could give them a breathing space in Peru and Bolivia. But this is likely to be a temporary

respite. The combination of urban guerillas and widespread economic stagnation could do more than usual to jell out a coherent proletarian force — provided the politics or the example are available. In Argentina in recent months, workers of the Left Peronistas have undertaken urban guerilla actions — that is, proletarian activists, rather than students or intellectuals. On the other hand, other Peronistas have visited Spain to request the return of Peron to Argentina, to request the recreation of a reformism (and the wartime import-substitution boom which made it possible) which will make 'unnecessary' proletarian power. Thus, there are some small possibilities of a reunification of the socialists and the working class, a reunification which, to be successful, must transform both sides and place in the centre of any strategy the dictatorship of the proletariat.

(c) In Asia the signs of the possible creation of an independent proletarian politics are smaller. Certainly economic attrition is taking a terrible toll of the mass of the population, but this alone is as much demoralising as capable of precipitating revolt. In 1969's upheaval in Pakistan, there seemed to be briefly the possibility of a proletarian intervention when the textile and railway workers of West Pakistan went on to the streets. The movement then seems to have disappeared in the common struggle of the urban petit-bourgeoisie. But possibly the attempt by the Pakistan army to stabilise ruling-class political power and the instability of the urban petit-bourgeoisie proper could be very clearly demonstrated in the coming period, particularly if there is a partial return to parliamentary politics. The exhaustion of both the military and parliamentary alternatives could force the creation of an independent political proletariat. If this were the pattern of events, then the political situation in India could be transformed for the first time since Independence. There would exist a new alternative to the squalid wrangling of factions within and without Congress. And a change in India would transform Asia, particularly if conjoined with an upsurge in the Middle East which simultaneously rejected Zionism, the Arab monarchies and Nasserite reformism. The transmission effects of the permanent revolution — the twisted reflection of which appears in the Washington image of 'the dominoes' — would once more become effective, arising out of the despair of backwardness and directed at the chains of oppression in capitalism itself.

But the shift away from rural guerilla warfare for socialists in Latin America has not been clearly matched as yet in Asia. In India the revolutionaries of the fragments of the Communist Party remain focussed upon such a perspective (the abortive 'Naxalbari movement') with the possible exception of some CPI cadres in the Calcutta area. Certainly, the experience of CPI State government in West Bengal and Kerala (although both are officially coalitions) will be salutary in robbing both the 'parliamentary road' and the urban petit-bourgeoisie of credibility. But this lesson has not been matched by the development of an independent proletarian politics. In Indonesia, the opposition still appears to be concentrated among the depressed peasant strata of central Java, although the student enthusiasts of Jakarta who originally assisted the army to throw out Soekarno have now long since swung into opposition to the military regime. Until the rural struggle and the urban petit-bourgeois opposition evokes an answering movement of urban workers, it will almost certainly pose no major threat to the regime. For the ruling classes have also learned lessons from China, Vietnam and Cuba. On the other hand, the exhaustion of all other strategies — Stalinist, both Moscow and Peking varieties, the Soekarno left reformism, and the military, limit the possibilities of evading the formulation of a proletarian strategy. In particular, Peking's role in encouraging the Indonesian Communist Party in its reformist support of Soekarno, in direct contradiction of its claimed politics, will for the moment have robbed the Maoist alternative of much credibility as a revolutionary alternative.

(d) But the Asian perspective is predicated on a very narrow basis. The proletariat exists, but its politics do not. In Africa, the proletariat is the newest in the world, and the degree of development lowest. Nevertheless, Lagos and Accra workers have already made their mark. Africa is increasingly sucked into the whirl-pool of the world market, manipulated on each side by the imperialist predators. The results in the Congo, and now in Nigeria, in the increasing rash of military coups, are the same as those in other regions. Yet so far no trace of an independent proletarian politics has made its appearance. A primary target must obviously be the lynch pin of southern Africa, where racialism and class struggle combine. Again, a proletarian revolt which sparked off an answering movement in southern Africa would shake the entire status quo of Africa. The European revolution was stopped on the borders of Germany and bottled up in backward Russia. In Asia, India and China are the Germanies of today, and in Africa, South Africa and Rhodesia. These countries are not the sparks, but the boosters without which the rocket will not go beyond the stage reached by the Russian revolution.

(e) In the past Stalinism in its prime exercised power against all revolutionary action, whatever type of action it was. Now Stalinism is weakening throughout the world, fragmented between different nationalisms — Russian, Chinese, Cuban — and increasingly unable to unite a popular politics with the exigencies of orthodox diplomacy. A mark of the disintegration is the contradictions within the external politics of each national Stalinism. Mention has already been made of the Chinese position on Pakistan, Indonesia and France, and the same contradictions exist in Chinese policy towards Egypt and the Middle East. The Cubans are less able to manoeuvre than the Chinese, but nevertheless their oscillation between accepting Moscow direction (on, for example, Czechoslovakia), and the reverse, illustrates clearly that their foreign policy is less a function of their politics and more a bargaining counter against Moscow. Quite rightly, Havana is afraid of a deal between Moscow and Washington which will

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completely isolate Cuba and make any foreign policy worthless. Given Cuba's economic dependence on Soviet sugar purchases and equipment supplies, a Moscow abandonment of Havana could be the spark for a counter-revolution. The instability of Cuba's situation underlines the necessary limits on any Fidelista policy going beyond Cuban nationalism.

A greater danger than these contradictions is the complete dissolution of Marxism altogether into a vague populist socialism. At each stage in this account, the main weakness of a proletarian challenge has been seen as its lack of theoretical equipment to deal with its crisis. The dissolution of Marxism makes this situation worse, even if it also clears the board of diversionary 'socialisms'. However, simultaneously, the non-proletarian alternatives are becoming increasingly limited in concrete terms. The alternatives — a revival of proletarian politics, or stagnation and crises — remain.

7 IS and the Struggle in the Backward Countries

(a) Thus, what is centrally lacking in the backward countries today is a clearly expressed strategy to establish the dictatorship of the proletariat. Without this aim the sporadic involvement of workers in broader movements has no specific political implications except as a possible prelude to proletarian independence. Isolated and alone in one country, the proletariat can only, through major crises, very slowly begin to move towards an independent strategy, and it is unlikely in modern conditions to have the opportunity. Thus, the role of the international situation (proletarian revolts in other countries) and of class-conscious socialists is vital. Yet the socialists themselves are, by and large, not committed to the dictatorship of the proletariat as much as the urban petit-bourgeois aim of purely nationalist State capitalism.

The task of revolutionaries in backward countries is thus clear: to raise the slogan of the dictatorship of the proletariat and organise around it. Given the aim, a broad coalition of forces is available to wage the struggle, a coalition that must include large numbers drawn from the urban petit-bourgeoisie and the peasantry, but more important, must be based essentially on the working class and, in particular, those sections of it employed in large-scale modern industry. An authentic proletarian organisation would immediately change the terms of the debate, and begin the long task of working towards the permanent revolution. That task would be immeasurably shortened by a sustained proletarian revolt in an advanced capitalist country.

(b) In certain limited respects the prospects today are more promising for the development of a proletarian movement than for the past 20 years. The limits of the State capitalist alternative are more clearly apparent, as also are the limits of the strategy which leads up to State capitalism, rural guerilla warfare. The scale of oppression by the advanced countries grows steadily heavier and more clearly apparent, so that both the alternatives of national independence in conditions of backwardness and integration into the existing world market — the alternatives of the urban petit-bourgeoisie and the national bourgeoisie respectively — are shown to provide only temporary solutions. In such a context, an internationalist and proletarian strategy could come to be seen as a more **practical** alternative.

(c) IS's role in assisting this process is obviously, if regrettably, limited. Organisationally and financially, IS is scarcely equipped to do very much outside of Britain. However, our theoretical position could be of particular importance in what help we could give. In particular, our critique of Stalinism and our consistent stress upon the role of the proletariat could be important in clarifying perspectives for some socialists in some backward countries.

(d) So far as our work in this country is concerned, we must at the same time as describing clearly the class content and direction of movements in the backward countries, clearly and strongly affirm that we are always and everywhere on the side of the oppressed against the oppressor. Whatever the nature of the opposition to imperialism in the backward countries, as socialists we must be clear in supporting it. The international linkages of revolt do not follow the distinctions of economics. In 1968-9 the sparks which flew between Berkeley, Peking, Paris and Karachi came from different fires, but their ignition power in the student revolt was the same. The qualifications we have about petit-bourgeois revolts concern, **not** whether we support them or not — we must always and everywhere support them against imperialism — but how far such revolts can be a substitute for the struggle of the proletariat and the achievement of socialism. But our basic position is quite clear. As Lenin put it: 'if tomorrow, Morocco were to declare war on France, or India on Britain, or Persia or China on Russia, and so on, these would be "just" and "defensive" wars, **irrespective** of who would be the first to attack; any socialist would wish the oppressed, dependent and unequal States victory over the oppressor, slave-holding and predatory "great" Powers' (**Socialism and War,** 1915).

1 **Selected Works** V, p304. Lenin's 1920 theses, although applicable to the whole colonial world, were primarily directed at the Middle East, Turkey and Iran in particular. The subsequent Comintern Congresses were similarly more concerned with nearer backward countries than distant. The Fifth Congress in 1924 was mainly concerned with prospects in the Balkans. Despite US attempts to demonstrate an irrepressible Soviet desire to control all the backward countries from the very earliest times, in fact Stalin undertook only the barest intervention in the Far East, primarily in China to offset possible Japanese intervention in Siberia, and usually through orthodox diplomatic means (fostering one warlord against another). Very briefly — from 1925 to 1927 — he undertook a more systematic intervention through the Kuomintang, but the debacle of 1927 cut short this interest. In any case, the interest had existed in part to defeat Trotsky in the internal faction fight within the Russian party, and that interest ceased after 1927. Up until the Second World War extensive Soviet intervention was inhibited by Russian military weakness. In the case of India, Moscow's interest was so weak, it delegated responsibility to the British CP (Palme Dutt); similarly, the Philippines was given to the US CP, Vietnam to the French CP, and so on. This lack of direct control made possible the development of independent Communist Parties.

2 Cf an attempt to reconstruct the behaviour of the Shanghai working class during the most radical phase of the Cultural Revolution, in VI, The Workers, p 19 of China: Let a Hundred Flowers Bloom, **IS 35,** Winter 1968/9.

Peter Sedgwick

The Nature of Fascism
ed S J Woolf
Weidenfeld and Nicolson, 63s
Political Violence and Public Order
Robert Benewick
Allen Lane, the Penguin Press, 63s

The Problem of Fascism

Marxist theory has produced two important propositions about the phenomenon of Fascism: they are not of equal worth. The first thesis, deriving from Trotsky and now widely circulated by academic writers, states that the rise of a fascist movement is the expression of despairing masses of petty-bourgeois, exploited by demagogues and utilised by the big bourgeoisie at a time opportune for the crushing of the labour movement. The second concerns the character of a fascist regime which is actually in power: this, according to pronouncements by the Comintern leaders, by Trotsky and by such independent Marxist scholars as Franz Neumann **(Behemoth)** and Daniel Guérin **(Fascism and Big Business)** is the untrammelled and perfected dictatorship of capital, acting in the furtherance of business interests without reference to working-class demands, which are now brutally deprived of all expression.

Some alternative, non-Marxist theories about Fascism in power are: (1) that the economies of Nazi Germany and Fascist Italy were centrally-directed, Statified mechanisms in which private ownership was displaced in favour of the decrees of Party and bureaucratic management (this is one version of the 'bureaucratic collectivism' case); (2) that the central feature of fascist structures is their 'totalitarianism', in the sense of guidance by an all-constraining ideological drive towards world-transformation, which subordinates to its ambition all sectors of the society, including the economy as one among many.

The first thesis, limited to explaining the origins of fascist parties and their initial accession to power, is well supported in the deliberations of the scholars who are reported in the Woolf volume. Much of the mass-movement sociology of the last 20 years has been concerned with trying to produce generalisations about the social processes (usually omitting the political events) which detach class-groups from their habitual loyalties and render them available for 'mobilisation'. Provided that the reader can tolerate pages of discussion which locate fascist movements in a standard cross-cultural cycle of 'modernisation' without recalling the fact that there have been only two or three indigenous fascist regimes, and these in a historically peculiar epoch of world war and slump — provided, too, that he equips himself with a mental glossary which replaces the word 'modern', in all its occurrences, with the word 'capitalist', and the word 'non-modern' by 'pre-capitalist', he will find many suggestive reflections here. The most substantial contribution along these lines is that by the sociologist of Peronism, G Germani, who accounts for the turn taken by Peron's regime by looking at the state of the middle classes in Argentina. Although the colonel's coup in 1943 was as fascist in inspiration as, say, Quisling's takeover of Norway, there were no frenzied middle classes for them to mobilise. Peron was astute enough to see that the workers were his only possible social base, but a turn towards them involved an attack upon the original fascist sponsorship and the development of new aims favouring the workers. 'The human basis reacted on the leadership and finally modified substantially the basis of the movement.' Trotsky's analysis of fascism is thus strengthened by a negative instance: without the 'petty-bourgeois run amok', no fascism.

The articles by Stuart Woolf (on economic policies of fascism) and Tim Mason (on the relation between politics and economics in Nazi Germany) form a severe test of all the other theories. It is only now, with the internal documentation on Japan, Italy and Germany available to researchers, that we can get any clear idea of how their systems functioned. Many of the conclusions about fascist structure that were produced in the 30s and 40s were based on impressionism or emotion. For example, Woolf's evidence establishes that the attribution of Statification and planning to fascist economies in those days usually went much too far. The actual methods of State intervention practised in the regimes did not differ very much from those used in the Britain, America or France of today — though the fascists could justifiably claim to have pioneered the role of government as the **continuous** supervisor of production, which was unfamiliar to Western societies before the war. What made the fascist economies distinctive was not so much their structures — there is no case, and never was, for classing them as 'bureaucratic collectivist' or even 'State capitalist' in the Russian sense — as their aims. The economic goals of the fascists were totally dissimilar from almost any private capitalist system before or since, in that they deliberately pulled out of the world trading network and tried to build a closed economy based on a self-sufficient nation. Through the State monopoly of foreign trade, exports were drastically reduced, and ceased to function as a normal imperative of the system except insofar as they were needed to pay for imports. Internally, prices and costs became 'irrational' since they were no longer subject to the discipline of the international market and business was run on a State-sponsored and corporation-controlled 'cost-plus' system instead of on penny-pinching competition. The closed nation state was of course an inadequate base for a developed or developing economy, and imperialism — of a special kind, based on plunder and conquest rather than trade or capital penetration — was the inevitable corollary of self-sufficiency: it was also of course thoroughly encouraged by the geopolitical, racialist or nationalist elements in fascist ideology.
Woolf's analysis puts Peron's Argentina and Vargas' Brazil firmly outside the family of fascisms, on the grounds of their sharply different policies and possibilities in the economic field. On the other hand, it puts Japan no less definitely inside the fascist framework, for (even though Japan had no fascist party and its leader-cult was around the time-hallowed figure of the Emperor) its economic programme was similar to that of the Nazis. Japan is an important test-case for the 'petty-bourgeois' theory of fascist origins, since the mobilisation of displaced civilians through demagogy did not take place there and there was not much of a labour movement to be smashed. The trouble is that, once you break away from a rigorous definition of fascism founded on the analysis of a particular political and sociological conjuncture, the way is open to impressionistic labelling of the kind which makes Powellism, Gaullism and Peronism into varieties of fascism. As for Japan, one writer (Barrington Moore) has classified it as a special variant called 'Asia Fascism'; this is probably all right so long as it is recognised that 'Asian Fascism' isn't actually fascism.

Tim Mason's article will repay careful study and re-reading by all who are interested in fundamental socialist theory. His case is that National Socialist Germany exhibits a peculiar 'primacy of politics' in which ideological goals determine the performance of the economic sphere so radically that the whole system cuts loose from any rationality of self-reproduction. The Cicero Fruit Syndicate may well have instigated Arturo Ui's rise to power, but what Arturo did with his power bears no resemblance to the demands of even the most crooked and corrupt vegetable business. In the first place, Reich industry ceased to function as a coherent pressure group after 1936, when Schacht was defeated (and then removed from office) in his battle against Goering's pet proposal for extraction of low-grade domestic iron ore — which cut across the Ruhr magnates' capitalisation plans for steel exports. Deprived of a trade union counter-challenge, the employers' common interest disintegrated in a 'war of all against all' in which those firms (like IG Farben and Krupp) which stood to gain from the Nazis' **political** goals moved into prominence and coalition with the regime while the other strove to keep up. There is no evidence of any specific business pressure in the determination of Nazi conquest policy — though of course the big firms moved in eagerly to clean up the spoils of annexation once the policy was implemented. This abdication from political influence is in stark contrast with the role of the industrialists in the Weimar Republic or even in Schacht's heyday in the 1933-36 period. It is even distinct from the not uncommon phenomenon of a 'capitalist' government (like our own today) pushing through policies which worry the associations of big business; it is, simply, a state of affairs in which big business stops associating. The Nazi-loving segment of the capitalists becomes hugely powerful, of course, but even then as one of a whole range of competing and overlapping pressure- and control-groups in the regime.
Secondly, there is so much in Hitler's behaviour (which, owing to the structure of command, was synonymous with the behaviour of Germany) that defies any but a narrowly ideological analysis. Courses of action were chosen not because they made any kind of economic (or even military) sense but because the belief-system of the leadership demanded these measures. The arms drive spurred on large-scale wage drift, encouraged by local (Gauleiter and employer) acquiescence because the politics of the regime refused to depress the workers' perks. Guns **and** butter were managed quite comfortably until well after the invasion of Russia, and consumer production was kept up remarkably in some spheres even as late as 1944. The ideology of female domesticity prevented the use of women's labour in industry even with the catastrophic labour shortage of the late war years. And, of course, the extermination of the Jews (gassing scarce Polish metal workers just when they were needed most, commandeering a transport system already unable to meet military demands, and above all serving no propagandist, scapegoating purpose since it was conducted **in secret**) defies reason no less than conscience. The 'primacy' of Nazi politics is exerted not only against economics but against politics (ie, policy-making) itself. Hitler's orders to destroy Germany before the advance of the Allies in 1945 follow perfectly from the intellectual position of the 'master race', for if this race is itself mastered the only possible conclusion is that it was unworthy of the ideal, and deserves obliteration before the conqueror. But it makes no other kind of sense, political or industrial, capitalist or nationalist.

It is true that Mason is arguing against a very crude (if very common) view of the relation between business and Nazism: the essay is reprinted from an exchange he conducted in the German Socialist press with a number of dogmatists from the GDR. All the same, one wonders how far he is assuming that the 'primacy of politics' is abnormal in cases of national expansionism. It is as though we were asked to believe that imperialism normally has economic motives, influencing political decisions directly through business pressure groups, but that Nazi Germany is an exception. The lingering influ-

ence of the Hobson-Hilferding-Lenin theory of 'imperialism-as-capitalism' may perhaps be detected here. But it has now been satisfactorily established that, eg the colonial annexations of the European powers in Africa over 1870-1914 had little or nothing to do with the economic impetus of 'the export of capital' (Lenin's statistics in **Imperialism,** for instance, disguise the fact that capital exports were going, even then, predominantly to industrial rather than backward sectors of the world). Similarly, Noam Chomsky has recently argued that the determination (until recently) of the United States to hang on to Vietnam can be associated with a political imperative (to leave elbow-room for Japan in Asia as a junior partner) rather than any economic importance of the region for Wall Street. What is striking about the Hitler regime is not 'the primacy of politics' per se but the specific fragmentation and retreat of private capital as an organised force in the society.

In reality the motive-force of capitalism in Nazi Germany becomes an indispensable part of one's analysis as soon as one steps back and takes a view of the society over decades rather than individual years. Characteristically, it is Trotsky's epochal sense of history that reinstates an adequate perspective here, in the opening sections of **The Only Road** (written in July 1932, when the bourgeoisie still had to choose between Von Papen and Hitler) which sketch the different alternatives open to 'the physicians of German capitalism'. Irrespective of the outcome of the battle between Nationalists and Nazis, Trotsky foresees a future of frenzied and convulsive economic expansion, along with the speedy restoration of militarism. The pent-up force of a powerful economy walled in by the **diktat** of the Allies can find no other outlet than in a collision course. Trotsky dismisses too readily the Nazi solution to Germany's sickness: autarchy, as the adaptation of German capitalism to its national boundaries, would (he thinks) weaken the patient still further. Even a year after Hitler's accession, in **What is National Socialism?** he is still dismissing 'planned autarchy' as 'simply a new stage of economic disintegration' in which Nazism proves itself to be 'impotent in economics'. Actually, of course, Nazi autarchy, with its expanding borders, its swift annexation of industrial capacity and its planned arms drive, proved to be, at least in the short term, a highly efficient means for the realisation of a dynamic economy. Thus far, Nazi ideology with its prescriptions for foreign conquest and plunder appears as a rationally comprehensible and inwardly rational exercise along one route of capitalist political economy. German society was never more 'progressive' (in the narrow cynical-Marxist sense of developing the forces of production) than at the height of the war: in the face of savage Anglo-American bombing and stalemate or defeat on the Eastern front, heavy production kept expanding (with the output of tanks, for instance, multiplying **five-fold** between 1942 and 1944).

It is useful, then, to look at Nazi Germany as a capitalist economy in which the capitalists as such are demoted and subordinated. The principal unit of 'capital' is not the firm or the cartel but the nation; above this level, in the international relations, competition of the most cut-throat variety leads to the system's ruin. The approach developed by Michael Kidron in **Western Capitalism Since the War** has an evident applicability in this field: socialists should cease trying to argue that Hitler was a front-man for business and instead look on him as a pioneer of the permanent arms economy and corporate planning.

The utility of even a revised Marxist analysis breaks down, however, in the face of the gas-chambers. The most dedicated and developed social theory that human civilisation has attained has nothing to contribute towards our understanding of Nazism's politics of race murder. The very use of expressions like 'barbarism' and 'medieval' by Marxists at this point testifies to the replacement of analysis by horror. It is little wonder that so many on the Left have resorted to psychological explanation as the first available alternative to the Marxist vacuum. Franz Neumann himself, after the rigorous economic framework of his great work **Behemoth,** turned to the speculations of mass-psychology when the concentration camps disclosed their piles of wholly uneconomic human ash. The 'Frankfurt School' of Freudo-Marxists has extracted a variety of psycho-analyses from the mass unconscious: thus, mass society expresses either the submissiveness engendered by an authoritarian pattern of family upbringing (Adorno, Reich) or alternatively the confusion produced when these patterns get relaxed and replaced by permissiveness (Marcuse). Apart from their contradictariness, these are answers to a false question, namely: 'Why did the Germans follow Hitler?' But on looking at the various phases and sources of mass support for Nazism, it becomes hard to believe that one requires any special psychological factors, other than those which explain, eg, why the masses supported Churchill or Wilson. Nazi society was not a 'mass society' of atomised, hypnotised individuals: underneath the totalitarian armour, it was a typical advanced industrial society displaying all the sectors of varying and colliding class-consciousness. It doesn't need Freud to tell us why people cheer a politician who stops unemployment, or why they fight savagely when their homes are bombed.

All the same we will not get far in understanding Nazism without psychological explanation. If the necessity that stoked the Auschwitz crematories was not economic and was not political (in the sense of pursuing rational policy objectives in the public arena) what else can it have been but psychological? And it is not a matter of mulling over the case-histories of individual Nazi leaders, fascinating as these are for the student of psychopathology. What has to be determined is the function of anti-Semitism (and anti-Slavism) in the belief-system of the National Socialist movement as a whole. For, despite the programmatic timidity and opportunism of all the wings of Nazism, from Hitler to the so-called 'Left Nazis' like the Strassers, the 'Socialism' of 'National Socialism' has to be taken very seriously. All the militancy and sacrifice, all the hatred of privilege and corruption, all the determination to make a better and cleaner world, which among revolutionary Socialists is attached to a class perspective upon society, was present among the Nazi pioneers, only linked to a racial vision. Demagogy and conscious deception were practised constantly and consciously, but within the limits of a terrible sincerity. **Pessima corruptio optimi:** the worst vices come through the corruption of the noblest instincts — and the worst cruelties through the deflection of class-militancy upon a non-class target. None but the exalted could triumph in the long and bitter path of struggle that led from the tiny, dingy back-rooms to the rostrum of the Nuremberg Rallies. The struggle imposed a natural selection of the virulent, the racially fixated. And no movement without some kind of ideological parallel to Marxism could have hoped to master a society like Germany in which the contours of class-division were so deeply graven. Mussolini could afford to relax the dynamic, to become bourgeoisified, once the cadres of the young labour movement in a backward capitalism had been physically destroyed: the contrasts between German and Italian fascism derive chiefly from the difference between the relative density of the obstacles that confronted the imposition of national as

against class definitions of reality in the two countries. German fascism required, and in the course of its development acquired, ideological hegemony as well as the power of the truncheon. In order successfully to assert its cultural dominance it had to avoid cutting across the grain of a class-divided Germany. One consequence was the Nazi's persistent concern to minimise the burden that fell upon the German working class. Another was the pursuit of social racialism, as an empowering substitute for straight Socialism. This was by no means a smokescreen or facade: it fulfilled the wants of the leadership as well as providing militant rhetoric for the masses. Social racialism, no less than Marxism, required the unity of theory and practice: history selected Hitler's party, as it selected Lenin's, because it meant what it said. The Third Reich joined, coincidentally, the unsated dynamism of a besieged economy with the intellectual fervour of a world-transforming creed. German capitalism did not need Auschwitz; but it needed the Nazis, who needed Auschwitz.

I have space only for a few general comments on Robert Benewick's treatment of British fascism. The book offers a very detailed description of factionalism and fission in Mosley's movement, and carefully traces the rise and decline of the BUF down to the Second World War. Unfortunately, its explanation of these processes is superficially liberal. British fascism was doomed, it appears, because of the peaceful traditions of our public life and because the government passed legislation (the Public Order Act) which forced the Mosleyites to put their black shirts into mothballs. Once these blighters lost their **uniforms,** you see, they lost their guts as well: smart work, Police Commissioner. A little cross-cultural homework would have revealed the fact that the Weimar Republic also introduced laws banning brown shirts, without any effect upon the morale of the SA. What the fascists lost in Britain was the battle of the streets, and that ditched them for good. Cable Street was our front line against fascism, and the police (towards whose dilemmas Benewick is altogether too sympathetic) did their damndest to sabotage it. Phil Piratin's **Our Flag Stays Red,** dealing with the Cable Street days and with the intense local reality of fascism and fascists, remains (almost unobtainably, alas) the best text on the subject.

Trotsky on Germany

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Reviews

Decline and Fall

Marxism and Christianity
A MacIntyre
Gerald Duckworth, 25s

'Roman Catholicism in its worst aspects is the corrupted religion of a subsistence economy; Communism, the corrupted religion of modern industrial society. But there is this great cleansing power in Communism — it never invokes the name of God to disguise its corruption. Hence Communism unlike the Church is preserved from the ultimate blasphemy. This is why the two most relevant books in the modern world are St. Mark's Gospel and Marx's **National Economy and Philosophy;** but they must be read together.'

In this rewritten version of an earlier work **Marxism: An Interpretation** (SCM Press, 1953) the above quotation and many others on similar themes have been excised. In abandoning a vantage point from which 'to understand Marxism is to understand better the pattern of redemption from sin which is the gospel', MacIntyre was to describe a trajectory which took in most of the revolutionary left groupings, before coming to rest as a professor in the waste-lands of Essex. **Marxism and Christianity** gives an account of his last-published equilibrium-point.

The book should never have been rewritten. Whatever the faults of the original work it had a coherence and relevance deriving from the fact that, although written on a philosophical and religious level, its concerns were ultimately directed towards action. The new work lacks any effective integrating focus and any convincing outcome.

Most of the chapters expounding the development of the young Marx out of Hegel via Feuerbach have been preserved virtually unaltered from the 1953 edition (though the addition of the word Christianity to the title of the work has been accompanied by the removal of virtually every section of the earlier work which dwelt on the meaning and contemporary significance of the gospel). These chapters are written with the sensitivity and lucidity which characterises MacIntyre at his best. He gives a brief exposition of the semi-secularisation of Christianity in the Hegelian system, of the Left Hegelian rejection of the theological implications of the Hegelian Absolute and of their move towards a liberal, philosophical critique of contemporary reality, through Marx's criticism and transformation of philosophy into an instrument of practice to the conclusions embodied in the Communist Manifesto. Though questionable in many matters of detail these chapters (2-5) could usefully serve in any introduction to Marxism.

The rest of the book, alas, while full of insights and erudition is ultimately inconsequential. For while MacIntyre presents various theological regressions which Marxism has undergone in practice (eg deification of the Party in Lukacs, deification of history in Kautsky, the cults and rituals of Soviet Marxism) and throws up a series of problems which have afflicted Marxist views on morality, etc, it all leads nowhere. When he talks of 'the urgency of the task of providing for contemporary society a critique on the scale of Marx's critique of classical capitalism' (p 140) it is hard to see what this could consist of except a **Marxist** critique of the contemporary world. And if **IS** has not provided this, at least in outline, it is up to MacIntyre who drifted out of **IS** without any explanation of its theoretical inadequacies a few years ago, to show what is incorrect in the overall revolutionary Marxist perspective of his last-known group of comrades.

But one suspects MacIntyre is looking for something quite different and if his recent sociological writings in **New Society** for example are anything to go by, he wants the critique to be couched in the language of social science wherein he seems to find insights into the modern condition. It would be a purely theoretical enterprise. Despite his mention in the Preface of the need to deal with the relationship of belief to organisation, he does not take this up. Concrete problems of industrial and political strategy and organisation are bypassed by operating at a level of abstraction where such mundane concerns can safely be left to others. One gets a glimpse of how comfortably the university ideologue suffers in contemporary capitalism.

In 1953 in the struggle between Marx and Jesus, Jesus just had the edge (for 'in a fully Marxist world prayer would be impossible'). At the height of the New Left the choice lay between Keynes and Trotsky. 'I think of them at the end, Keynes with his peerage, Trotsky with an ice-pick in his skull. They are the twin lives between which intellectual choice in our society lies.' (**Out of Apathy** p 240.) Now, alas, there seems to be no need for commitment, only for criticism: MacIntyre has been so successful intellectually that it no longer matters what he is intellectual about. Why bother to change the world when there is so much in it to interpret?

Richard Kuper

The Polish Spring

Marxism and Beyond
Leszek Kolakowski
Pall Mall, 40s

Written over the last 10 or 12 years, between the 'Polish spring' that brought Gomulka to power and the present icy season that has jailed Kuron and Modzelewski and forced Kolakowski himself into exile, these essays in mordant Socialist rationalism bear reading and re-reading. They present something of the role of the isolated intellectual rallying and reflecting a current of opinion, rather than that of the revolutionary engineering the formation of organisations around a programme. But they are grounded in prodigious political experience, allied with a wry wit and relentless intelligence. Here is an extract:

> 'Unflagging vigilance over its own meticulous boundary lines is an essential characteristic of every social group that can be called a "sect" — constant control to assure precise and unambiguous criteria differentiating itself from the outside world. There criteria are of various sorts: ideological, organisational, traditional, ritualistic: and the greater their number, pettiness and variety, the more advanced the ossification of the sect. When this condition prevails, it becomes apparent that the social organism, to an ever-increasing extent, no longer sustains itself by natural assimilation and communication with its environment, but somehow, miraculously, through an unnatural process of reproduction, feeds on its own substance. . . . While it can increase its weight, it can neither develop nor conceive. . . . Regardless of its dimensions, Stalinism is a sect.'

Kolakowski's essay, 'The Concept of the Left', is one of the few pieces of writing that makes sense of a usually incoherent and emotional concept. At first I was startled by his statement that 'the left, as such and as a whole, cannot be an organised political movement'. However, on closer reflection, this position does not deny the necessity for an organised political movement: it only states that any such movement, however militantly defined, must have its own left.

Peter Sedgwick

The Disease of Social Democracy

History of the International
Julius Braunthal
Nelson, Vol 1, 95s
Vol 2, 126s

It would be nice to be able to give an unqualified welcome to the appearance of an English translation of Julius Braunthal's massive study of the Internationals. Considered simply as a work of reference, it possesses all the necessary qualifications required to ensure it a place among the standard tomes on the subject. Comprehensively researched and documented, wide ranging in its references, Braunthal's survey of the struggles, triumphs and disasters of international socialism from the foundation of the IWMA in 1864 to the dissolution of the Comintern in 1943 is uniformly readable and informative. Only very rarely does it degenerate into that cataloguing of names, dates and events which so often mars this kind of narrative study. Of particular value to the English reader is its coverage of Central European politics, in which the author, a veteran Austrian socialist, was himself an active participant.

However, this type of work cannot merely be judged in terms of its usefulness for looking up some obscure individual or confirming a dubious date. It must stand or fall by the nature of its contribution to our understanding of socialist internationalism. Judged by this standard, the work is curiously broken-backed — set against one another, these two volumes seem indicative of nothing less than an acute case of political schizophrenia on the part of their author. The first book, whose core is the history of the Second International up until 1914, is a serious and thoughtful analysis of the weaknesses and dilemmas of Social-Democracy. As it takes us through the great debates of the International — on the mass strike, on revisionism, on colonialism, and above all on war — and locates their relevance to the political strategy of its component parties, we become acutely aware of the essentially self-deceiving character of this 'internationalism'. For most of its participants, and above all for the German Social-Democrats (SPD), resolutions at the International served mainly as substitutes for action, and the debates vacillated between the incantation of Marxist formulae and an uneasy awareness of the unlikelihood of their translation into practice. Here Braunthal is particularly useful in bringing out the spirit of ritualism and resignation which characterised the debates on the war issue from as early as the 1891 Brussels

Congress. The Second International was like some great religious gathering where — apart from a few zealots like Lenin and Luxemburg — the faithful sought to gain the consolations of their faith on Sundays for the sins they were to commit in the coming week. Braunthal's characterisation of the process is simple and essentially accurate. The disease of Social-Democracy lay in the gap between its revolutionary rhetoric and its parliamentary practice, a gap which the International served only to obscure by translating Marxism from the realm of national political action into the nebulous world of international conference resolutions. The cancer was long in incubation, and the extent to which it had eaten away the movement's revolutionary heart was only fully revealed in 1914, when the mass of Social-Democracy bowed down before the seemingly irresistible tide of nationalism; when, within hours, the arch-opponents of imperialist wars were transformed into the most vociferous of social-chauvinists. On August 4, 1914, the monumental façade of the Second International disintegrated into the dust.

The 'moment of truth' in 1914 forms the climax of Braunthal's first volume, and as one turns from this account of the paralysis of reformism to his equally comprehensive study of Internationalism in the era of war and fascism, the reader is forced to check the cover to see if the book is really by the same author. For we are now confronted by nothing less than an apologia for that same reformist Social-Democracy and a sustained attack on Lenin and the Bolsheviks for destroying the unity of the — non-existent — International, thus opening the floodgates to reaction! The shock is so great that, if one is not careful, it is easy to miss the crucial re-definition of categories by which this transformation is accomplished. In the interval between Volumes 1 and 2, reformism has become 'Democratic Socialism' while revolutionary Marxism is transmogrified into Leninist self-deception or Stalinist terrorism. Though Braunthal spares us the professional anti-communist line that commitment to revolution was itself evidence of Lenin's intercourse with the Powers of Darkness, his own view is hardly more sophisticated. Lenin is presented as some species of mad Marxist social scientist, hell-bent on the demonstration of 'the hypothesis of revolution' regardless of cost or consequence. The usual catalogue of crimes — the suppression of internal opposition in Russia, the invasion of Georgia, the 1920 German putsch — are all presented as logical results of testing the hypothesis, with little or no regard to the barbarous conditions of war communism and the life-or-death significance of revolution in the West for the infant Soviet State. Still, for all his distaste for the intransigent and imperious ideologue, Braunthal still regards Lenin as in some sense part of the fold, albeit the black sheep in a flock of otherwise lily-white lambs, and he only gets into his stride with the tale of the butcheries and stupidities of Stalinism. Here, not content with the standard recitation of the litany of Stalinist demonology — and God knows, one would have thought there was enough already to satisfy the jaded palate of the most dedicated anti-communist! — Braunthal tries to demonstrate that any and every weakness and mistake of the working-class movement in the inter-war years was virtually the sole and direct responsibility of the Comintern. Even the poor old 1924 Labour Government 'fell victim to an episode in the Communist propaganda campaign' (2, p 302), which is a somewhat curious way of glossing the Campbell case and the Zinoviev letter.

Braunthal's detailed analysis of each situation, from the 'Third Period' to the Nazi–Soviet pact, is of course by no means as crude as this summary might suggest. However, whatever the rights and wrongs of the argument in any particular historical case, its overall guiding strategy is as clear as it is disingenuous. If the Communists can be convicted of responsibility for the main crimes of the period, then it follows that the Social-Democrats can have only a marginal share of the blame. Only in the light of this strategy can one understand

The Employers' Offensive productivity deals and how to fight them

Tony Cliff

Ten years ago productivity bargaining was a new and strange phenomenon to most workers in British industry. Today it is at the very centre of our industrial life. Employers, trade unions and above all government ministers have come to champion the cause of 'productivity'. The Prices and Incomes policy, at first hardly more than 'wage freeze' in disguise, is now aimed at forcing workers to abandon the straight wage claim in favour of a productivity deal. Already more than 30 per cent of industrial workers are covered by such deals; many are coming back for the second or third 'bite at the cherry'. But an increasing number of workers are finding they got a very bad bargain, that the relatively large wage increases have soon been eaten away by inflation but the conditions they sold and the changes in work practice they accepted have become a serious threat to job security, earnings and, above all, trade union organisation within the factory.

The central argument of this book is to show that 'productivity' is part of a major offensive by the employing class of this country to shift the balance of forces in industry permanently in their direction. The author has investigated over 100 'deals' in order to discover the underlying trends that go to make up the offensive, to show how techniques such as Time and Motion Study, Measured Day Work and Grading Schemes are aimed at 'disciplining' the workers and undermining the power of the shop stewards who, more than anything else, have been the instrument by which workers have maintained their standards in the last 20 years.

In addition to investigating almost the entire output of the Prices and Incomes Board, Tony Cliff has drawn directly on the experience of workers who have been involved in productivity deals in a whole range of industries. In the final chapters he attempts to draw up a strategy for fighting productivity deals and concludes that the total nature of the employers' offensive requires a total strategy in reply — that is a socialist strategy.

There is no doubt that in the field of productivity bargaining employers are at an enormous advantage when it comes to access to information, facts and advice. This book aims to give shop stewards and their members the same advantages and to play a small part in arming the working class to resist the 'productivity offensive'.

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the otherwise incredible judgment offered by Braunthal on Weimar Germany: 'The Social-Democrats had often made mistakes, even fatal mistakes. But the heaviest responsibility for the tragedy of German Socialism lay with the Communist International, as no unbiased historical analysis can possibly deny' (2, p 389). Luxemburg and Liebknecht must be pleased to know that the split in their skulls was really only a 'mistake', albeit a 'fatal' one!
Robert Looker

Big Business

Organised Crime in America
ed Gus Tyler
Ann Arbor Paperback, 25s

If words are to have any meaning at all Mayor Daley and Standard Oil should take their place in this reader alongside of Al Capone and Lucky Luciano. For they too are major exponents of organised crime: but perhaps their robbery is too organised and their violence so systematic that they are granted honorary exemptions.
For even if we are to accept the terms of reference of the editor and restrict our interpretations of crime to direct violations of the United States legal code we find that both the police and the giant corporations perpetrate more crime than the Mafia, L'Unione Siciliana and the Cosa Nostra combined. What is more they are infinitely more successful both in the profit-making and public relations fields. As an example of robbery what can be more blatant than the price-fixing ring led by General Electric and Westinghouse, which at the time of their prosecution under the Sherman Act was rigging and dividing a market worth $1,750,000,000 annually; as an example of illegal violence what more callous than the everyday beating up by the police of the politically dispossessed.
The most obvious significance of Al Capone in American history is that he, emulating the path of the corporations, began the integration and diversification of the crime industry in America. Thus he conceived of a national co-operation amongst criminals where before there was a feudalism of local squabbles and he enlarged their focus of activities from the perennial criminal preoccupations with drugs, gambling and prostitution to semi-legitimate activities such as within the stock market and real estate business. But there is a much greater significance of Capone and that was the amazing degree to which he was aware of the meaning of crime in American society. 'Business,' he once sneered, 'those are the legitimate rackets. . . . They talk about me not being on the legitimate. Nobody's on the legit. You know that and so do they.'
Organised crime represents the successful attempt of members of minority groups which are discriminated against to achieve the type of monetary and exploitative success which American values extol. They made their way, it is true, in a particularly vicious manner and they made it by supplying illicit rather than legal demands, but once they had arrived the pattern of organised crime changed rapidly.

The new-look gangster comes to resemble more and more the successful company executive. He disdains violence — it is bad for business, and he has discovered, just as the corporations have, that political and social power can be bought, that everyone has a price. Moreover his sphere of activities has vastly extended. The capital built up during the Prohibition period was ploughed back into legitimate business. They learnt 'through their political ties', as Tyler puts it, the 'ABC of "honest" graft', and rum-running gravitated easily into real estate where profits were just as high and risks relatively absent. They took over trucking companies, dairies, launderette chains and supermarkets. They were called in by firms to break strikes and by the unions to fight the bosses. But in many of the unions — The International Longshoremen's Association, The Teamsters and The Union of Operating Engineers to name a few — they remained to take over control and are today a major menace to American trade unionism. Their methods are simple — to threaten the bosses with a strike, extort bribes from them to prevent this happening, and to pocket the takings from the deal. Any opposition within the unions meets with uncompromising violence.
There exists in law-abiding society a begrudging admiration for the gangster whose swashbuckling success would seem to counterpoint an element of adventure against the steadfast plodding of legitimate work. This is a myopia, encouraged by the various media from Hollywood movies to the colour supplements. The gangsters they idolise represent capitalism without qualms, free-enterprise minus the usual veneer of legitimacy. For modern criminal organisations have amassed capital, and play an entrepreneurial role which differs from the corporations solely in that they are less choosey in the goods that they will supply and a degree more secretive in their activities.
Organised crime exists under a patina of respectability, it is not contrary to the American way of life, it merely exaggerates a little the values of success and ruthless individualism which are the ethos of American capitalism. Capone saw through the hypocrisy of the 'good people' who assailed him. 'Why,' he said, 'the biggest bankers and businessmen and politicians and professional men are looking to me to keep the system going.' Tyler's reader adequately documents this.
Jock Young

Paying the Piper

Economics and Economic Policy in Britain, 1946-1966
T W Hutchinson
Allen and Unwin, 48s

In the mythology of recent British politics a special place is occupied by the obscurantist Treasury knight. From the Fabians to the New Left it became almost axiomatic that many of the problems of the British economy were caused, or at the very least greatly aggravated, by the baleful influence of this sinister, if slightly comic figure.
As is well known Mr Wilson's New Britain was to relegate this antediluvian classicist to his proper subordinate role. Economic policy decisions were to be taken on the advice of the cream of academic economists, drafted for the purpose into the government service. The professionals were to take over.
So they did and the results have been less than enchanting. This book examines the record of the contributions of the university economist to economic policy debates in the last 20 years. Some of them, more eminent or less prudent than others, have given freely of their advice and are shown to have frequently contradicted not only each other, but themselves.
This is not a fact that should surprise readers of this journal. Dr. Balogh, who figures largely in the book, put the matter in a nutshell. 'It should be obvious that economic policy making is not a scientific exercise which admits objective impartiality. It is an art inseparable from political assumptions.'
Professor Hutchinson himself stands for a 'value-free' and 'scientific' economics, but this has not prevented him from demonstrating in this informative and enjoyable book, that such a thing is as elusive as the rainbow's end.
Duncan Hallas

Sociology versus Reality

The Affluent Worker: Industrial Attitudes and Behaviour
John H Goldthorpe, David Lockwood, Frank Bechofer, Jennifer Platt
Cambridge, 40s
The Affluent Worker: Political Attitudes and Behaviour
John H Goldthorpe et al
Cambridge, 30s

These two volumes offer an extensive and minutely detailed account of a study carried out in three Luton firms (Vauxhall, Laporte Chemicals, Skefco Ball-bearings) in the period before the 1964 Election. The overall aim of the study was to test the then current 'theory' that significant sections of the British working class, as a consequence of a relatively high standard of living, had adopted 'middle-class' aspirations, ideas and patterns of life. At the time of the 1959 Election, this 'theory' was given a certain prominence as an 'explanation' of Labour's defeat.
At one level, that of simple refutation of the Crosland-Zweig-Abrams thesis of 'bourgeoisification', the study is a success. Confining themselves deliberately to younger married workers with above average weekly incomes (for manual workers) — a group, especially in Luton, very likely to show 'bourgeois' patterns of life and thought if any group does — the authors demonstrate that the great majority still vote Labour, belong to unions, want more wages, and see the social world as fundamentally articulated in class terms ('them' and 'us').
At the same time, they suggest, the 'new' working class does manifest certain changes in its style of life by contrast with the 'traditional' working class (miners, dockers, etc). Work involvement is very low. The sole point of 'attachment' of the worker to his employer is the cash nexus. The worker expects no intrinsic satisfactions from his work, either as pleasure in his job or as social rewards. There is no 'traditional' working-class sense of community. These are the 'privatised' workers, for whom workmates are never friends outside work. 'Life' is for them something lived entirely outside work, work a means simply to win wages for a life outside. Their attitude to work is 'instrumental' rather than 'expressive' — in no sense does work appear to the Luton workers as an expression of themselves.
This 'instrumentalism' is carried over into their trade unionism and politics. They rarely attend their union branches, rarely vote in branch elections (except where they're held on the shop floor) but do involve themselves in immediate shop-floor unionism (shop steward elections, etc) insofar as these are seen as relevant to their instrumental interests. Their interest in the 'wider ideas and objectives of the Labour Movement' is minimal. Their support for the Labour Party (69 per cent in one volume, 79 per cent in the other . . .) is similarly 'instrumental' — that is, these workers expect

more material advantage from a Labour than a Tory Government — rather than 'solidaristic' (whatever precisely **that** means).

Apart from certain semi-technical objections to the authors' interpretation of their own results (of five groups of workers studied, only the semi-skilled Vauxhall assembly workers really conform to their type of the 'instrumental worker'), two objections must be raised.

First, the dichotomy they propose between a 'traditional' and a 'new' working class is highly dubious. To suppose there is no 'instrumentalism' (assessment of unionism and Labour Party in terms of their advantages for workers) in the attitudes of, say, miners and dockers to their trade unions and political parties, either in the past or today, is somewhat surprising. The authors seem to have confused a communalism characteristic, possibly, of 'traditional' working-class **leisure** culture with a solidarity born out of work experiences. If the former has tended to decline, the evidence (strike statistics, etc) does not suggest a decline of the latter. What is true is that the forms of expression of working-class solidarity and the issues on which it's expressed have tended to change (more **unofficial** strikes, more strikes on issues of work-place control, by comparison with pre-war Britain). Second, given that Goldthorpe **et al** wanted to carry out a 'full investigation of the industrial lives of the workers we studied', their research methods (interview schedules only) seem very inadequate. There is no account of actual interaction at work, of the patterns of action and relationships that foster and maintain class awareness. Thus the sources and developments of worker–management are never really revealed. The ambiguities and instability in workers' attitudes to management do not emerge. What we are given is an account of a fundamentally **stable** situation. Given that the major plant studied was a car factory, this is especially surprising, given the well-known pattern of instability in the motor trade. The workers (and the employers, who hardly appear in the book) exist in isolation from capitalist society. Thus the 1966 strikes, despite their protestations to the contrary, came as a **surprise** to the research team.

All in all, these two volumes (two more are promised) are not half as interesting as they might have been. Despite the wealth of material, those looking for a serious contribution from professional sociology to an understanding of the contemporary British working class must keep looking.

Colin Barker

Indian Summer

The Emergence of Indian Nationalism
Anil Seal
Cambridge University Press, 70s
Problems of Empire: Britain and India, 1757-1813
P J Marshall
Allen and Unwin, 35s

Mr Seal's much-heralded book is an important contribution to the analysis both of a period of British imperial rule in India, and of the rise of the independence movement. The book is well researched, sensitive in its treatment of issues, and lucidly written. It is particularly skilful in analysing the relationships between different groups in the developing opposition to British rule (cf in particular, Seal's account of the Muslim relationship to Congress, Chapter 7).

However, it also needs to be noted that the book is marred by certain factual errors and, more substantially, by some most troublesome theoretical assumptions which only become fully explicit in the last chapter. Mr Seal is fighting battles against both Indian nationalist historians and Marxists. He sees his book as evidence against the thesis that class issues were involved in the rise of the independence movement. But his view of class is so odd, that he cannot see the class issues present in the material he uses. The 'evidence' follows from the way he presents his material, not from the material itself. He has no account of what was happening to India as a whole, the course of the Indian economy, and the events which created the driving force of opposition. He describes the growing frustration of educated Indians in the three main imperial cities, and does so with skill, but that frustration would have had no significance at all unless matched by changes on a wider scale than this. As it is, Mr Seal returns inexorably to the British imperial interpretation of the opposition — it was just a group of Bengali politicians on the make. For Mr Seal, classes dissolve into groups, and groups into individuals, driven by 'self-interest' — like the Utilitarians, he wishes to say that all human action is 'selfish' (which, of course, in one meaningless sense of 'selfish', it is). With such a crude methodology, it is marvellously ingenious of Mr Seal to have produced so interesting a book.

The second book provides two things. A long introduction describes the important transition in the relationship between Britain and India from being one where Britain imported manufactured goods from India, to one where India imported manufactured goods from Britain (and exported primary commodities). Second, the author presents a series of extracts from important documents of the period. The introduction is interesting, although almost exclusively concerned with the British end of the relationship, and, in particular, the political and financial history of the East India Company. The documents are less useful, except for specialist historians who need to refer to official documents (12 of the 45 extracts are from the texts of Parliamentary Bills or Acts). The particular extracts chosen are not always of much interest — for example, a rhetorical passage from Clive's defence before the Commons, 1773, is included. More interesting would have been some account of what was happening in India and of the views of the private British traders who were eroding the position of the East India Company.

Nigel Harris

Choose your Weapons

Measure for Measure: Reforming the Unions
Stephen Fay
Chatto & Windus/Charles Knight, 10s

'My scheme is liberal reformist in intent,' declares the **Sunday Times** labour correspondent. His plan for 'union reform' is designed to 'fit into and assist the mixed economy' and is 'in the best liberal tradition: it is design to avoid chaos'.

Fay presents the outlines of an increasingly orthodox view of post-war industrial relations: the shift to shop-floor bargaining; fragmentation of the trade-union movement qua movement; inter-union squabbles as alternatives to employer-bashing; ossification of official organisation; increasing 'disorder' in industry; etc.

A liberal, it used to be said, is a Tory with a conscience. Fay's book reveals how contradictory that contemporary 'conscience' is. He wants 'stronger' unions, and proposes Government intervention to strengthen them — despite noting that union-knocking can be electorally profitable and despite a chapter on 'Strikes: Power Abused'. He laments the lack of responsiveness by union leaderships to the rank and file, and proposes more control over them by the leadership. Union members are apathetic, a weakness in the unions; yet he cites with horror the following statement by an AEF official: 'I am paid by my members to serve my members, and my job is to satisfy them, not for them to satisfy me.' The AEF suffers, in Fay's view, from too many elections and from the relatively low pay its officials get; yet the NUGMW, the reverse case, has a static low-paid membership that 'lacks independence, guts even'.

His case is curious. He wants the unions to recover a sense of purpose, and castigates the TUC General Council for its lack of support for strikes by weaker unions. In the name of stronger, more purposeful trade unionism he proposes the legalisation of contracts (after the manner of the Tory plan, **Fair Deal At Work**) with penalty clauses leading to instant dismissal without protection for unofficial strikers; legally backed shoves towards industrial unionism; higher union dues; more full-time officials; full-time stewards to police contracts UAW-style. In short, he wants a legal framework to force union leaders to control their members better. Contracts should link pay and productivity, thereby forcing unions to concern themselves with the efficiency of enterprises — perhaps like the American UMW, whose concern with mining efficiency seems not unconnected with the Yablonski murders?

Legal changes of the type proposed by Fay, however modified, may well be brought in by Tories or Labour in the next couple of years. The assault by employers and Government, whatever its precise form, will open up possibilities for a real recreation of a purposeful working-class movement. Fay's book reveals one thing: 'liberal reformism' will have no place in that.

Colin Barker