TROTSKYIST INTERNATIONAL

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From Cold War to new imperialist order: world politics from the 1960s to the 1990s

Imperialist aggression in the Gulf

Principles and tactics in war

How capitalism triumphed in the GDR

The English language journal of the League for a Revolutionary Communist International

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See pages 45, 57 & 63



Poder Obrero-OCIR (Bolivia) and the Revolutionary Trotskyist Tendency (USA) have fraternal relations with the LRCI. The Gruppe Arbeitermacht (Ost) (Germany) is a sympathising section of the LRCI

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In this issue . . .

At the Founding Congress of the LRCI in 1989 we adopted *The Trotskyist Manifesto*, a new transitional programme for the world socialist revolution. That document—the first revolutionary programme for over fifty years—contained a general description of the post-war decades and of our understanding of the period in which we live. In this issue of *Trotskyist International* we publish a more detailed analysis of world politics and economics from the 1960s to the 1990s.

Adopted by the International Executive Committee (IEC) of the LRCI in July 1990, this document charts the decline of US imperialism from the 1960s and the contradictory nature of its relations with the emerging powers of West Germany and Japan. The resolution unearths, in some detail, the way in which the longest and most intense period of capitalist expansion in the imperialist epoch turned into a decade of recession and shallow recovery in the 1970s. The limits of imperialism's durable but relatively shallow recovery during the 1980s are established and we discuss the growing prospect of a new world recession.

The document surveys the price paid by the international working class and poor peasants, notably in the semi-colonial world. The transition from military dictatorship to militarised democracy in the the "Third World" has been a distinctive feature of the 1980s and the LRCI resolution explains the material forces at work helping to produce this shift.

Finally, the perspectives summarise and update the analysis of the international crisis of Stalinism dealt with in the last issue of *Trotskyist International*.

Intoxicated by their victory in the Cold War the crowing imperialists and their ideologues mused publicly about the "end of history"; they confidently allowed themselves to predict a smooth passage into a "a new world order" of social stability and capitalist prosperity. But as the crisis in the Gulf testifies history refuses to play dead. The deeply embedded contradictions of the imperialist epoch have not been abolished even though we have to take account of the dramatically changed manner in which these contradictions will be played out in the last decade of the twentieth century.

Since this document was written, the world's attention has been focused on the Gulf and on imperialism's intervention into this region of decisive importance for their system. We publish here a series of resolutions adopted by the International Secretariat of the LRCI which trace our response to the events, from the occupation of Kuwait by Iraq, through our opposition to imperialism's military offensive, to a detailed explanation of the key solidarity tasks in the imperialist countries and the fundamental principles of a revolutionary programme for the Iraqi masses. These resolutions have guided our sections and fraternal groups.

As a counterpoint to these essentially conjunctural resolutions, we reprint an archive document which explains the general revolutionary position on war. "The tasks of the proletariat in war" was written by Rudolf Klement, Administrative Secretary of the Fourth International, at the end of 1937 shortly before his assassination by the Stalinist secret police. Over fifty years later it retains all its validity and deserves to be more widely known and discussed.

Apart from the Gulf Crisis, the major event of 1990 has been the restoration of capitalism in East Germany, an event which took place relatively peacefully, the level of class conflict not approaching civil war proportions. In our last issue we published a resolution by our IEC on "The death agony of Stalinism", adopted in March 1990, which explained the circumstances in which such a peaceful restoration of capitalism could take place.

In this issue we explain the sequence of events in the GDR and their significance, the way in which the pro-capitalist right were able to out manoeuvre the left, and the key elements of a revolutionary action programme which could have turned the tide against the restorationists.

As Rosa Luxemburg often reminded her comrades, however, it is possible to draw lessons from defeat as well as victory and by this gather together a nucleus of cadre prepared to wage the future battles. Coinciding with the publication of this journal we are pleased to announce the formation of a new group of Trotskyists in what was the GDR. As death itself gives rise to new forms of life, so the dying days of the East Germany brought forth the founding meeting of Arbeitermacht (Ost) in East Berlin at the end of September.

The group, formed as a result of LRCI work inside the GDR intersecting with the struggles of comrades breaking from the influence of Stalinism and degenerate centrist "Trotskyism", has established itself as a sympathising section of the LRCI. In the coming months it will work together with the existing German section of the LRCI in the west towards a refounded all-German section of our international tendency. The resolutions and articles published here reflect the firm political foundation on which the LRCI's work in Germany will be based.

One of the most important consequences of the collapse of Stalinism has been the reawakening of the Soviet labour movement, and the creation of new independent trade unions. In Britain the left has been active in organising a series of visits by representatives of the new Soviet labour movement, so that rank and file trade unionists from Britain and the USSR can discuss and learn from each others' experiences.

Of course, such a solidarity project is not without its dangers. The new Soviet trade unions are not led by revolutionary communists. On the contrary, awakening politically from the long night of Stalinism

there is a spontaneous tendency to absorb the worst prejudices and illusions in capitalist values—parliamentarism and the market. Naturally, therefore, in the struggle to shape the embryonic workers' movement western revolutionaries will often find themselves in disagreement with those for whom they are organising a speaking tour.

This is precisely what happened to the comrades of our British section, Workers Power, during the visit of one Yuri Butchenko. After a promising start to the tour Butchenko chose to operate as a tool of right wing witch-hunters. Despite our disavowal of the man and his tour when this became clear, the actions of our British comrades have been subject to a tirade of abuse and calumnies in the centrist left press. We take this opportunity to set the record straight.

Our readers will note that another organisation—the Revolutionary Trotskyist Tendency (USA)—has entered into fraternal relations with us after a long period of discussion. It has published its first journal and is at the time of writing intervening energetically inside the growing movement against the USA's intervention into the Gulf. Another group—the Communist Left of New Zealand—are presently engaged in serious discussions with us, on the basis of our intervention in the class struggle and our position documents, notably *The Trotskyist Manifesto.*

Ensuring contact between our sections and discussion partners, producing our journals regularly and maintaining the international centre all cost vast amounts in money, time and effort. We have no hesitation in appealing to all our readers throughout the world to help us in this task. Take out a subscription to *Trotskyist International* and to the publications of our sections, make a donation to the LRCI, but most of all, enter into discussions with us, join us. World imperialism has drawn a line in the desert in an attempt to stamp its mark on the new decade. Help us ensure that the new imperialist order is indeed built on sand.

From Cold War to new imperialist order

World politics and economics from the 1960s to the 1990s

From the end of the long boom to Reaganomics

Resolution adopted by the International Executive Committee of the LRCI, July 1990

The decline of US imperialism

For some twenty years after the Second World War the USA was the unchallenged leading economic power in the capitalist world. It supervised and underwrote the reconstruction of European and Japanese imperialism as a bulwark against Stalinist influence.

Its multinationals ruthlessly penetrated and exploited the semi-colonial world and dominated the European and Japanese markets. The USA exercised absolute hegemony and supervised a tripling of world output in 25 years.

By the late 1960s the contradictions embedded in this leadership role broke to the surface and destroyed the absolute economic rule of US imperialism. The massive export of US dollars, which financed European and Japanese growth, unwittingly re-created rivals as well as allies. Under-investment inside the USA caused a relative decline in its output and trading position. In time this gave rise to a balance of payments and trade crisis.

The attempt to avert this crisis while sustaining a world military presence and fighting a costly war in Vietnam led to the abuse of the printing press to print dollars and thus to escalating inflation.

European countries holding dollar reserves refused to maintain the devalued dollar and bought gold. The declining fortunes of US imperialism meant that it could not maintain the fixed dollar-gold exchange rate and so abandoned it, together with global monetary stability, in the period 1971-73.

During the course of the 1970s the USA adopted an aggressive unilateralist attitude to its rivals in Europe and Japan. By its actions the US government destabilised world economic relations. Between 1971 and 1978 the USA manipulated the exchange rates to devalue the dollar and restore its own export competitiveness.

But in the same period its industrial productivity continued to fall away badly while that of Japan, and especially of West Germany, improved considerably. By the late 1970s the USA was in a slightly better position compared to Europe but in a worse position relative to Japan.

Europe versus America in the 1970s

Throughout the long boom the USA had encouraged the growth of a strong European imperialist market for US goods and capital. During this period the key economic alliance for the North American giant ceased to be with Britain and became that with West Germany. But West Germany eventually developed into a strong competitor for the USA in the world market. Europe had grown at 6% a year in the decade before 1973 and had seen its share of world GDP go up from 11% to 15% while the US share fell from 40% to 30%.

The rupture in the early 1970s was prompted by the inflationary policies of the USA. West Germany refused to support the dollar when it was being used as a weapon to defraud those who held it. The USA retaliated against this lack of support with a vigorous devaluation and an export drive, including a demand that Europe purchase more US arms.

One conflict begat another: over agricultural subsidies, over energy policy towards the Middle East, over German penetration of South America. The Carter adminstration's attempts to seek economic co-operation between Europe and USA during 1977 and 1978 foundered on these conflicts.

Europe versus itself in the 1970s

As the long boom ended, serious problems arose in making progress towards federation or unity in Europe, as had originally been envisaged in the Treaty of Rome (1958). The European multinationals were very slow to emerge during the post-war period, and the early political impetus for unity, stemming from the memory of the war, began to falter. As the Cold War weakened during the 1960s, so too did the negative political bond that tied the European economies to-

gether. As the boom progressed so too did the distinct and uneven development of each particular economy, giving rise to conflicting national interests. West Germany became the biggest and most productive economy, dominating the European market and rivaling Britain as a capital exporter.

The "Luxemburg compromise" of 1965 was a decisive step away from federation and back towards purely inter-governmental collaboration and conflict. In 1969 the European imperialists set themselves the goal of economic and monetary union by 1980. But the disruption of economic relations by the recessions of the 1970s made progress impossible.

The abandonment of the Bretton Woods gold standard in 1971 gave rise to wild fluctuations between the levels of European currencies. Despite a formal commitment to monetary union, most governments feared being tied to the superior West German economy and thus being converted into its fiefdoms. There was no co-ordinated EEC response to the 1973-75 recession.

By 1977 the crisis of the EEC budget and farm price support policy gave rise to further disunity between member states. In the absence of strong political leadership pushing towards unity or federation market forces were leading further away from integration. No strong leadership transcending the national governments was forthcoming in the 1970s. The Council of Ministers was all-powerful over the Commission and became the battleground for representatives of the major European imperialist powers, each hemmed in by rigid national mandates.

Thus the EEC members approached the 1979 recession seriously at odds with one another and unable to articulate a common set of interests in opposition to the USA. The consequence of this policy became clear in the 1970s as Europe declined relative to the USA, and even more so with regard to Japan.

Japan: a power in the making

The long boom ended with only two major centres of the world capitalist economy, as measured in terms of economic size and political power—the USA and Europe. Yet under the spur of the USA, Japan had grown impressively in the 1950s and 60s.

In a sustained spurt of productivity and export-led development Japan had progressed from textiles to consumer electronics and had undertaken sizeable multinational penetration of East Asia, as well as beginning to dominate certain sectors of the world market for these goods. But it was not yet a world economic power.

Japan reacted to the 1973-75 recession by making major structural changes in its industry. Hit hard by soaring energy costs it compensated by a major development of, and export drive in, high technology goods.

During the recession and recovery of the 1970s Japan increased its world share of manufactures by 50%. In the context of a global contraction Japan's rate for new capital investment declined dramatically in the 1970s compared to that of Europe and of the USA. But despite this temporary setback Japan proved to have enormous built in advantages over its North American and West European rivals.

Japan increased its competitiveness by social security, armaments and low levels of environmental protection. Japan's defence expenditure was only 1% of its total budget as compared with the figure of 10—20% for most of its competitors. Its industry was not hampered by the need to spend money on environmental safeguards, with the result that Japan is one of the worst polluters and the most anti-ecological countries in the world. The Japanese ruling class has achieved an almost monolithic political unity within its own ranks: the Liberal Party has a forty year unbroken grip on power.

Japan's advantages included a high degree of interlocking between state and finance capital in the form of privately-funded research, government-controlled low interest rates and barriers to entry into Japan's commodity and capital markets. Thus armed, Japan was able to steal a march over its federal and "welfare-burdened" rivals in the field of product innovation and application, marketing, exploitation and productivity. Hence it had improved its industrial and market position substantially by the end of the 1970s.

Differentiation in the semi-colonies

During the twenty or so boom years after World War Two the semi-colonies also experienced growth and many countries saw significant transformations in the structure of their economies, especially their exports. But there was a great unevenness. In some cases (Central America, parts of Africa and East Asia) local oligarchies, together with foreign owned multinationals, exploited the raw materials of these countries to meet the demand from imperialism. In other countries—especially in Latin America and India—state capitalist regimes sought to build up native manufacturing behind protectionist barriers and to increase their internal market via a substantial growth in the working class.

Although these countries were unable to break their dependency on imperialism for capital goods, they did experience substantial economic growth. Nevertheless, the gap in per capita income and in the terms of trade (i.e. the relative gap between imperialism and the semi-colonies) continued to widen during the boom.

It was the one-sided course of the boom itself, rather than its end, that seriously disrupted those economies of Latin America which had gone furthest in the pursuit of indigenous industrial development. None had broken their reliance on the export of primary products. When the relative prices of primary products compared to the cost of capital goods fell during the boom, these countries were still obliged to import capital goods in order to foster development.

Massive balance of payments crises eventually hit one country after another. From the mid-1960s to mid-1970s many regimes faced growing discontent from the land-hungry masses and the urban poor. In response, their ruling classes resorted to installing



A grieving Vietnamese mother and her child, victims of the US war machine

military and Bonapartist dictatorships, the preferred agency of stabilisation. These dictatorships were often used also to open up the economy to exploitation by the multinationals.

By contrast, the 1960s witnessed a few countries—especially in East Asia—lacking an internal market but possessing cheap labour, military regimes and a good infrastructure, beginning to develop subsidiaries of multinationals which produced goods for re-export.

The reaction of finance capital to the recession of the mid-1970s spurred on the development of certain semi-colonies, especially in Latin America. As the multinationals restructured their industries, investment in the semi-colonies increased to twice the level inside the imperialist countries. This caused even further differentiation within the semi-colonial world.

During the post-war years huge oil revenues had accrued to what were originally semi-feudal regimes in the Middle East. This process turned these countries into semi-colonial *rentier* states, incapable of internal productive investment and obliged to place their vast funds with the commercial banks. In turn, the banks re-cycled this capital in the form of loans, especially to trusted military regimes in Latin America, with aim of creating markets for the recession-hit industries of the imperialist countries.

In the wake of the mid-1970s recession industrial restructuring—especially by the USA and Japan—led to the further relocation of labour-intensive industry in certain semi-colonies, notably in East Asia, and to the further growth of a modern proletariat. In the 1960s certain semi-colonies witnessed a substantial agrarian reform programme which released peasants for urban development and accelerated the productivity of capitalist agriculture. Despite impressive growth rates in these countries in the second half of the 1970s, however, enormous problems were building up.

Mounting debt could only be serviced by a continued high level of economic development, especially in the export sector. But the relatively weak recovery of 1976-79 barely sustained this sector and the recession which followed was to devastate it. Most of the countries of the semi-colonial world declined in the post-1973 period, suffering from the collapse of non-oil commodity prices and not benefiting from inward investment.

Beyond uneven development

The years 1969-73 were a major watershed in the world capitalist economy. The years before and after can be designated distinct periods in the imperialist epoch. These five years encompass the first significant US recession, a major acceleration in inflation, the end of fixed exchange rates, the declaration of economic unilateralism by the USA and the first generalised world economic recession of the post-war era.

Before these years US imperialism was absolutely dominant; after them it was only relatively so, the first among equals.

Before this transition period the USA could sustain world growth unilaterally; after this period it could do so only with the co-operation of first Europe, and later of Japan.

These years marked a watershed in other respects. Before this period, growth in the OECD countries was sustained, high and without significant inflation: in the 1960s world trade grew at 8% a year, compared with only 3% between 1973 and 1981.

Growth rates for the imperialist countries over the last two decades have been at around half the rate of the two decades before 1973. Moreover, even at this lower level, growth was accompanied by massive inflation, the average level of the 1970s being three times that of the previous two decades.

Profitability, whether measured in terms of proportion of national income or rate of return on commercial and industrial capital, also suffered a major decline in the 1970s. With the exception of Japan the

average rate of return on capital for OECD countries was between half and two-thirds that of the pre-1973 period.

Faced with these problems of production, profitability, trade and financial instability, the political leadership of the various national bourgeoisies were unable to find common ground for a united attack upon their working classes in the second half of the 1970s. They needed to co-ordinate their fiscal, monetary and trading policies to their mutual benefit on the basis of reshaped relations of exploitation.

The ending of fixed exchange rates, together with a massive influx of new OPEC funds into the commercial banks, gave rise to a qualitative leap in the internationalisation of finance, banking and equities which was outside of the control of national governments and central banks. This added to instability and increased the problems of policy co-ordination.

Placed on the defensive by a strong working class and saddled with governments that reflected the Keynesian, reflationary orthodoxy of the boom years long after the boom had gone, the various imperialist nations were forced into state capitalist policies to rescue ailing private capital. Unable to confront their own workers at home, they were forced to offload the costs of their recovery onto the backs of their rivals.

World politics from Vietnam to Reagan

Confrontation between the USA and the USSR

The years of the long boom were also the years of the "American Century". After the first Cold War, with its associated "losses" for world capitalism, the USA created a military cordon sanitaire around the degenerate workers' states through NATO, CENTO and SEATO.

The development of the H-bomb and intercontinental delivery systems led to a stand-off in strategic terms from 1957 onwards. The Soviet bureaucracy offset its encirclement by seeking friendly relations with bourgeois nationalist regimes: Nasser in Egypt, the Ba'athists in Syria and Iraq, Nehru in India and Sukarno in Indonesia. The Non-Aligned Movement helped to break the isolation of the USSR and China.

The Cuban Revolution was used by Khruschev to plant missiles ninety miles from the USA. This led to a humiliating climbdown by the USSR which, in turn, had a threefold effect.

Firstly, Cuba, which had not been consulted about the withdrawal of the missiles, reacted by pursuing an independent policy of trying to stimulate guerrilla struggles in Latin America, and even in Africa, between 1966-68. Secondly, China deepened its split with the USSR and, for a while, posed itself as a radical alternative pole within Stalinism.

Finally, the Soviet bureaucracy began an armaments programme, the aim of which was to achieve parity with the USA in order to avoid nuclear blackmail in the future and also to avoid the need for adventures and forced retreats like Cuba. Nevertheless the Kremlin lost its unchallenged "leading role" within world Stalinism.

The effect of the "loss of Cuba" on US policy was two-fold. Kennedy, with his "Alliance for Progress", tried to stimulate conservative reformers in the semi-colonial world to carry out land reform and development projects in order to undercut the social base of "communist" insurgency. But civilian reform governments often proved unstable and the CIA turned to the imposition of military dictatorships.

In 1964, Goulart was ousted in Brazil and the country was converted into a US gendarme for South America, with spin-off coups in adjacent Latin American countries over the next five years. In the Congo, Lumumba was murdered and replaced by Mobuto. In Indonesia, Sukarno was overthrown and the Indonesian CP (PKI) was massacred. A series of regional US gendarmes heading brutal military dictatorships was promoted.

The overthrow of Diem in South Vietnam (1963) was also part of this process. But Vietnam proved to be one coup too many. The US "advisers" were soon replaced by more and more combat troops until by 1968 there were half a million. North Vietnam provided an influx of regulars and the war reached massive proportions with the Tet Offensive of 1968. Between 1968 and 1970 the USA anti-war movement made the deployment of more ground troops impossible.

The USA was thus obliged to try a policy of "Vietnamisation" coupled with massive bombing of Cambodia and Laos and the mining of the North's harbours. Despite huge expenditure this also failed. By 1972 it was clear that another strategy was necessary. Thus was born the Kissinger-Nixon *détente*—concessions to the Soviet and Chinese rivals in return for their good offices in strangling and restraining revolutions in the semi-colonial world. Even then nothing could save Vietnam, Laos and Cambodia, which were finally lost to US imperialism in 1975.

Resurgence of class struggle in Europe

The impact of the USA's humiliation in Vietnam, coupled with the economic effects of the end of the long boom, stimulated democratic, anti-war and class struggles on a world-wide scale not seen since the onset of the Cold War. In the USA the black movement and the student anti-war movement were radicalised but met with little response from, and made few connections with, the working class. In Japan the militant student movement was also socially isolated.

But in Europe a connection was made, symbolised

by the May-June 1968 demonstrations and the ten million strong general strike in France. In 1969 in Britain and Italy waves of rank and file-led strikes ruptured the class peace of the boom years. Social democracy was discredited by its conservatism and slavish loyalty to the USA. The Wilson Government in Britain and the Grand Coalition in the Federal German Republic drove young workers and students to the left, to extra-parliamentary opposition and into sizeable centrist parties and groups.

In Italy and Britain shop stewards' movements and factory committees radicalised and expanded trade union activity. From 1968-75 Italian workers pushed up their real wages to general European levels, achieved considerable social welfare gains and almost forced a unification of the politically divided union federations. All these concessions were forced from a weakened Christian Democracy.

In Portugal in 1974 a militant junior officers' movement spearheaded the destruction of the Caetano dictatorship. Attempts by the High Command to terminate the activity of the Armed Forces Movement (MFA) by counter-coups produced massive fraternisation between the working class and the rank and file soldiers. An embryonic dual power situation existed from March 1975 to December/January 1975-76.

Marked by land seizures, factory occupations and workers' control, this first fully revolutionary situation in Europe since the immediate post-war period was the high-point of the radicalisation in Europe in the early 1970s. But although the monopoly of the reformist parties and trade unions was shaken, it was not broken. In part this was because the centrist forces did not know how to change the situation: they adopted sectarian tactics, regarding the Social Democratic and Communist Parties as merely bourgeois parties.

They were unprepared for the "left turn" of the European Social Democracies or for the Stalinists' criticisms of the CPSU, which was deeply discredited by events in Czechoslovakia and Poland. The Communist, Social Democratic and Labour Parties were not only able to argue for peace in Vietnam and to espouse workers' participation, they were able to offer the prospect of taking power (i.e. office). Millions of workers and students developed illusions in the project of a reformist government.

The decisive stimulus to the revival of reformism in its leftist disguise was the crisis of 1974-75. The European bourgeoisie, frightened by class struggles and the evident end of the long boom, resorted to reformist governments, to coalitions or to accepting a bigger public role for the reformists. Social democratic governments—Schmidt in Federal Germany, Wilson in Britain, Soares in Portugal—demobilised and disoriented the labour movement and isolated the more combative elements.

In Spain and Italy, the Eurocommunist CP's did not achieve "power" but nevertheless performed the role of restraining the workers whilst conservative governments "solved" the crisis at the expense of the working class. When the job was done, around 1979, the bourgeoisie drove their erstwhile lackeys into the political wilderness.

In Europe, then, the first half of the 1970s was marked by radicalisation, spontaneity, rank and file struggles and left and centrist ferment. The second half saw reformism regain the initiative with left phrases, then break the impetus of the working-class fightback against the economic crisis. It did this by its usual implementation of Keynesian counter-cyclical measures and, when these produced inflation and huge tax increases, by resorting to cuts and austerity programmes. A partial exception to this was France, where the warfare between a reborn Socialist Party (PS) and the Communist Party (PCF) obstructed PS electoral success and delayed and telescoped this process into the early 1980s.

The rise of the workers' and students' mobilisations after 1968 and the armed struggle in Indo-China also led to the development of a wave of nationalist movements in Europe (the Basques, Gallicians, Irish etc), around demands based on unfulfilled national aspirations. Because of their bourgeois or petit bourgeois leadership, these movements could only end in compromise or capitulation to the imperialist state.

Movements also developed which resorted to selective terrorism. Vanguard armed elites sought to electrify the masses and shake them out of their quiescence via spectacular actions. As in the past, petit bourgeois voluntarism scorned the proletariat and its methods and strategy of struggle. These currents were structured either around a nationalist ideological basis (IRA, ETA), or a "Marxist" one (the Red Brigades in Italy and the RAF in West Germany etc). The majority of these groups were annihilated by the state. The ETA and the IRA survived in a weakened condition.

US imperialism on the offensive

In 1968 Brezhnev crushed the Prague Spring and enunciated his doctrine of "limited sovereignty" and the right of the USSR to intervene to "preserve socialism". This had a powerful effect throughout Europe, east and west. In the west, it fuelled Trotskyist, Maoist and libertarian currents and minimalised the influence of the hard-line Stalinists in the ranks of the youth and younger shop-floor militants. In Eastern Europe, especially in Poland, it fuelled student (1968) and then worker (1970) resistance, bringing about the fall of Gomulka.

In the USSR it initiated the first semi-public movement of opposition: the varied dissidents who, although subject to severe repression, survived thanks to the *détente* period of pressure for human rights via the Helsinki agreement. Most of this opposition was bourgeois nationalist or Zionist in character but it created an underground press (*samizdat*) and a ferment among the intelligentsia.

On a world scale, however, the Soviet bureaucracy was at the pinnacle of its influence and power. Despite the rivalry with China in the 1960s and armed clashes on the border in 1969, the USSR maintained its influence over most sectors of the semi-colonial world. It strengthened its role in Egypt after 1967, extended it to Aden and Somalia after 1971 and gained

influence in Southern Africa after the collapse of Portuguese rule in 1974-75. This was especially so in Angola, the weakest and most divided of the liberation movements: to ensure MPLA survival against UNITA, Cuban troops were sent in force in 1975.

The entry of the Soviet Navy into the Indian Ocean and the victory of its Indian allies over the US gendarme, Pakistan, in 1971 with the secession of Bangladesh, made the USSR an influential force in the Middle East, South East Asia and Africa. The USA, tied down in Vietnam until 1973 and then suffering internally from the "Vietnam Syndrome" (i.e. unwillingness of both population and Congress to envisage any direct US military involvement abroad), was unable to take much effective action against semi-colonial revolutions in the mid-1970s except in Latin America.

Because of its weakness, the USA was forced into a policy of *détente*. Nixon and Kissinger sought to offset the USA's inability to maintain interventions throughout the globe against the growth of "communism" by stimulating competition for US favours between China and the USSR. In 1972 Nixon and Brezhnev signed SALT 1 which recognised the existence of Soviet nuclear parity. Negotiations started on SALT 2 and went on from 1973 to 1979, when Carter initialled the agreement but Congress refused to ratify it.

The USA's loss of strategic superiority was to become a focus of right wing pressure and campaigning from the late 1970s, and finally resulted in the massive re-armament drive under Reagan. But in the mid-1970s this loss was accepted with little resistance. The reason for this was that the USA was unable to undertake a big arms spending programme, unable to intervene militarily against semi-colonial revolutions and was desperately in need of Soviet and Chinese bureaucratic aid to stabilise the world order in the aftermath of Vietnam.

The Soviet bureaucracy undertook a re-evaluation of its position, adopting a more "adventurist" policy in the semi-colonial world. From the mid-1960s to the end of the decade the USSR had looked to bourgeois nationalist regimes as its main allies in the semi-colonial world, but it had suffered notable reverses in Iraq, Indonesia and Benin and was later to do so again in Egypt. By the mid-1970s Cuba—much admired and emulated in the semi-colonial countries—seemed a more useful ally for Soviet foreign policy. In Ethiopia, Angola, South Yemen and Mozambique left-Bonapartist military coups or the victory of guerrillaist regimes resulted in one party states with "Marxist-Leninist" ideologies and a pro-Soviet orientation.

The Brezhnevite ideologists, whilst not considering these countries to be "socialist" countries (which would have entitled them to be protected by the Soviet Armed Forces if necessary), did categorise them as "states of a socialist orientation", giving them arms, advisers and a certain limited protection, and even surrogate intervention from Cuba. Whilst Moscow lost Sadat's Egypt it did gain Gaddafi's Libya as a Mediterranean foothold and strengthened its military alliance with Syria and the PLO.

The period of détente from 1972-78 was not a period of stability, whatever the wishes of US imperialism and the Soviet bureaucracy. Revolutionary struggles continued and even resulted in victories for indigenous Stalinism (Vietnam, Laos and Kampuchea in 1975), and for petit bourgeois nationalism with a Stalinist colouration (Angola, Mozambique, Guinea-Bissau, Somalia, and Ethiopia). Bourgeois "socialist" regimes were created or consolidated in Syria, South Yemen, Burma and Bangladesh. These regimes were based on one party dictatorships and strong state intervention in the economy. During the same period, anti-imperialist guerrilla movements developed in Palestine and Lebanon.

The growth of struggles in Latin America

In Latin America the late 1960s and early 1970s saw an upsurge of nationalist resistance to US imperialism. In Peru, Bolivia and Panama bourgeois nationalist governments came to power and in Chile the Popular Unity popular front government took office. In their limited confrontations with imperialism these governments tried to mobilise and control the masses whilst getting closer to Cuba and the USSR. In Panama the Torrijos dictatorship sought to mobilise and channel popular opposition to US control of the canal and to demand its nationalisation.

In 1968 Velasco took power in Peru by a military coup. He nationalised the oil industry, the mining complex in the centre of the country and dozens of companies (banks, fishing industries, mining, newspapers, etc), and set up the "industrial community" through which a minor class collaborationist workers' participation scheme was allowed. The latifundia were broken up and various types of agricultural cooperatives were created. This agrarian reform excluded large sections of the peasant communities and it did not touch the capitalist structures of credit, commercialisation, technological supply and the market. It ended by creating new chains of oppression.

As with any bourgeois nationalist movement that attacks imperialism, "Velascoism" ended up subordinating itself to the USA in order to defend the bourgeois system from a proletarian offensive. Nationalist dictatorships always persecute the workers and with the overthrow of Velasco in 1975 by Morales' military coup this persecution was reinforced. In 1977-80 the country went through a revolutionary period. General strikes forced the military to hold elections for a constituent assembly in 1978.

The left forces won a third of the seats and the "Trotskyists" around Hugo Blanco were the leading force in the left electoral bloc. Instead of calling for and helping to build workers' councils they indulged in the purest electoral cretinism. Turning their back on the mass struggles, the left electoral bloc split into five mini-blocs thus handing the masses over to Belaunde, the bourgeois candidate, who carried through pro-IMF austerity measures.

The Velasco "revolution" in Peru had repercussions in Bolivia. In 1969 General Ovando, who was the co-organiser of the reactionary dictatorship installed in 1964, took the presidency. In a nationalist turn similar to that of Velasco he nationalised the oil industry. In

1970 the masses organised a general strike that smashed an attempted right wing military coup. The result was the weak left Bonapartist regime of General Torres.

The workers' mobilisations were so powerful as to give birth to a Popular Assembly in May 1971. This organisation inaugurated a period of dual power but it lacked a soviet-type structure with delegates elected and recalled by the rank and file. Furthermore the parties that formed the Popular Assembly were popular frontist in programme and practice. Lechin, the Bolivian Communist Party and its centrist ally Lora wanted to enter Torres' bourgeois government. They approved the stageist political programme of the COB in 1970, generating wide illusions that the Bolivian Armed Forces could be "Bolivianised" and block the road to reaction. They also reduced proletarian demands to purely economic ones plus participation in management.

As a result the subsequent coup by Banzer succeeded and was consolidated thanks to the left, which had created illusions in the "patriotic" officers of the armed forces. Banzer's dictatorship led to the creation of the FRA, a popular front in exile subordinated to bourgeois nationalism.

The defeats in Chile and Argentina

Large working class struggles took place in Argentina and Chile. In May 1969, insurrectional general strikes hit the large industrial cities of Cordoba and Rosario. In 1971 a second movement in Cordoba heralded the collapse of the Argentinian military dictatorship which had been installed in 1966. The period 1969-72 was punctuated by mass class struggles and the emergence of an anti-bureaucratic leadership in the unions, composed largely of Maoists and "Independent" or "Combative" Peronists.

Their inability to create a working class political party enabled Peron and the Peronist bureaucracy to capitalise on and take over the movement. The result was another Peronist regime, that of Campora, General Peron (and, after his death, of Isabel Peron) which was in power from 1973-76. Argentina was wracked by economic crisis and class struggle. A mass left Peronist youth movement developed with a guerrilla wing, the Montoneros. The right wing mobilised through the army which sponsored "anti-communist" death squads. The lack of a working class solution led to Videla's coup in 1976 and the years of the "dirty war" and the "disappearances".

In Chile the Popular Unity government, elected in 1970, elicited massive working class and peasant mobilisations which pressured Allende into nationalising key sectors of the economy against the resistance of the Chilean Congress. Workers and peasants seized and occupied factories and land. Significant sectors of the petit bourgeoisie turned against the government and a period of working class and petit bourgeois mobilisation and counter-mobilisation paralysed the state and the economy.

Whilst Popular Unity was clearly a popular front, Allende had demagogically promised an "Advance Towards Socialism" along a specific Chilean road which was neither communist nor social democratic. The nationalisation of copper proved to be the crucial turning point. The USA and its financial institutions effectively blockaded Chile, whilst the CIA ordered the only too willing Chilean military into organising the bloody coup of September 1973. The large centrist forces that had arisen in Chile—the MIR etc—despite their guerrillaism, supported the popular front from the left and failed to call for a working class offensive to make a coup impossible. Caught on the defensive the Chilean labour movement suffered a historic defeat which it was not able to overcome for over 15 years.

The radical regimes and revolutionary movements of the late 1960s and early 1970s all had as their aim a statist development strategy based on the nationalisation of imperialist holdings. This programme was essentially a development of the import substitution industrialisation strategy worked out by bourgeois nationalists in the early 1960s but which had been sabotaged by military *coups d'état* and by IMF intervention. The lesson that radical petit bourgeois movements had drawn from their previous experience was reinforced by events in Chile: they considered it necessary to seize control of the state and install a one party system in order to carry out a development project based on land reform, literacy and health campaigns coupled with state capitalist industrialisation.

This course was only viable in the more backward semi-colonial states where a large peasantry and an unresolved land question enabled weak and corrupt pro-imperialist regimes or colonial administrations to be toppled. When this strategy was attempted in countries like Chile or Argentina, in however marginal a manner, it simply reinforced the débâcle of reformism and led to the installation of a new wave of right wing dictatorships. In Chile the result was the first experiment of the Friedmanite open door policy under Pinochet's "Chicago Boys".

Limited economic successes in some semi-colonies

There were some limited and partial exceptions to the failure of this strategy. In the 1960s and early 1970s Egypt, with Soviet aid and assistance, created an industrial base and infrastructure largely by state capitalist measures. The main result was the strengthening of the Egyptian proletariat. However, by the mid-1970s Sadat was determined to open (*infitah*) Egypt to imperialist investment, that is, to loans and massive indebtedness. This caused a series of bitter and bloody struggles with students and workers in the late 1970s.

Another partial and limited success for state capitalism was India, where the period of state capitalist sponsored growth gave the country a powerful industrial base. The "Green Revolution" in the Punjab created a powerful kulak class but also enabled the population to avoid severe famines for the first time in history. In the early 1970s India's "one party democracy" seemed stable under the Nehru

dynasty. However, the oil crisis hit India very hard and by 1975 Indira Gandhi had introduced a state of emergency, frozen wages, banned strikes and imprisoned trade unionists.

This situation— unusually repressive for India— resulted in the short-lived Janata regime (1977-79) after which the Gandhi dynasty was restored. Its subsequent rule was based upon a cynical exploitation of national and communal antagonisms. This short-sighted policy was to cost it dear in the 1980s.

The real economic success story of the 1970s was that of the "Little Tigers" (South Korea, Taiwan, Singapore and Hong Kong). Taking advantage of a large and reasonably educated workforce, weak or non-existent trade unions and a consequent high rate of exploitation relative to Japanese and western workers, these countries became the site for industrial expansion by the multinationals, which created locally-based subsidiaries.

The political prerequisite for this development based on super-exploitation was the existence of a series of vicious military regimes: Park in South Korea, Chiang and his successors in Taiwan, the authoritarian governments of Lee Kuan Yew in Singapore and the undemocratic Crown Colony regime in Hong Kong. These states were also all redoubts against the advance of the Stalinists in the Far East, and had received huge military and economic investment, notably from US and Japanese imperialism. They became a real paradise for the imperialists, with huge tax reliefs and extremely favourable anti-worker legislation.

Low costs facilitated high profits for repatriation to the imperialist heartlands. These enclaves also developed markets in the most populous zones of the planet in the period before China and Indo-China were opened up. Under US pressure, Japan began to play a more forward economic role in the region as capitalism expanded in the Pacific rim.

US-Soviet relations: from *détente* to Cold War

The main inspirer and protagonist of US foreign policy in the years 1969-76 was Henry Kissinger. He held office throughout this period, first as National Security Adviser to Nixon and then as Secretary of State under Ford. The objectives of his policy of *détente* were fourfold. He sought to end the involvement of US forces in Indochina whilst "saving" the region from communism, to halt or slow down the Soviet advance towards nuclear strategic parity, to restore internal social peace and ideological hegemony for the US ruling class and to concentrate on restoring the world economic primacy of the USA.

Kissinger succeeded with SALT 1 and the withdrawal from Vietnam but was unable to prevent the loss of Cambodia, South Vietnam and what was left of Laos. The great failure of the strategy was the USA's inability to extract what the imperialists termed "linkage" from the Soviet bureaucracy. This involved Soviet good behaviour in other theatres of world conflict, most importantly in the Middle East and in southern and eastern Africa.



President Carter—Intended to deepen *détente*

No longer subject to nuclear blackmail, the Soviet bureaucracy did not sever its links or liquidate its prestige with semi-colonial bourgeois regimes and with petit bourgeois nationalist liberation struggles. Wherever decisive clashes between such movements and imperialism threatened to disrupt vital Soviet interests, the USSR urged restraint (e.g. with Sadat in 1973). But it did not halt or reverse all anti-imperialist struggles. In short, it did not relinquish its role as the second superpower, as Kissinger had effectively demanded in order to allow the USA to regain its absolute hegemony.

Although *détente* was unsuccessful in Asia and Africa it had far greater success in Europe. The Helsinki Agreements (1975) between the USA and the USSR involved access for imperialist propaganda, economic links that promoted the integration of some East European economies into the world market and gave the USA and the EEC the pretext of "human rights" to stimulate the growth of opposition. The growth of Solidarnosc at the end of the decade was a product of this.

Carter, who became President in January 1977, intended to deepen and extend *détente*. He emphasised the "human rights" side of the policy, appointing ex-Martin Luther King lieutenant Andrew Young as his UN ambassador. The restrictions on the CIA and the covert activities of US embassies, especially in Latin America, meant that there was no longer clear-cut US support for the dictatorships that they had installed or sustained over the previous decade.

A process of liberalisation began in many countries. In some cases popular mass movements took advantage of this. Weakened dictatorships fought on, but were uncertain as to how much, if any, support they could expect. The years 1977-80 saw successful and unsuccessful movements to remove such dictatorships. The greatest blows for the USA were dealt by the victories of popular insurgence in Iran (1978-79), in Nicaragua (1979), in Grenada (1980) and the negotiated end to white rule in Zimbabwe (1980).

The popularly supported PDPA coup of 27 April 1978 in Afghanistan reinforced the view within the US ruling class that they were losing the game of *détente*. They began to come to the conclusion that US imperialism's world empire of semi-colonies was more vulnerable than the Soviet Union's buffer zone.

The failure of *détente*, combined with the failure of Keynesian counter-cyclical measures (inflation, stagnation, no growth in the income of the working class and petit bourgeoisie), turned the tide within the US ruling class against both these strategies. The rise of the "New Right" during the Ford and Carter years was based on an alternative strategy to that originated by Kissinger. Its essential elements were: neoliberal economic measures; cuts in welfare spending, taxation and state regulation; an emphasis on anti-communism at home and abroad; a renewal of the Cold War and massive rearmament; an ideological offensive against the progressive movements of the 1960s (gay rights, abortion, equal rights etc) in the name of conservative, protestant, religious values.

The growth of the "new right" and its populist mass base, organised through the political action caucuses reflected a change in the social and economic balance within the USA itself.

There was a shift from the Rust Belt/North East, with its Europe-oriented economy and politics and its traditional alliance with labour, to the Sun Belts of the South and West coasts. Between 1970 and 1980 the population of the Sun Belts increased by over 20%, whilst that of the North East and mid-West rose by only 1%. The big corporations of the Sun Belt were Pacific and Latin American-oriented, "free labour" (non-union), closely linked to defence spending and many ties with far right regimes in Central and South America. In addition, the Zionist lobby moved further towards the new right camp and away from the liberal Democrats. The main force within the liberal Democrats became the strongly bourgeoisified Jackson movement.

Even within the Democrat fold the hard right was again on the march. The notorious Committee on the Present Danger, which prepared the new Cold War, was co-chaired by Lane Kirkland, head of the AFL-CIO union federation. Within the unions the catholic trade union network gained in strength.

By early 1978, after only a year in office, Carter was making moves towards a new Cold War policy. The US Senate became more and more hawkish and, whereas from 1970 to 1975 it had repeatedly cut defence budget requests, from 1978 it did the exact opposite. A hysterical debate greeted the proposal in Carter's Panama Canal Treaties to hand over the canal in the 1990s.

A tremendous press campaign ensued over the "Decline of US power (and what we can do about it)". The loss of Iran and Nicaragua led to the proclamation of the Carter Doctrine in January 1980. This promised US military intervention in any area of strategic importance to the USA and especially in the Gulf oilfields. The US Rapid Deployment Force was set up to carry this out. But the hapless Carter was unable to "do a Truman" and ensure that the Democrats monopolised the Cold War.

In large measure this was due to the occupation of the US embassy in Tehran. Both the last year of Carter's administration and the 1980 presidential election campaign were dominated by this long exercise in humiliation and impotent rage. Reagan's landslide was no surprise and with the resolution of the hostage crisis the new President was free to launch Reaganomics and the full scale new Cold War in January 1981.

The 1970s were a bad decade for US imperialism. It lost its absolute military hegemony over the USSR and its absolute economic hegemony over its imperialist allies and rivals. The semi-colonial world was wracked by revolutions and by "anti-imperialist" Bonapartist regimes which defied imperialist rule. Moreover, the USA failed to restore order with the aid of the Soviet and Chinese bureaucracies. But in 1981 it had achieved a unified command and purpose. It now had the will and the means to roll back Soviet and "anti-imperialist" gains, to re-establish its armed might and to put the Soviet bureaucracy back in its place.

From "new Cold War" to new détente: imperialism's counter-attack

The main success of the USA in the 1980s was to diminish the power and influence of the Soviet bureaucracy and to induce a prolonged and deep crisis in the degenerated workers' states. Capitalism's victories over the working classes of the imperialist states and its successful containment of struggles in the semi-colonial world have been less thoroughgoing and less permanent.

Furthermore, the crisis of the Stalinist bureaucracy is not solely, or even principally, a gain for imperialism since it opens up the real possibility of political revolution. It brings the Soviet, Chinese and Eastern

European working classes onto the stage of history once more, with all the world-shaking and world-transforming potential that they possess.

Eastern Europe under pressure

Imperialism always saw the East European buffer zone as the Achilles' heel of the Soviet system. The populations of these countries—including the working classes—had not voluntarily chosen incorporation into the Soviet bloc. It was easy for external and internal agents of imperialism to link together nationalist slogans, democratic aspirations and exasperation at the low standard of living caused by the malfunctioning of the bureaucratically planned economies.

Certain bureaucracies were desperate for economic expansion, notably those in Poland and Hungary, which had experienced political revolutionary crises. In 1971 and 1976 the Polish bureaucracy felt the workers' wrath at the massive price increases that were necessary to "rationalise" the economy.

Gierek turned to the western banks for huge loans and did deals with major imperialist companies such as Fiat and Massey Fergusson. His strategy was based on the hope that exports of cars, tractors and consumer durables would repay the debt, raise real wages and consumer spending and in the process create a modern technological base. The world crisis of 1974-75 revealed this to be an illusion. The result was a crippling accumulated foreign debt. Similar strategies produced similar, if not as pronounced, results in Hungary and Romania.

With the exception of Poland there were few signs of spontaneous resistance from the working class of the Eastern bloc from the end of the 1960s and through the next decade. There was certainly nothing to compare with the struggles of the period 1952-62, the high point of which was the Hungarian Revolution of 1956.

Opposition was limited principally to the intelligentsia. Currents such as those represented in the USSR by Plyush, Medvedev and Grigorenko were reformist in the sense that they basically accepted the Soviet system but sought democratic reforms. Brezhnev's crackdowns, first after the invasion of Czechoslovakia in 1968 then again at the end of the 1970s, fragmented the opposition and drove many into the arms of outright reactionary ideologies: Zionism, western "democratism" and Russian nationalism and mysticism. The years of *détente* between 1972-78 were marked by greater access for the foreign press, as allowed for in the Helsinki agreements. This in turn placed certain limits on repression. Although the regimes still drove oppositionists underground they did not destroy them.

In Poland an alternative, semi-legal forum for dissent existed in the shape of the church. The principle currents within this forum were the militant syndicalist traditions of dissent and organisation created by the workers' actions of 1956, 1971 and 1976; social democratic ideology among the intelligentsia, and the social teaching of the Catholic Church and the Polish nationalism of worker-oriented priests. Solidarnosc was born out of a hybridisation of these currents. The huge strikes and factory organisation gave the movement a working class character despite the bourgeois and petit bourgeois politics of the leaders.

Solidarnosc was born in the events of the summer of 1980. Inter-factory strike committees sprang up and mass strikes and occupations persisted for two months until the government surrendered and signed the Gdansk accords. This agreement recognised the right to form an independent trade union and the right to strike and conceded a string of improved conditions. Solidarnosc was formally a trade union with the factory committees as its base units. But in the context of the degenerate workers' state its role and political weight also gave it elements of the character of a political party, and the elements of workers' democracy within in it recalled an embryonic workers' council.

The Solidarnosc leadership drew the masses into negotiations with the bureaucracy, using barren Polish nationalism and wretched grovelling to the priests and the hierarchy as their stock-in-trade. The various opposition factions could not oppose this orientation. The result of this acute crisis of leadership was that the inter-strike committees, which were embryonic workers' councils, became atrophied. Despite its eight million members Solidarnosc's powers of resistance as a union movement were weak.

The government sensed that Solidarnosc had ceased to advance and that its members were confused and disoriented by the depth of the economic crisis. Realising that the leadership had no plan of action, the Stalinists launched the *coup d'état* of 13 December 1981 which suppressed the union and jailed its cadres.

This defeat demoralised and disorganised the syndicalist and social democratic elements, drove the militants into the protective embrace of the church and diminished the mass character of the union. The Solidarnosc experience signalled to the world bourgeoisie that they could find a uniquely powerful and unexpected ally within the degenerated workers' states—a labour movement led by social counter-revolutionaries. A new phase of the struggle was foreshadowed: the fight for the consciousness of the worker and peasant masses. In this imperialism sought the aid of workers' leaders in order to destroy the workers' states.

The question of Solidarnosc was rapidly taken up by Reagan, Thatcher and the Polish Pope. It became a pretext for tightening the embargo on new technology to the workers' states, for Cold War hysteria and for a re-armament drive. This included the Strategic Defence Initiative (Star Wars) which would prove to be ruinously expensive for the USSR as the Stalinist bureaucracy sought to keep pace.

Brezhnev died in 1982. In searching for a successor, the Soviet bureaucracy decided that corruption and graft had to be ended and discipline in production restored. The key role in this policy shift was played by the KGB, which was the most accurately informed sector of the bureaucracy with regard to imperialism's intentions, the state of the Soviet economy and the moods and tolerance levels of the Soviet masses.

Andropov was chosen to carry forward this plan but it met the tremendous passive resistance of the bureaucracy and he only lived for 14 months after taking office. The choice of the non-entity Chernenko as his successor represented the revenge of Brezhnevism. But this was to prove only a temporary victory: Chernenko's reign was even shorter than that of Andropov—a mere 13 months before the final journey to the Kremlin wall.

Afghanistan: imperialism pushes forward

Afghanistan was the most costly conflict of the new Cold War for the Stalinists. Reagan was able to exercise extremely effective pressure on the Soviet bureaucracy. Pakistan, a confessional state composed of four major nationalities, became a vital gendarme for the USA, especially after the Iranian revolution. It was and is the main indigenous policeman of the region with 500,000 men under arms, 10% of them seconded to the armed forces of the Gulf States and Saudi Arabia.

Under General Zia Pakistan became a favoured tool of US imperialism. Its reactionary but pro-imperialist islamic fundamentalism enabled it to marshal the tribal Pushtun armed rebellion in Afghanistan into a full-scale war against the Russian-backed PDPA regime, weakened as it was by a bloody factional struggle between its rival Stalinist wings. US expenditure on this reactionary project soared to over $7 billion after 1981.

Faced with the impending collapse of the pro-Soviet government the USSR invaded Afghanistan. Its immediate action was to replace Amin, the leader of the Khalq faction by Karmal, leader of the Parcham grouping. Moscow's aim was that Karmal would broaden the base of the regime by making concessions to the mullahs and the tribal chiefs. The project initially backfired as the Soviet invasion provided imperialism, Pakistan and the tribal rebellion with the rallying point for a spurious "Afghan National Resistance".

In the early stages the resistance had considerable successes as the Soviet troops acted out the traditional rôle of an occupying army. Subsequently, Soviet-directed measures to win over sections of tribal society and to rebuild the Afghan army began to take effect. The CIA responded by arming the Mujahedin with Stinger missiles, giving them an enormous advantage.

Gorbachev's accession in 1985 marked a change of Soviet strategy. From 1985 onwards Moscow sought to "Afghanise" the conflict and so find a basis upon which the troops could be withdrawn. The key aim of this policy was the creation of a stable and formally neutral regime which guaranteed representation of Soviet interests via the inclusion of the PDPA. Imperialism and Pakistan for their part were determined to achieve a regime friendly to Pakistan and the US.

Despite the Soviet withdrawal of 1988 they have continued the war, thus revealing the essentially aggressive and reactionary role of imperialism and its gendarme. Similarly, the progressive nature of the PDPA as against the reactionary Mujahedin, already apparent from the bloody civil war, has been reinforced by recent events. The whole episode has been staggeringly costly for this already impoverished and very backward country.

Imperialism's projects in Southern Africa and the Middle East

Imperialism's gendarmes also played crucial roles in destabilising or checking the advance of Soviet allies in Southern Africa and the Middle East. In both cases, superpower conflict was modified by the independent rôle and interests of the gendarme states, imperialist South Africa and the advanced semi-colony Israel.

In both cases imperialism was engaged in suppressing national liberation struggles (the South African revolutionary upheavals of 1984-86 and the Palestinian *intifadah* after 1987, the latter being inspired by the former). Both revolts had gained or maintained a degree of independence from either superpower rivalry or collusion.

The deals by Bush and Gorbachev, coupled with pressure on their allies and agents, have exerted a reactionary influence. In both cases, the struggles brought about a modification of the guerrilla strategy advanced by the bourgeois nationalist/Stalinist armed popular front.

The Palestine Liberation Organisation (PLO) increasingly abandoned its initial radical bourgeois nationalist claims. It accepted the existence of the Zionist state and sought only to have a less significant and powerless bourgeois mini-state on the West Bank and in Gaza.

In South Africa the African National Congress (ANC) developed the civilian popular front of the United Democratic Front with the clergy and the nascent black bourgeoisie. However, the real force behind the struggles since 1985 has been the new black trade union movement. The Stalinists were initially hostile towards the new unions because they feared their trajectory towards class independence and anti-capitalist goals. When unions like the metalworkers union and leaders like Moses Mayekiso called for a workers' charter and a workers' party the Stalinists were obliged to focus all their influence on winning over the new COSATU trade union federation to the *Freedom Charter*—that is, to playing a subordinate role in the popular front and accepting a stage of black bourgeois rule.

As Gorbachev turned towards making deals with imperialism the ANC's demagogic leftist talk had to be abandoned. The defeat represented by the imposition of the state of emergency in the summer of 1986 gave the ANC room to manoeuvre to the right, opening the door to some form of negotiations. Pressure on both sides from the Kremlin and the White House led to the De Klerk takeover and the 1989-90 period of *détente*. With Mandela released the return of the exiled leaders' and the partial ending of the state of emergency, the scene was set for negotiations to begin.

During the period 1986-89 there was a downturn in

the mass struggles. These years saw the decline of the syndicalist and black consciousness rivals of the ANC in the unions and in the youth and township organisations. The newly formed COSATU accepted the *Freedom Charter*. The "workerist" leaders abandoned their opposition to the *Charter* and in the process scuttled their project of independent workers' organisations and a workers' party.

The shift of the leaders of NUMSA and other trade unionists towards the South African Communist Party and the ANC alliance indicated the temporary triumph of popular frontism in the union movement. With these conquests behind it, the ANC entered into talks fully intending to settle for far less than the demands of the *Freedom Charter*. They were willing to accept continued white domination of finance, industry, and the land and to abandon the demand for equal universal suffrage in favour of guarantees to the privileged and oppressive white minority.

The road to an agreement is fraught with dangers for both the ANC and the Nationalist Party. The Pan-African Congress on the one hand, and the conservative hardliners in the Afrikaaner camp on the other, are waiting for the first false step from Mandela or De Klerk. The brutal thugs of the police force will be ready to unleash repeated provocations. The AWB fascists may likewise be a factor for de-stabilising the "peace process".

None of this, however, negates the fact that important class interests—those of South African, British and US imperialism, of the bourgeoisies of the front-line states and last, but not least, of the nascent black bourgeoisie in South Africa—all favour a compromise.

This would take the form of a pro-capitalist settlement which liquidates legal apartheid but leaves the black masses super-exploited, disadvantaged and politically oppressed. South African imperialism's major corporations (Anglo-American, De Beers etc) all have growing aspirations to dominate the resource-rich semi-colonial regimes of Southern Africa. The USA and Britain wish to see their African investments underwritten by a strong subaltern.

The Nicaraguan débâcle

Nicaragua was a further crucial theatre of the new Cold War. It was to prove a liability to Reagan both in Congress and in his relations with his European allies. Somoza's dictatorship crumbled in July 1979, resulting in the formation of the Government of National Reconstruction (GNR), a popular front between the "anti-Somoza" bourgeoisie and the FSLN. The FSLN's founders had been Stalinist-trained and Cuban-inspired. By 1979 they were dominated by the "Tercerista" faction (the Ortega brothers) who wanted an extended popular front, a democratic stage to the revolution.

The overthrow of Somoza destroyed the National Guard, armed the striking workers and peasants and created a dual power situation. The GNR and the FSLN initially repressed the independent unions, the Maoist and "Trotskyist" groups and set about incorporating and disarming the civil defence committees which had developed the characteristics of embryonic workers' councils.

From mid-1980 onwards pressure mounted from the workers and peasants for the nationalisation of industry and for land reform. The Sandinistas proved ineffective as direct agents and defenders of bourgeois and landowner property, so the US embassy and the church fomented bourgeois resistance and sabotage. After Reagan's inauguration the bourgeois figures left the government in increasing numbers and by July 1980 the Sandinistas held power alone.

In March 1981 the CIA allocated $19 million to fund the Contras and the war escalated. Events did not follow the Cuban road because neither the Russians nor the Cubans would financially and politically underwrite a bureaucratic social overturn or risk facing the wrath of US imperialism if they did. A "socialist state" would not be a strategic gain (as Khruschev thought Cuba would be in 1961-62) but a strategic liability. It would have incensed all the Latin American bourgeois states which were being courted by Cuba and the USSR.

Reagan categorised Nicaragua as a colony of the "Evil Empire" but he could not enforce a total blockade. Mexico and the Contadora Group, the Organisation of American States and the EC would not join an all out crusade. Once Gorbachev launched his peace campaign the Democratic Congress and Senate, incensed by Irangate, put a tourniquet on aid to the Contras. In 1988 they finally turned it off altogether.

The Contras were unable to gain a foothold inside the country, and eventually Reagan's project was dropped in favour of the strategy of pressurising the Sandinistas into economic and political compromises as proposed by the European imperialists, the US Democratic Party and the Central American states.

Nevertheless, the defeat of the Sandinistas in the March 1990 elections first and foremost represented a clear victory for US imperialism in Central America. The economic blockade, combined with the Contra war, had led to a growing economic crisis in the country. Given that the Sandinista government was committed to the preservation of capitalism, the costs of this crisis fell increasingly on the masses. Living standards fell dramatically and a series of austerity packages pushed up prices and led to tens of thousands of government jobs being cut.

Mass disillusion with the FSLN led to the election of the UNO, a 15-party right wing coalition which included the Communist Party and was led by Violetta Chamorro.

Chamorro's election victory and her subsequent attempts to erode the gains of the masses on employment and trade union rights, led to a series of important working class struggles against the government. These included a major general strike in July 1990 with barricades in the streets. The Sandinista leadership, seeking an informal coalition with UNO, was initially able to contain the struggles within a defensive framework.

This imperialist victory in Central America, together with the international retreat of the USSR, encouraged a new aggressiveness on the part of the



Bolivian miners have seen their industry smashed since 1985

USA in Latin America and elsewhere. Under the pretext of the fight against drug trafficking the US extended its police/military intervention, especially in Columbia, Bolivia and in Peru where it is establishing permanent army bases in collaboration with the government. The invasion of Panama to overthrow the government of Noriega and the increasing military and economic harassment of Cuba are just two more examples of the US's new offensive policy in the hemisphere.

Semi-colonies: from dictatorship to democratisation

During the 1980s the major imperialist powers not only changed their strategy in relation to the Soviet bureaucracy but also transformed their approach to dominating the semi-colonies. Reagan did not return to the old pre-Carter policy of fomenting coups and encouraging the installation of military regimes.

Although Haig and Kirkpatrick abandoned Carter's practice of preaching human rights sermons to their military dictators they did not encourage the multiplication of such regimes. For example, the Garcia-Mesa coup in Bolivia provoked two years of disintegration within the military. The USA reacted to these events with an indifference verging on hostility, revealing the US imperialists' distaste for such coups as a "solution".

For most of the 1980s the rampant corruption of the "gorilla" regimes and their deep involvement with the narcotics trade led the USA to look for civilian agents and allies throughout Latin America. Using the "successful" example of Spain in the late 1970s, Reagan's administration cautiously advised "openings" to democracy in the countries with military regimes. This involved a slow and well controlled passage of power to conservative civilian bourgeois parties via "democratic" sections of the military.

The purpose of the policy of a "transition to democracy" embodied by such regimes was threefold. Firstly, it aimed to preserve the repressive apparatus, including its secret police and torture apparatus, and to discipline the working class. Secondly, it sponsored the creation of bourgeois parties with a mass base capable of operating the free market open door policies demanded by the IMF and the World Bank, to enforce the austerity packages to repay the huge debts accumulated in the 1970s. Thirdly, it involved the creation of cautious, reformist bourgeois nationalist or social democratic parties that can isolate the revolutionary vanguard from the masses. Imperialism's auxiliary agencies—the AFL/CIO, the Catholic Church and the Socialist International—have a crucial role in the latter two tasks.

A heightened rivalry between US, EC and Japanese capital in certain Latin American markets also gave civilian regimes some room to manoeuvre. They threatened or even temporarily enacted limitations or moratoria on debt repayment. US imperialism, wary

of allowing its rivals to appear the exclusive champions of democracy, was prepared to reschedule the debt to ensure continued US domination of the region.

The land question

In both Latin America and South East Asia the pre-capitalist agrarian question has been resolved for the majority of the population by imperialism and the indigenous capitalists. This fundamental change has had enormous consequences, including a shift in imperialism's tactics.

The resolution of the land question by the capitalists involved enormous expropriation, suffering and displacement for the peasantry. The rural population flooded into the cities. Urbanisation on a truly massive scale made the longstanding threat of rural guerrilla warfare based on a land hungry peasantry more peripheral. In the 1960s and 70s industrialisation created a powerful proletariat and a dangerous sub-proletariat of shanty-town dwellers.

Faced with this potential threat, imperialism's puppets need not only to be able to crush strike waves and insurrections but also to incorporate proletarian and popular organisations via nationalist, reformist and religious leaders. For this purpose extended periods of carefully controlled bourgeois democracy are necessary. The pre-requisites for bourgeois security under such "democracy" are the maintenance of a powerful Bonapartist element within the constitution (executive presidency, conservative senate, judiciary and bureaucracy), together with a powerful and vigilant military as a permanent recourse.

Crisis and the possibility of democratisation—the example of Bolivia

Economic cycles in most semi-colonial countries give rise to violent fluctuations with dramatic cuts in real living standards, sudden increases in unemployment, and the "need" for governments to impose extremely harsh austerity packages which alternate with sudden spurts of growth ending in hyper-inflation. This situation means that the ruling classes cannot hope to achieve the kind of stable, conservative bourgeois democratic regimes that have become "normal" in the wealthy imperialist countries.

Yet it would be wrong to argue that bourgeois democracy is permanently impossible in the semi-colonies, that the proletariat has no illusions in it and that there is no need to develop tactics to fight within such a context. The 1980s proved the error of this position.

In 1982 in Bolivia the military dictatorship inaugurated by Garcia Mesa collapsed. The revolutionary masses were restrained by the Popular Front led by Siles Zuazo and by the class collaboration of the COB trade union federation leaders. In 1985, the revolutionary situation reached the threshold of dual power with the general strike and miners' occupation of La Paz. Yet the COB leaders would not seize power or even create organs of an alternative power to the enfeebled state forces and the impotent Siles government.

The union let the decisive moment pass when Siles, Paz and Banzer went for elections. The COB refused to put forward worker candidates and meekly abstained in the elections, allowing the MNR/ADN to form a constitutional counter-revolutionary government that adopted the infamous Decree 21060.

The general strike of September 1985 was belated and badly led and went down to defeat after heroic resistance. As a result the MNR/ADN government was consolidated. When the full horror of the mine closures and the disintegration of the mining company Comibol became clear, the masses again forced their leaders into action.

The March for Life and Peace involved some 15,000 miners and their supporters marching to La Paz. When halted by government troops the Stalinist and reformist COB/FSTMB leaders abandoned the struggle and thereby inflicted one of the heaviest defeats the Bolivian proletariat had suffered since the 1952 revolution. It is enough to record that the number of Comibol miners was cut from 27,000 in 1985 to 4,200 in 1990.

All this was carried out by a constitutionally elected government. In the summer of 1985 and the spring of 1989 the presidency changed hands without a military coup. This remarkably long period of bourgeois democracy was accompanied by a period of historic and unprecedented defeats for the proletariat on top of unprecedented opportunities to take power.

The MNR/ADN government was the first of the new wave of elected right wing governments committed to massive privatisations and free market liberalism and to working closely with the IMF and US imperialism. In the 1989 elections the MNR was replaced by the MIR of Paz Zamora which governed alongside Banzer's ADN on the basis of free market liberal policies. The MIR's rightward move from Castroite guerrillaism in the 1960s to slavish capitulation to US imperialism in the late 1980s reflected similar right wing shifts of parties throughout Latin America (the "Marxist" Barrantes in Peru, the MR-8 of Brazil).

While the 1985-86 defeats severely weakened the Bolivian proletariat, especially its vanguard, the miners' struggles in the late 1980s and early 90s indicate the partial recovery of the Bolivian trade union movement from these defeats.

Argentina

Military rule was imposed in Argentina in 1976. It was three years before the base of the labour movement could reconstruct itself: shop stewards and union activists were "disappeared" and striking workers sacked. The military rapidly adopted the newly fashionable monetarist policies; there was a rapid cut back in industrial production which reduced the number of industrial workers from 1,000,000 in 1976 to 790,000 in 1980.

Within a year of the coup wages were slashed by 50%. Resistance mounted in 1979 with a one day general strike followed by a wave of sectional strikes

which continued in 1980.

From 1981 the labour movement was engaged in a counter-offensive against the military which forced Galtieri into the Malvinas adventure in 1982. British imperialism's unexpected resistance and the defeat of Argentina deepened the social crisis. Rank and file trade unionists, students and the Mothers of the Plaza de Mayo all fought back against the regime. The Peronist labour bureaucracy was temporarily divided as to whether to collude with the military or lead the mass protests. The military were forced back to barracks and elections took place in October 1983.

The victory of Alfonsin and the Radicals indicated that the masses desired bourgeois democracy and had illusions in it, and that the Peronist bosses had undergone a relative loss of prestige. Alfonsin's attempted "democratisation" of the unions was defeated by strengthened Peronist bureaucratic control.

A wave of economic strikes marked 1984-85 and ended in government anti-inflationary packages which fatally undermined the Radicals' economic base. The regime was further destabilised by a rash of military *putsches* aimed at putting an end to the attempts to prosecute the butchers of the dirty war.

In 1989 Menem came to power in an electoral débâcle for the radicals. Despite his pre-election rhetoric Menem cynically adopted a vicious neo-liberal austerity programme. Unemployment soared, but there was only momentary economic success for the capitalists. The price of this meagre victory has been a cold split with the trade unions and divisions within Peronism. There is now a new opportunity to win the working class from Peronism.

Brazil: the birth of a new workers' movement

In Brazil the emergence of a powerful new labour movement was signalled by the wave of strikes in 1978, the founding of the Workers' Party in 1979 and the strike wave which culminated in the São Paulo general strike of 1983. The working class was strengthened by the industrialisation of the 1960s and 1970s and was able to oblige the Brazilian military to beat an orderly retreat from power.

The chosen means was again an indirect and grossly undemocratic system with the hope of ensuring that power would pass to the generals' direct nominees. This did not work. Although mass popular pressure was unable to force the immediate direct election of the President, the military was obliged to accept first Tancredo Neves and then José Sarney, candidates of the civilian bourgeois party, the PMDB. The result of this first step of controlled democratisation (1984-85) only benefited the Brazilian workers to the extent that it allowed a broader and freer battleground for the class struggle.

The first and second Crusado Plans (February and December 1986) and the even more draconian Bresser Plan (June 1987) forced down real wages, slashed public sector jobs and provoked waves of working class action. There was a general strike in August 1987, a wave of steel strikes of November 1988 and a general strike involving 35 million workers on 14-15 March 1989.

Controlled democratisation also led to the growth of more radical left reformist and centrist forces, notably the CUT union federation and its associated Workers' Party (PT). By this stage the PT was 450,000 strong and had 36 mayors and 2,000 municipal councillors. Other forces, such as the Brazilian Communist Party, the pro-Albanian PCdoB and the Democratic Labour Party, which dominate the other union federation (CGT), also grew. Sarney's regime of democratic opening was unable to resolve the staggering problems of the Brazilian economy—the foreign debt had reached $122 billion by the end of 1988. Against his intentions Sarney's programme opened the way to an intensification of the class struggle.

The December 1989 elections saw the narrow victory of the right's candidate, Fernando Collor de Mellor, over the PT's candidate, Lula. The election campaign forced Collor to engage in demagogic left talk, combining neo-liberal and anti-oligarchic slogans. More importantly it forced the PT to the right—to open and unvarnished reformism. The PT formed its own popular frontist alliance with bourgeois groupings and made appeals to Brisola's bourgeois nationalist PDT, COVAS and even to the "progressive" military around the slogan of a "democratic peoples' government".

Since the election Collor's radical free market reforms have caught the PT off guard. The CUT, with many of its leaders now in regional and national parliaments, is not organising a militant fightback. The rapid process of bureaucratisation and the development of parliamentary cretinism within the leadership of the PT and CUT clearly indicate that the new workers' parties of the semi-colonies can have but a short life as centrist formations capable of playing a positive role in the creation of a revolutionary vanguard. The PT is now a bourgeois workers' party, albeit of a less stable type than those which exist in imperialist countries.

Peru: the austerity to come

As in Brazil the 1990 elections in Peru resulted in the election of a "new" political figure, less tainted than the old right wing leaders, but totally committed to neo-liberal, open door economic policies.

The background to Fujimori's victory was the discrediting of the APRA after five years of government and the alarm of important sections of the bourgeoisie at Vargas Llosa's programme of massive privatisation and an open door policy to multinational capital. Fujimori was elected on a programme of opposition to the short, sharp shock. Important sectors of the left and the United Left (Izquierda Unida) supported him and the unions signalled their preparedness to do likewise.

Once in office he changed his tune. Like Collor, Paz Zamorra and Menem, Fujimori is following the path of savage austerity measures. These attacks have provoked desperate resistance by the working class and the sub-proletariat of the shanty towns. This lays the basis of a challenge to the rotten reformist, Stalinist

and bourgeois nationalist leaderships of the labour movement.

Chile, Uruguay and Haiti

In Chile, mass struggles by students and workers in 1986, including a successful general strike, split the military over Pinochet's future and revealed US imperialism's desire for him to go gracefully. Stalinism and social democracy sought to limit the movement to a Philippines-style "People Power"—mass pressure to force the patriotic section of the military to allow democratic reforms. In the event of a democratic election the reformists proposed to support any austerity programmes and they demobilised the masses at critical conjunctures, frittering away the pre-revolutionary situation.

Despite the reformist misleadership Pinochet was unable to fully restore his personal dictatorship. His defeat in the 5 October 1988 referendum allowing him to stand again as President opened a very slow and conservative "democratic opening"—slow because of the role of the Stalinist and socialist parties leaders and their respective popular fronts.

Similar processes of democratisation have taken place in Paraguay and Haiti, where long established dictatorships (Stroessner, the Duvaliers) were replaced by new military regimes pledged—if only in words—to a process of democratisation. In Mexico, the Caredenas presidential campaign split the PRI and created a *de facto* two party system in which the workers' parties are marginalised and bourgeois nationalism has been re-vitalised.

Imperialism and Latin America

Military dictatorships were the norm of the 1970s and early 1980s in Latin America. But the pattern of the late 1980s and early 1990s is one of democratically elected civilian regimes carrying out savage IMF dictated austerity measures. Their "states of emergency", the continued licence of the military to "disappear", detain and torture leftists, working class and peasant militants, all show the extremely limited nature of "democracy" in these countries.

With sickening regularity, troops and police have been unleashed on spontaneous mass protests against austerity measures in Brazil, Argentina and Venezuela. In Peru and Colombia the army has free reign in the countryside and is increasingly taking complete control of the cities. The result has been a death toll mounting into tens of thousands over the last few years. If Latin America has experienced democracy it is a militarised democracy, democracy at gunpoint, a democracy which is nakedly in the service of imperialism.

The economic pillage of Latin America proceeds apace. The total flow of funds out of the continent continues. In the six years to 1987 $150 billion were paid out to the imperialists. This represents 5% of the total product of the continent and 25% of its savings; twice the equivalent war reparations paid by Germany to the Allies in the decade before Hitler came to power.

The Baker Plan, first floated in 1985, sought to ease debt repayments, resume foreign investment and open markets for Latin American countries to enable them to renew and sustain growth.

So far the opposition of the big banks and the lukewarm response of the US administration has led to a stalemate. In Venezuela, Peru and Argentina this has directly led to hyper-inflation and crisis. World interest rates have been put up to protect the imperialist economies, forcing South America to repay its debt at much higher rates than those at which it was contracted.

Even the "boom" of the later 1980s crucified the economies of Latin America. A slump, with a shrinkage of Latin America's already restricted markets for its exports, could prove catastrophic.

The Asian masses on the move

Struggles for democracy have also forced changes in Asian regimes. In South Korea the seven year dictatorship of Chun Doo Hwan faltered under mass student demonstrations as he attempted to pass control to his successor Roh Tae Woo in the summer of 1987. The result was democratic elections in which divisions in the bourgeois opposition (Kim Dae Jung versus the more conservative Kim Young Sam) allowed Roh to win and continue with a very repressive and slow process of democratisation.

Korea's young and combative proletariat has utilised the relative freedom to good effect. In the summer of 1987 there was a massive strike wave which led to the formation of "genuine" or "democratic" unions, initially at a factory level, which have broken in practice with the yellow union government federation FKTU.

In 1986 the mass movement in the Philippines forced the exit of Marcos. Unlike Iran the army was not destroyed: a *coup d'état* left the state apparatus not only intact but able and willing to ride shotgun with the Cory Aquino administration. Aquino performed a very useful service for imperialism and the Filipino bourgeoisie by infusing the masses with democratic illusions and isolating the masses of the cities and some rural areas from the Stalinist NPA guerrillas.

Disoriented by its guerrilla strategy, the NPA was unable to present an alternative leadership either in the streets or in the polling booths. It veered between opportunistic concessions to Aquino and sectarian abstention from "democratic" political life at a time when the masses were full of illusions in this process. Even in its "left" variety and at its most tactically diverse and eclectic, Stalinism once again proved its inability to lead the workers and poor peasants to victory and the creation of democratic working class power.

In 1988 a student-led mass movement launched a bloody but unsuccessful attempt to overthrow Ne Win in Burma. Misled by both the "democratic" bourgeoisie and Bhuddist monks, the masses were crushed despite their enormous heroism.

Turkey's militarised democracy

Turkey plays the role of US imperialism's gendarme on the USSR's southern borders, in the Aegean and East Mediterranean. In the second half of the 1980s it experienced controlled and limited democratisation.

The brutal military coup of 12 September 1980 suppressed the 300,000 strong militant trade union centre (DISK) and both bourgeois and proletarian political parties. However, the treatment meted out by the military was far from even-handed: whilst Demirel and Ecevit only suffered detention, 60,000 alleged revolutionaries were arrested and 1,200 killed.

This bloodletting and torture rocked the Turkish left which was already wracked by deep internal crisis. Despite the undoubted heroism of their cadres, both pro-Moscow and pro-Beijing Stalinist parties had shown the political bankruptcy of their strategy for fighting both "left" bourgeois nationalism (Ecevit's RPP) and the far right (Turkes' National Action Party/Grey Wolves).

The process of democratisation has been slow, partial and under strict military control. There were elections in 1983 which banned all the old parties and gave the military president a seven year term. Legislative assembly elections took place in 1987 and Turgut Ozal gained a five year mandate. A new president will be elected by the centre-right dominated parliament in 1990. The Stalinist parties are still banned, as is the DISK. Entry into the EC, a key objective of Ozal's plans to continue economic expansion and modernisation, will require continued restoration of democratic rights. The rise in the number of strikes and the growth of "independent" unions like the 60,000 strong Metalworkers' Union indicate a revival of workers' struggles.

Africa

In October 1988 Algerian youth rose in protest against food shortages and the lack of democracy. The movement was bloodily suppressed with more than 500 deaths, but Chadli was forced to promise economic reforms and a democratic opening, pluralism etc. Unfortunately, as the local elections of 1990 showed, the immediate beneficiaries were the Islamic fundamentalists, able to capitalise on the crisis of leadership caused by the dead-end of FLN "anti-imperialism" and the slavishly pro-bourgeois politics of the Algerian Communist Party.

Sub-Saharan Africa has not escaped the imperialists' pressure for democratic reform. World capitalism seeks to use demands for democracy as a battering ram against regimes which have pursued development strategies based on "independent industrialisation" and heavily statified economies—Angola, Mozambique, Tanzania, Zimbabwe and Zambia. Many of these countries relied on aid and military support from the Soviet bloc in order to achieve a degree of independence from imperialism.

"Democratic" propaganda is also used by the imperialists against pro-imperialist regimes such as Kenya and Nigeria, to ensure that corrupt and dictatorial regimes do not provoke the masses into struggles that threaten imperialist interests. In this policy the imperialists have been aided by a number of factors.

The crisis of Stalinism has contributed to the discrediting of the one party systems which were already weakened by their manifest economic failure in many parts of Africa. Over the last few years the regimes hitherto supported by the USSR or the other Stalinist states have either found that support withdrawn, or have come under pressure to make their peace with imperialism.

The World Bank and the IMF aim to open up these statified economies to the market and increase opportunities for profitable investment. The institutions of world capital are now attaching political conditions to their aid. "Structural adjustment programmes" are accompanied by pressure for political reform to ease the path of these programmes. "Popular participation" and "political conditionality" have become the watchwords of African political and development theory. The EC countries have indicated their intention to follow the same line in their aid programmes.

Pressure is also growing internally. This is obviously linked to the effect of imperialism's intervention. In some cases sections of the bourgeoisie who feel excluded from political power are waging a struggle to gain access to the spoils of office that only a parliamentary regime can bring them.

The urban petit bourgeoisie, led by students and the intelligentsia, is pressing home its demands for an increased political voice and influence. At the same time, dissatisfaction amongst workers and the semi-proletariat has found expression on the streets and in the workplaces. Ironically one of the main causes of protest and unrest is precisely the distress caused by the Structural adjustment programmes.

The steps towards an imperialist peace and settlement in Southern Africa hold out the prospect of an end to the warmongering of the apartheid regime. Tthe proposed settlement aims to postpone the threat to bourgeois order posed by the black South African working class. A renewed South African imperialism would dominate the southern part of the continent.

Enormous obstacles remain in the way of these imperialist sponsored moves towards stable bourgeois democratic regimes in Africa. The problems include chronic economic difficulties—negative growth, dependence on a handful of commodities, relatively low agricultural productivity, etc. In both privatised development projects and industries and in the state sector, mismanagement and corruption are the rule.

The national question in Africa remains unresolved. The heightened national unity forged around independence struggles has tended to disintegrate under the pressures of semi-colonial status. In some countries the oppression of minority nationalities has given rise to movements for self-determination. In others the differential allocation of resources, the control of the state by one section of the bourgeoisie and widespread corruption and nepotism have all exacerbated ethnic hostilities.

These threaten the fragile national unity of the bourgeoisie and the class unity of the proletariat and its allies. They can also weaken the pro-democracy

forces.

While we can expect the democratisation process to continue and deepen in the next period, bourgeois democracy can have only a precarious existence in many of the states. A recurrence of forms of Bonapartist rule will be inevitable.

The continued hardship and impoverishment experienced by the masses, together with the growth of the semi-colonial working class, fuel the growth of proletarian militancy and social unrest. But even where the working class has substantial social weight and traditions of independent organisation, the crisis of leadership has thus far prevented the workers from enforcing their own solutions to the social and economic crises.

"Democracy" and capitalism cannot solve the underlying problems of poverty, super-exploitation and oppression. Every serious mass movement of the working class and the urban and rural poor has the potential to go beyond the limits laid down by the bourgeois and petit bourgeois campaigners for democracy. The perspective and programme of permanent revolution retain all their validity.

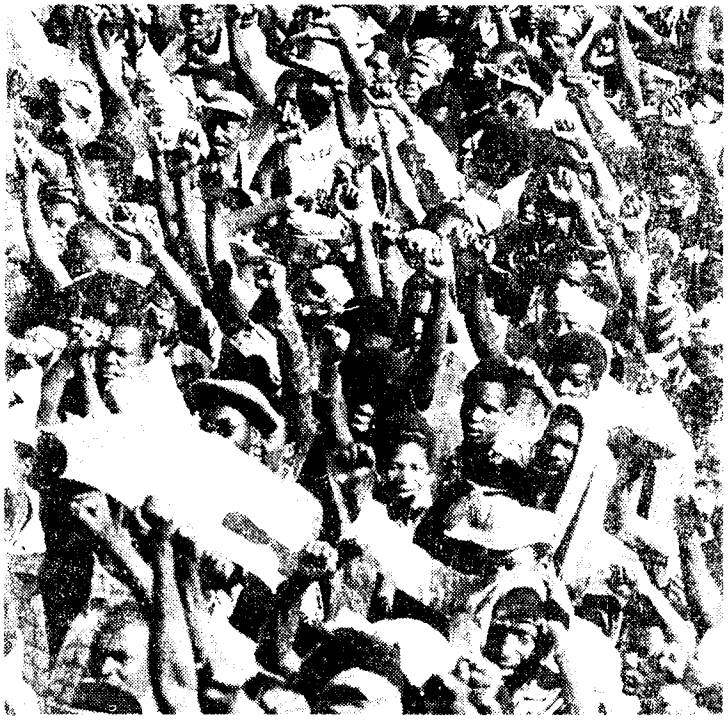
The "democratic revolutions" and the misleaders

Throughout the non-imperialist world the second half of the 1980s was marked by a wave of mass struggles. These were often initiated by students but rapidly supported by workers, recently unionised and drawn into politics. This upsurge was deeply marked by the prior discrediting of Stalinist and bourgeois nationalist Bonapartism and as a consequence was centred on democratic slogans.

Freedom of the press, freedom of parties and trade unions, and free elections were combined with demands to increase the masses' living standards. Political leadership at street level remained with the reformist workers' parties, inexperienced and *ad hoc* student organisations or unbureaucratised trade union leaders. None of these forces have been able to chart the way forward.

These "democratic revolutions" have been halted at a stage similar to that of the February 1917 revolution. They have been marked by a naïve generosity of the masses towards their class enemies and a lack of class polarisation. The working class has not been able to emerge as an independent class force. The immediate beneficiaries have often been bourgeois nationalist or even neo-liberal parties. Nonetheless, such revolutions indicate an enhanced role for the working class in the semi-colonies in the future.

The most dangerous influence for the new proletariat in the imperialised world is bourgeois democratic nationalism which frequently masquerades as social democracy or real reformist "socialism". Stalinism's popular front strategy remains an enormous obstacle at the level of the trade union apparatuses and in the mass organisations. The world crisis of Stalinism, emanating from events in Moscow and Beijing and their repeated concessions to imperialism, all indicate a prolonged crisis of leadership in the newly strengthened labour movements of the semi-colonial world.



Celebrating Namibians—free from South African domination?

Under Gorbachev and Deng Stalinism is exerting an ever more pro-imperialist influence on the semi-colonial bourgeoisie. The turn to the market by Moscow and Beijing has led bourgeois nationalists throughout the semi-colonial world to capitulate to neo-liberalism. In the name of the end of "world polarisation" between the USA and the USSR the semi-colonial bourgeoisie has tended to distance itself from Moscow and become more friendly towards imperialism.

Turning their back on the import-substitution industrialisation strategy of the 1960s and 1970s, these regimes are calling for more multinational investment as the only road to development. According to their new credo the cause of underdevelopment is no longer imperialist super-exploitation, parasitic oligarchy and social inequality. Instead, lack of incentives for attracting foreign capital, too many social reforms and the absence of inducements for the local capitalists to enrich themselves are pin-pointed as key problems.

For the semi-colonial bourgeoisie in the 1990s the IMF is no longer the main enemy. It is seen as the only source of support and in return its loan re-payment conditions have to be respected above all else. In the past the semi-colonial bourgeoisie paid lip service to the idea of raising the wages of the poor to increase demand in the internal market. Today the stress is on offering cheap labour as a magnet for foreign capital. The bourgeois nationalists advocate de-nationalisation, cutting real wages, the sacking of "uneconomic" workers and the establishment of free economic zones where all labour protection is abolished and taxes and tariffs are non-existent.

A decade or so ago, such measures could only have been implemented by a vicious right wing dictatorship such as that of Pinochet. Today bourgeois nationalists seek to carry out this ultra-reactionary package through "democratically" elected governments relying on extensive military repression to enforce its measures.

The death agony of Stalinism in the degenerated workers' states

During 1989 a series of mass popular revolutions swept through the countries of Eastern Europe. The power of the Stalinist bureaucratic dictatorships was weakened or destroyed.

The heart of the crisis of Stalinism is Gorbachev's USSR, which is wracked by a prolonged factional struggle between marketising reformers of varying degrees of radicalism and bureaucratic conservatives. This five year struggle has allowed the growth of social forces independent of the apparatus and of embryonic political parties from the social democratic through the liberal to the fascist.

The Soviet federation is on the brink of breaking up into its component republics. The nationalist movements have gone beyond the stage of purely political unrest: some have initiated armed actions against other nationalities as well as against the central state. Most importantly the Soviet proletariat has re-awakened. We have witnessed the re-birth of a Soviet labour movement free of bureaucratic control.

This is indeed the death agony of Stalinism. The process may turn out to be more or less protracted but its outcome is not in doubt. A momentary triumph of bureaucratic counter-revolution, even if bloodily executed, could only preserve a restricted and shrunken area of Stalinist rule for a few years. Unlike previous crises that have wracked one or another of the degenerate workers' states, this is a general crisis affecting them all. Its outcome will determine the character of the international class struggle for an entire historic period.

The origins of the crisis in the USSR

The roots of the present crisis go back at least 15 years. From 1975 onwards the creeping stagnation of the USSR economy was exacerbated by the political immobilism of the Brezhnev gerontocracy. Despite the unprecedented world role of the USSR a mounting crisis lay behind the confident façade of the Brezhnev era. In the early 1980s the new Cold War launched by US and British imperialismincluded a massive round of rearmament. This placed new burdens on the USSR at a time when it was least equipped to meet the challenge. The imperialists' declared aim was to break the back of the Soviet economy and force a major political retreat upon the Kremlin. In essence this strategy has proven successful.

Up to 1985 the Soviet bureaucracy saw no alternative to the continued attempt to mobilise the planned economy to meet the full cost of the Cold War arms race with the USA. It had some success against imperialism. The war drive put considerable economic and political strains on the NATO alliance. Massive peace movements in Germany and Britain created a sympathetic response to Soviet peace propaganda. Opposition to Reagan's Star Wars programme grew within the US Congress; his West European allies were openly sceptical about it. Often Reagan had only Thatcher whole-heartedly behind him. For Andropov and Chernenko the continuation and intensification of the "peaceful offensive" was the only possible response to Reagan.

When Gorbachev was chosen by the bureaucracy he immediately launched a more active disarmament offensive designed to force US concessions or, failing that, to increase tensions and splits between Reagan and his European allies. In addition, the USSR indicated its willingness to co-operate in solving the "crisis points" in Afghanistan, South East Asia, the Middle East, Central America and Southern Africa. Then Gorbachev was obliged to turn to internal matters.

In 1985-86 press censorship was relaxed to allow criticisms of Brezhnev and the "years of stagnation" and to open the attack on corrupt and incompetent bureaucrats. As early as mid-1986 differences erupted between Gorbachev and Ligachev, indicating deep divisions within the bureaucratic caste. Ligachev stuck to the Andropov formula of a highly centralised drive for discipline and production on the East German model.

Gorbachev counterposed to this perspective a cautious move towards concessions to the market—independent enterprises obliged to make a profit, with a much weakened role for Gosplan. Bukharin was rehabilitated and often invoked to support this policy. The struggle between the two factions became especially intense in the period of October1986 to January 1987.

Faced with an impasse in the bureaucratic faction fight Gorbachev used the media to encourage the mobilisation of the intelligentsia. Ligachevite and Brezhnevite old-guardists in the Ukraine, Armenia and Leningrad were identified and attacked by anti-corruption campaigns. In spring and summer 1988 a wave of de-Stalinisation was unleashed. The full scale of the Stalin atrocities began to be revealed. Informal groups and clubs were formed and a campaign for a monument to Stalinism's victims was set up.

The new groups ranged from the fascist Pamyat to the Social Initiatives Club of Boris Kagarlitsky (now called the New Socialist Party) which defined itself as "the left wing of *perestroika*" and called for pluralist democracy and self-management. Despite receiving considerable behind the scenes support from the KGB and the "conservative" wing of the bureaucracy Pamyat is essentially a restorationist organisation.

In autumn 1987 the nationalities began to stir. In Armenia, the first of the republics to be touched, the movement had reached such proportions by November 1988 that it had to be repressed. Nationalist agitation spread to the Baltic states. The People's Front in Estonia and the Sajudis in Lithuania grew enormously in influence, the latter claiming 100,000 members and winning 30 out of 42 seats in the March

1989 elections to the Congress of People's Deputies.

Gorbachev's pursuit of glasnost and a series of constitutional changes, centring on a general attempt to separate party and state structures, has gone much further than a simple restructuring of the economy.

Nevertheless, certain areas have resisted the reform programme. Agriculture has barely been touched. Given the absence of large scale market relations in the USSR and given the social weight of the proletariat Gorbachev's economic plan faces enormous obstacles. Attempts to turn *kholkhozniks* (collective farmers) into private farmers or to sponsor co-operatives have so far evoked little response, either because of their lack of appetite for small scale land ownership or due to obstruction by the *kholkhoz* bureaucracy.

A rational pricing system is impossible without a convertible rouble, but this would require huge price rises and real wage cuts. It would lead to the opening up of staggering inequalities as unprofitable enterprises went bankrupt and workers became unemployed. Gorbachev and the entire bureaucracy have repeatedly temporised and retreated whenever they approached the decisive moment for unleashing such measures. Gorbachev has also been obliged to devote much time to weakening and removing his factional opponents within the bureaucracy before he dares to take the full risk of unloading the crisis of bureaucratic planning onto the backs of the working class.

The crisis in Eastern Europe

For years the existence of old-style hardline regimes in Eastern Europe was a thorn in the side of the Gorbachev faction. Economic reform dictated a massive scaling down of the Soviet troop presence there and Gorbachev needed leaderships committed to his policy firmly in place throughout Eastern Europe. He hoped to carry out a slow controlled reform of the degenerate workers' states to advance this objective. But resistance from the frightened conservative bureaucrats and increasing pressure from below for the legalisation of opposition groups, created an explosive situation throughout Eastern Europe. The apostle of reform unwittingly and unwillingly became the herald of revolution.

The entire peaceful reform project of the East European bureaucracies is now in ruins. Gorbachev's plans to restructure the Soviet economy are in total disarray as a result of the revolutions which shook Eastern Europe and now threaten to engulf the USSR itself.

The revolutionary situation in Eastern Europe was initially focused on the struggle for democratic goals, and led by a coalition of liberal democratic, social democratic and reformist Stalinist opposition groups. Unified in a series of Forums, these amorphous bodies were initially devoted to organising mass demonstrations.

Elements of independent proletarian organisation appeared in every country during the opening months of the revolution. Thanks to the misleadership of the opposition in the first phase these movements were restricted to fighting for democratic rights and bourgeois parliamentary-type institutions, instead of for working class power.

With the granting of "free" elections the independent organisations were demobilised. The potential for proletarian political revolution which these organisations created was not realised due to the absence of a revolutionary leadership determined both to defend the instruments of the planned economy and to overthrow the Stalinist dictatorship.

In every country the outcome of the initial phase of revolutionary upsurge resulted in the self-limitation of the masses to democratic goals, the demobilisation of mass struggle and its diversion into electoral activity. The result of this failure was the triumph of pro-market restorationist forces, the emergence of far right nationalism on the fringes and the almost total marginalisation of the centrist anti-Stalinist left.

The course of democratic counter-revolution in Eastern Europe followed the law of uneven and combined development. There was considerable unevenness in the outcome of the 1990 elections. In Hungary, Czechoslovakia and the German Democratic Republic (GDR) even the most market-orientated Stalinists were electorally crushed. In Hungary and Czechoslovakia centre-right bourgeois governments committed to a programme of capitalist restoration were installed. In the GDR the sweeping victory of the CDU led to a popular front government with the SPD committed to capitalist restoration and unity. By early July the former was achieved and the latter was only a few months away.

In Poland the Stalinists still clung to a major share of power thanks only to the fact that the bureaucracy made concessions before the wave of revolutionary events of late 1989. With the prompting and aid of imperialism Walesa has declared open war on this popular front compromise. He aims to utilise Solidarnosc to oust the Stalinists by getting himself elected President. He seeks to purge the *nomenklatura* and subject the Polish economy to another—this time decisive—"big bang".

In contrast, in Bulgaria and Romania the Stalinists still cling to a monopoly of political power. In Romania the dissident ex-RCP members and the "reform" Stalinists put themselves at the head of the mass revolt against Ceaucescu and benefited from the prestige this bestowed. Drawing lessons from this event the Bulgarian Stalinists pre-empted revolution by instigating a programme of controlled but radical reform. In both countries the weight of the peasantry and the relative weakness of the petit bourgeois intelligentsia enabled the Stalinists to retain power.

Nevertheless, the Stalinist-led governments in Bulgaria and Romania are bureaucratic pro-capitalist workers' governments. Both have issued restorationist declarations of intent yet their final orientation is not decided. Political life remains dominated by a more or less intact bureaucracy which is not yet ready for an immediate capitulation. The governments vacillate between this state bureaucracy—loath to give up its privileges and its monopoly of power—and imperialism and its local agents. Both countries have made concessions to the IMF and the EC, without decisively splitting from the conservative bureaucracy.



Bulgarians demonstrate during the run up to the first free elections in forty years

Imperialist pressure, economic disintegration and developments both internally and in the USSR will all contribute to resolving this unstable equilibrium.

The events of 1989-90

The initial results of the popular upsurges of late 1989 could be characterised as a kind of "dual power". The Stalinists at first remained in office even where they were a minority in the new governments, but their power was withered. The party militias were rapidly dissolved and the police and the army dared not enforce a crack down.

The possibilities for proletarian political revolution as well as for social counter-revolution were created by the disintegration of the Stalinist apparatus of repression. But the class nature of the state did not change as a result of the Stalinists' loss of power; the post-capitalist property relations did not change overnight as a result of these actions. In all the degenerate workers' states the form of the state apparatus had always been bourgeois. As a result of the democratic revolutions it became a less reliable weapon for the Stalinists and opened itself up to penetration by pro-bourgeois forces.

With the rise to power of openly or entirely pro-bourgeois governments, or popular front governments committed to restoration, or even to bureaucratic workers' governments pledged to capitalist restoration, the situation entered a new phase. All the new governments proclaimed their intention to restore capitalism. But they do not all possess the same means to do so in the short term.

The various right wing governments in Eastern Europe are conducting a holding operation over the statified property relations, pursuing various preparatory reforms and austerity measures but not as yet decisively dismantling the apparatus of the bureaucratic workers' state and integrating it into the imperialist camp. This remains true even in Hungary where, at the moment of writing, the plan still determines the allocation of resources between the big state industries. In Romania and Bulgaria we are undoubtedly likely to witness an even more protracted period of restoration.

The phases of restoration

The destruction of the workers' state and the restoration of capitalism involves several interlinked political and economic tasks. First, the restorationists struggle for complete control of the state machine. They have to secure and deepen political pluralism and win free elections, secure the abolition of the leading role of the party, dissolve the party militias and the Stalinist controlled secret police. They also have to totally destroy the Stalinists' hold over the Interior and Defence Ministries. Once a government establishes this control over the state machine the hardliners are thereby deprived of any base within it for organising a come-back.

The establishment of a government able and willing to separate the state power from the Stalinist bureaucracy and use its monopoly of armed force to defend private property constitutes the bourgeois political counter-revolution. From this point on, the state apparatus is bourgeois. It must then proceed to dismantle the remaining proletarian property forms—the state monopoly of foreign trade and central planning. After this is accomplished, private property can be restored to a commanding position in economic life over a more or less prolonged period.

For a long period a large state capitalist sector can co-exist with newly-privatised industry. The restoration process can and will involve an extensive stage of liquidating the remnants of the command economy. During this time the full gamut of the horrors of actually existing capitalism will descend on the working class creating the objective basis for mass resistance and the rediscovery of political class consciousness.

In Poland, although the state apparatus is not yet completely in the hands of pro-bourgeois elements, the Masowiecki government has set about preparing the ground for a decisive onslaught on the planned

economy. There have been massive rises in prices and taxes, and reductions in state subsidies for health, transport, housing and food.

The aim of these measures is to restore a balanced budget, conquer inflation and forge a stable convertible currency. This has gone hand in hand with legislation to allow private and foreign ownership of industry. In addition the right of foreign owners to repatriate their profits exists although in a restricted form. In Hungary and Czechoslovakia much more has been achieved in this direction. But even here capitalism has not yet been restored.

These measures prepare the ground for a restoration: without them no major investment and accumulation can be undertaken, no stable native capitalist class can emerge, no extensive pattern of trade with the capitalists' world will evolve, no viable long term market for goods and services can be built.

Overlapping with this phase, but taking longer to fully implement, will be the radical restructuring of industry and finance. A national capitalist class will have to be created by stimulating small private commercial enterprises and by creating entrepreneurial industrial capital. This process will be accompanied by the wholesale closure of unprofitable industries, particularly in the sector of heavy industry.

Even in Hungary and Yugoslavia most or all of industry remains in the state sector. Those factories that can be made profitable will be privatised. Some will fall into the hands of the imperialist transnationals, some will be sold to bolster an indigenous capitalist class, others will be closed down.

In Hungary, Yugoslavia and Poland this process is actually impeded by the chosen method of privatisation: the parcelisation of enterprises between small shareholders as well as western capitalists. In these countries the closure and privatisation programme is creating a huge reserve army of labour. Despite its socially explosive potential it provides a pool of workers essential to the creation of a genuine "free" labour market and a fully stratified system of wage rates, without which a competitive capitalism is impossible.

When industry is pared down to its narrow, potentially profitable base then a fully functioning stock market would need to facilitate and regulate the free movement of capital in each of these countries. The bureaucratic planning mechanisms will be dismantled in direct proportion to the success of this process of restoration. If the restorationists get their way the centralised regulation of investment, prices and labour will end, although an indicative planning system may remain for residual state industries. The conversion of the statified economy into a mixed economy composed of private and state capitalist trusts would mark the final definitive act of the restoration of capitalism.

Only in the GDR is this process complete. Here there has been no organic indigenous process of creating a capitalist class or of steadily introducing pro-capitalist measures. The whole process has taken place all at once by the simple act of surrendering the economic sovereignty of the GDR to the West German state and capitalist class.

These special circumstances cannot be reproduced elsewhere in Eastern Europe. The pre-existence of a German bourgeoisie with a history of political and economic ventures in the GDR, the illegitimacy of the division of Germany, the GDR workers' opportunity to be incorporated into one of the world's strongest imperialisms, were conditions uniquely favourable to a rapid restoration. Here alone has a quick, legal and peaceful destruction of a workers' state taken place.

The greater power and weight of the imperialist state apparatus will be used to complete the purge of any remaining Stalinist personnel in the ex-GDR who cannot be trusted to make the transition to civil servants of the German bourgeoisie or who are simply surplus to requirements. This task will be completed by or soon after formal unity between the two states.

"Peaceful" counter-revolution

In the GDR capitalism has been restored. In Hungary, Poland and Czechoslovakia the post-capitalist property relations are under attack from all sides. In all these countries privatisation of state industry has begun in earnest. All this has happened so far without class-wide resistance, still less civil war. The conditions which allowed this to happen and which could enable it to continue are:

a) The disintegration of the military/police power of the bureaucracy and the declared unwillingness of the Soviet Armed Forces to defend its clients.

b) The working class voluntarily accepts the restoration of capitalism and does not feel that the gains of the post-capitalist society are worth defending because they have become synonymous with privileges for the *nomenklatura*.

c) Imperialist political and economic support is on a sufficient scale to prevent economic collapse during the transition period.

d) Pro-capitalist leaderships are installed in the workers' movement and are able to survive through the long and painful process of restoration.

All four conditions applied in the GDR and account for the peaceful overthrow of the degenerate workers' state. Struggles against the effects of capitalist restoration are inevitable, but their timescale will depend on the effects of restoration on the working class. The fact that the Federal Republic of Germany (FRG) is an imperialist state and the richest one in Europe at that, means that a revolutionary development of these struggles in a newly united Germany is the least likely outcome in the near future.

Will these conditions be repeated in the other countries of Eastern Europe? Already we can see that important, even decisive differences exist. Whilst the Soviet bureaucracy has abandoned all hope of retaining its Eastern European buffer zone, let alone of preserving a bureaucratic planned economy there, the other factors for a rapid restoration are as yet generally absent.

Whilst the working class—with the partial exceptions of Romania and Bulgaria—generally fails to identify the planned property relations as a gain, and has illusions in capitalist prosperity and

bourgeois democratic freedom, the actual course of restoration will not realise these hopes. Millions will face unemployment and austerity on a scale outside of their previous experience. They will face semi-colonial poverty and servitude, not the relative prosperity of an imperialist country.

To push through savage austerity programmes the bourgeois governments will be forced to resort to ever greater armed force. These actions will clash with the democratic illusions of the masses stemming from the initial period of the mass struggle.

There will not be sufficient imperialist aid to enable the governments to avoid such confrontations. Apart from the GDR, imperialist economic intervention in Eastern Europe remains weak—far smaller in scale than the Marshall Plan. Powerful objective forces tend to undermine the present pro-bourgeois consciousness of the masses.

The prospect of political revolution

Revolutionaries should not complacently take comfort from a supposedly objective process of political revolution any more than they should abandon the battlefield because of the bourgeoisie's initial successes. The experience of Solidarnosc indicates that the bourgeoisie can establish powerful agents within the new trade unions. Turning defensive struggles against privatisation, mass unemployment etc, into a conscious struggle against the restoration of capitalism—into a proletarian political revolution—requires the resolution of the crisis of leadership, namely the ousting of the pro-capitalist existing leaderships.

The revolutionary period which opened up with the fall of Honecker and Jakés is not permanently closed by the election of the restorationist governments and the success of the democratic counter-revolution. It is a counter-revolutionary phase within a more general revolutionary period in Eastern Europe.

Everything points to a renewed upsurge in mass struggles with the possibility of breaking the masses from their illusions in capitalism and bourgeois democracy during the drawn out crises of capitalist restoration. To ensure victory in these struggle the creation of revolutionary Trotskyist parties is a burning necessity.

In addition to all these obstacles to any peaceful process of restoration the USSR is now on the eve of a revolutionary crisis. A history of national coercion, forcible annexation and Russian settlement has meant that the USSR is not a free federation of peoples. The right of self-determination up to and including separation, although contained in the constitution, is completely fictitious.

Gorbachev initially won the support of the nationalities for his exposure of Stalin's crimes against them. This enthusiasm rapidly faded when it became obvious that his deals with republic and all-union conservatives meant that he could not deliver any real concessions on national independence. The movements are now out of his control.

Secession and independence are the order of the day from Lithuania to Azerbaijan. The Popular Fronts in these countries were generally formed as a bloc between pro-*perestroika* party officials and pro-bourgeois nationalists. In the Caucasus the incumbent Brezhnevite bureaucracy played with the fire of national chauvinism in order to deflect mass anger. As the crisis has deepened the various Fronts have given birth to crystallised separatist and restorationist forces—for example in Azerbaijan, Georgia and Lithuania. Both conservative and Gorbachevite bureaucrats have been outflanked, despite their attempts to outbid the nationalists in chauvinist demagogy.

The struggle for the right to self-determination, and against all forms of national oppression, are an integral part of the programme of political revolution. Nevertheless, a struggle for secession also contains a potentially reactionary dynamic. Not only does it contain the danger of capitalist restoration: given the present leaderships it poses the far more immediate threat of the persecution of the national minorities which exist in virtually every Soviet republic, and even of pogroms against them.

Far from being the focal point of the anti-bureaucratic political revolution the mass nationalist agitation threatens to divert the workers away from revolutionary struggle. If the Soviet proletariat steadfastly defends the right to self-determination with deeds as well as words then it can still win the oppressed nationalist masses from their reactionary leaders and lay the basis for an all-USSR political revolution.

The USSR at an impasse

If in 1989-90 Eastern Europe was the main focus for events shaking the old world order, in the coming period the USSR's own crisis and how this is resolved will have a massive effect on the further course of events in Eastern Europe. The first victim of this approaching crisis is Gorbachev himself. Within the USSR his prestige stands at an all time low. All his projects—political and economic—have merely unleashed greater and greater crises.

The politics of Gorbachev and his factional grouping have developed in a desperate pragmatic response to the deepening crisis of bureaucratic rule, the failure of successive proposals for change and confrontations with various bureaucratic oppositions. He has constantly adjusted his economic policies to what it is possible to gain a concensus around given the existing balance of forces within the bureaucracy.

The economic changes involved in *perestroika* have not satisfied any section of the bureaucracy, and they have made life ever more unbearable for the masses. Large elements of the old system have been dismantled but no attempt has been made to create a functioning new system. The laws on co-operatives and on leasing property and enterprises have failed to meet the demands of the marketeers. At the same time these measures have alarmed the bureaucratic conservatives, who have it in their power to obstruct and sabotage any reform. In the aftermath of the 1989 miners' strikes the central planners, from Rhizkov through to Ligachev, were able to postpone and stall

certain reforms.

The outline of the Thirteenth Plan published in November 1989 was far from a victory for the pro-market faction. The strike wave of summer and autumn 1989 put the pro-market faction on the defensive. Yet the measures of Rhizkov and the planning ministries failed to galvanise the economy. The Rhizkov proposals of spring 1990 on price rises failed to secure sufficient support in the Soviet parliament. They were recognised as aiming to boost the central state bureaucracy's revenues without doing anything to introduce structural changes in the economy. The Abalkin faction resisted price rises until and unless they were accompanied by major reforms of the planning ministries (i.e. the destruction of their power to regulate economic life).

Abalkin's alternative measures of a sweeping programme of legislation to create a stock market, denationalising and deregulating the state sectors and encouraging capital accumulation failed to convince the forces of conservative opposition within the bureaucracy itself. The stalemate continues.

Whereas in Poland Solidarnosc has been used to sell a restorationist austerity package to the workers, it will be difficult to convince the newly emergent Soviet trade union movement to sell its members cuts in real wages and introduce mass unemployment. This workers' movement is already a battleground between the advocates and the opponents of Abalkin-style shock marketisation.

The acute crisis of the bureaucrats' plan has driven many workers to seek to destroy its grip on their factories and mines. Hence the popularity of the slogans of workers' self-management on a factory by factory basis, with co-ordination and distribution left to market forces.

This is the point of entry for Abalkin's influence. Self-management can be combined temporarily with co-operative ownership or even worker shareholders. It is a short step from this utopia to "popular capitalism". Whilst these bourgeois ideological influences cannot indefinitely grip the new labour movement, they could disorient it at a crucial moment.

Boris Yeltsin was elected to the presidency of the Russian Republic by an unholy alliance of anti-Gorbachevite radicals and conservatives. This is reflected in his demagogic opposition to the Rhyzkov Plan both because of the price rises it involved and because it did not move decisively enough toward a complete market economy. Yeltsin and the conservative Poliakov, elected as party chief of the new Russian party, have faced Gorbachev with a dilemma. He cannot continue to fudge the choice between market and plan for much longer.

Only an alliance with Yeltsin and the new mass forces outside the CPSU could break the log jam for Gorbachev. Yeltsin could probably win a year or so of leeway for an Abalkin-style plan with the working class, the nationalities etc.

This would mean all out war with the conservatives and the leaden rump of the 18 million strong army of bureaucrats, but the alternative would mean a struggle against the vast array of social forces that *perestroika* and *glasnost* have mobilised. A decisive choice and a decisive struggle are approaching.

Gorbachev's weak Bonapartism

Gorbachev has created a power base outside and independent of the party and the state apparatuses. His creation of the executive Presidency and the Presidential Council give him a new constitutional authority on an all-Union basis.

This was supposed to put him beyond the reach not only of a conservative majority in the Central Committee but also of the CPSU Congress. Gorbachev hoped thereby to overcome conservative bureaucratic resistance and to be able to move against mass organisations should they escape his control.

Despite the fact that his rhetoric has come closer to that of the radical marketeers, Gorbachev cannot yet be characterised as an outright restorationist. He still searches to harmonise bureaucratic interests and those of the reformers. His base still consists of the bulk of the bureaucracy, whose immediate caste interests are opposed to the restoration of capitalism. In contrast Yeltsin bases himself on the lower ranks of the bureaucracy and especially the labour aristocracy. In a Bonapartist fashion Gorbachev has tried to stand above the contending forces of bureaucratic conservatism and proletarian political revolution while serving the interests of the former.

But Gorbachev's Bonapartist authority has proved a broken reed. The oppressed nationalities, the civil rights activists and the working class have all taken action in defiance of his decrees. The workers are fighting for their democratic rights, for free trade unions, freedom of assembly, the right to strike, for improvements in wages, for greater equality, and against bureaucratic corruption. The foundation of an independent miners' union and of the Confederation of Labour representing millions of Soviet proletarians, opens a whole new phase of the crisis.

The coming revolutionary crisis

The USSR is moving rapidly towards a revolutionary situation. This is shown by the mounting economic shortages, the mushrooming of independent workers' organisations and the results of the spring 1990 local elections which saw wholesale defeats for party candidates. A split in the CPSU at its July 1990 Congress was avoided, but the way is now open for the formation of rival parties. In vast areas of the USSR independent parties will easily obliterate the CPSU in any free elections.

Faced with this growing crisis of bureaucratic rule and the threat of revolution, it is not impossible that the inner core of the bureaucracy may launch a preemptive strike in the form of a Bonapartist coup led by Gorbachev himself or by one of his opponents. But as long as the period of mass struggles continues and even intensifies a coup could be only a temporary bureaucratic solution. It would inevitably call forth massive protest and resistance. The crackdown would probably be repulsed and create in the process an

outright dual power situation such as occurred in Eastern Europe in 1989.

Gorbachev's role as the holder of the balance between the decaying caste and the growing mass forces still gives him some room for manoeuvre. But it is increasingly clear that his Bonapartism expresses the senility of the bureaucratic caste. He is the Kerensky of the political revolution: his rule will merely be an interlude in the inevitable decline of Stalinism. What comes after him will depend on the ability of the Soviet proletariat to achieve historic class consciousness as expressed in a programme and a party.

China

The 1970s witnessed an uneasy truce within the Chinese bureaucracy presided over by Mao and the Gang of Four. The result was a steady decline in growth rates in all sectors except heavy industry. It was against this background that a radical turn towards reliance on market forces to stimulate production was adopted under Deng Xiaoping in 1978.

The first phase of this strategy effectively restored private farming in China and, by virtue of removing the strait-jacket of bureaucratic supervision, generated a rapid increase in output. Increased rural prosperity necessarily entailed stratification as capital was accumulated by a minority of farmers. Continuing central control based on state procurement at below market prices antagonised farmers and encouraged corruption within the bureaucracy.

The second phase of Deng's strategy was aimed at repeating the market experiment in the industrial sphere. Bureaucratic controls were relaxed on the basis of increased enterprise autonomy, and investment was increased by encouraging foreign capitalist investment and loans. Although some branches of production saw rapid growth this was by no means uniform, nor was it beneficial to the economy as a whole. By 1988 the consequences had spilled over into agriculture.

The road to Tiananmen Square

The technical intelligentsia played a central role in the growing political crisis of 1988-89. Based in factory management, in the university and research institutes and in the ministries, this stratum demanded freedom of speech and of publication as it tried to grapple with the contradictions and rigidities of the economy. Leading sections of the bureaucracy recognised the importance of such academic and scientific freedoms. They encouraged discussion as a way of mobilising mass support for their own factional battles, in particular against the proponents of a return to more traditional centralised planning.

Against a background of steadily mounting economic disorder the debate broke out of the ordained bureaucratic channels and flooded onto the streets and into Tiananmen Square. It was the students who opened the floodgates and generalised the demands into an attack on bureaucratic rule, privilege and nepotism which was then taken up by workers in all the major cities of China.

It is a measure of the disunity of the bureaucracy that more than two months of steadily developing mass mobilisations passed before the movement was broken under the People's Liberation Army's tank tracks. It is also testimony to the deep social roots of Chinese Stalinism in the countryside, and thus in the army, that it was able to muster such a crushing blow to so widespread a movement.

The prime mover behind the repression of the democracy movement was Deng Xiaoping, but he had to rely on other forces—principally the PLA generals—whom he had attacked in earlier phases of his economic plans. In the aftermath of Tiananmen these forces have insisted on having their say and have proclaimed a return to centralised planning and tight restrictions on all economic development. Neither the army nor the CCP is able to fully enforce these decisions. They are split over the question and key agents, particularly in the foreign and economic ministries, are fundamentally opposed to them. Whilst no mercy has been shown to plebeian opponents of the regime there has been no systematic purge of the bureaucracy. The factions battle on behind closed doors.

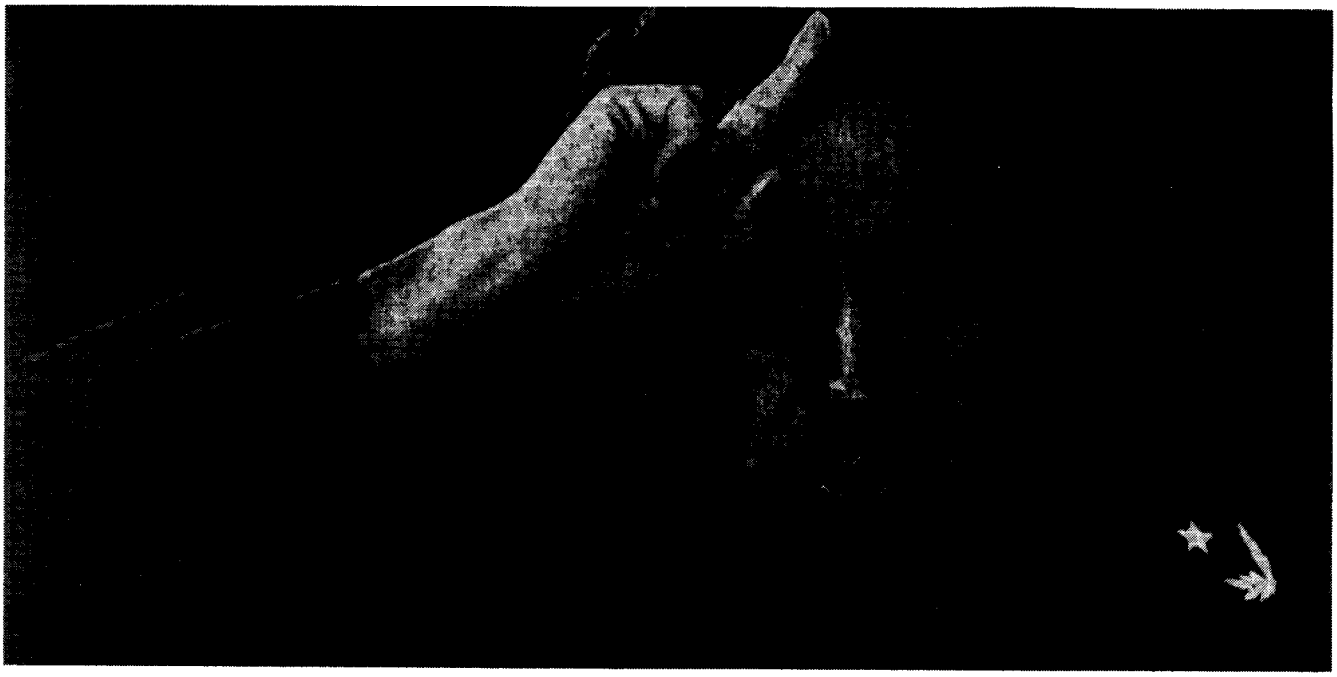
The aftermath

Repression has driven the opposition underground but it cannot eradicate that opposition, nor enthuse the workers to raise production. The growth of working class organisation during the spring of 1989, expressed in strikes throughout China after the massacre of Tiananmen, was too great to be bureaucratically liquidated. The bureaucracy tried to limit coverage of the downfall of Ceausescu; nevertheless there were demonstrations in support of the Romanian Revolution, showing that an organised opposition still exists.

The political character of this underground movement is far from crystallised. The Federation for a Democratic China—the leading force in the external opposition—clearly shows the influence of the overseas Chinese bourgeoisie through its overtly restorationist programme. The decision of the major imperialists to continue to negotiate with Beijing has tended to abort the development of a coherent and organised opposition leadership.

The decline in industrial production—2% per month since September 1989—shows the hostility of the working class and the economic impasse created by the bureaucracy's attempt to return to greater central planning. Unlike the East European regimes, Beijing is not dependent on Moscow for its short term survival. It will not collapse overnight like Honecker's or even Jakés': the accumulating contradictions will be resolved on the basis of their own rhythms and tempos. Nevertheless, the contradictions of bureaucratic planning which produced the crisis in the USSR also operate in China.

China has been subject to more frequent and greater crises than those of the USSR. Since the 1950s they have occurred at virtually ten year intervals. The



Castro—typically bureaucratic and counter-revolutionary

principal contradictions of the Chinese economy lie between the political and economic forces rooted in extensive free market developments in the countryside and the attempt to return to a more highly centralised control of industry. Imperialism has decided to return to its strategy of continued economic assistance and trade links, in the firm belief that in the long run they will re-kindle a pro-western political movement and, at the same time, corrode the economic controls and power of the bureaucracy.

The longer the bureaucratic dictatorship suppresses the political expression of the dynamic tendencies within Chinese society, the greater will be the explosive pressure that will be created. This fact, together with the extensive state resources still held by the bureaucracy and its continued base of support within the peasantry, indicates that the political revolution in China will be more convulsive and socially divisive than was the case in Eastern Europe in 1989-90.

Vietnam: on the Moscow road

Vietnam's version of *perestroika* (*bo dai*) has taken the country down the road of restoration at a brisk pace. Dollar parity for the currency, the elimination of many subsidies and the encouragement of capitalist investment—including changes in labour legislation enabling redundancies—have led to unemployment reaching 20%.

These changes, coupled with diplomatic overtures to the same US imperialism which massacred so many Vietnamese during the war, are sure signs of Hanoi's intention of following Moscow's lead. An integral part of this policy shift has been the withdrawal of Vietnamese troops from Kampuchea and negotiations which are aimed at opening the road to a pro-imperialist National Unity government involving the monarchists and the Khmer Rouge.

The Last Bastions? Cuba, Albania and North Korea

In Cuba Castro has resisted the marketising reforms that are sweeping Eastern Europe and the Soviet Union, despite pressure from Moscow. He has characterised a number of East European CPs as "betrayers of socialism" and has tried to present himself as the guardian of the "socialist system" against those preaching a return to capitalism. Castro's "defence" of planned property, however, is typically bureaucratic and counter-revolutionary.

He has sought to win support for his regime from various semi-colonial bourgeois governments by suggesting that the continued existence of his dictatorship will act as a counter-weight in their negotiations with their imperialist bosses. His state visit to Brazil gave left cover to Collor's anti-working class measures and he supported Peres in Venezuala against the Caracas food rebellion. He also bears a large measure of responsibility for the systematic concessions made by the FSLN and the FMLN to the bourgeoisie and for facilitating the Moscow-sponsored settlements favourable to imperialism in Southern Africa (e.g. Namibia and, potentially, Angola).

The Cuban economy faces a deepening crisis. Although the USSR maintained its commitments up until 1990, it has declared that starting from 1991 its enormous subsidies will be phased out. The changes in Eastern Europe and the insistence of the degenerate workers' states that they must be paid in hard currency, have led to considerable dislocation in the Cuban economy and growing discontent, especially amongst the youth.

Castro hopes that by recreating the revolutionary enthusiasm of the "Bay of Pigs" era by calling on the masses to fight to the death for "socialism" and against US imperialism he will arouse mass support for his regime. But without subsidies at least as big as those currently received from the USSR, the Cuban degenerate workers' state will collapse. The exiled Cuban bourgeoisie and its US bosses are eager to reclaim the only workers' state in the western hemisphere; but the coming crisis will also open up the possibility of the revolutionary overthrow of the Castroite bureaucracy.

In the first half of 1990 the last remaining bastions of the Stalin cult, Albania and North Korea, both showed signs of beginning to follow their fellow bureaucrats down the road of reform. Mass demonstrations in the Albanian capital of Tirana were greeted with repression on the one hand and concessions on the other. Hard-line ministers were fired, dissidents were allowed to emigrate via western embassies and

the first economic and political overtures were made towards imperialism (e.g. the request to join the European Security Council).

It seems unlikely that the Tirana bureaucrats will be able to resist the tide of change for long. North Korea's desire to improve relations with the South is currently blocked by the latter's intransigence. Here too the pressure on the North from imperialism, from the USSR and from internal opposition will eventually lead to change.

The world capitalist economy in the 1980s

From slump politics to the long recovery

During the second half of the 1970s—the economic recovery period—British Conservatives and US Republicans both found themselves in opposition. They set out to fashion a new economic policy, often given the name "monetarism", which was their emblem as the capitalist trailblazers of the 1980s.

Monetarism was never a coherent concept nor was it ever consistently put into practice. Its high point was the application of pro-cyclical monetary measures during the 1979-82 recession. Its objective was to force inefficient firms out of existence and compel the rest to radically improve the relations of exploitation under the pressure of mass unemployment. Government was to aid this process by a fierce anti-union policy, by radically reducing the tax burden on capital and by reducing the level of welfare programmes.

By means of a severe slump it was hoped to squeeze inflation down to pre-1970s levels. Despite rhetoric about promoting small enterprises the effect of all these policies was to encourage the centralisation and concentration of capital.

The USA's use of high interest rates after 1978 ensured that from 1980-82 the world capitalist economy was plunged into the deepest world recession since the Second World War. It was a more generalised recession than that of the mid-1970s. By 1983 inflation within the OECD countries was half that of the average 1970s level. Real wages fell in the USA by 6% during 1979-82.

In 1982 these policies were abruptly abandoned in the USA. As the biggest market for goods and services in the world the USA sought to stimulate a global recovery.

To boost world demand and revive production in Japan and Europe it adopted a policy of budget deficits—tax cuts and increased defence spending, stimulating consumer credit. The policy largely succeeded and Japan and Europe expanded as a result.

Between 1982 and 1985 the USA acted as the locomotive of the world capitalist recovery. But the budget deficits could only be covered by absorbing over half of domestic savings and by a massive inflow of capital from abroad.

In order to attract these funds US interest rates had to be maintained at a high level. The dollar's exchange rate thus remained high. In turn, however, high interest rates depressed domestic industrial investment and the high dollar decimated US exports while boosting imports. The result was a burgeoning trade and balance of payments deficit.

As a consequence of these policies the USA went from being the world's biggest creditor nation in 1981 to becoming the world's biggest debtor by 1985. This situation could not continue and demand for the dollar fell away from spring 1985. This was a signal for a major change of policy.

Not daring to further boost interest rates the US administration forced the dollar down in order to boost exports and cut the deficits. This policy was also designed to force the hand of Europe and Japan to take some responsibility for sustaining the global recovery.

A mini-recession took place in 1986 as global macro-economic policy co-ordination between the major powers faltered under the impact of the change of US policy. However, new agreements on exchange rate levels and a huge reflation programme by Japan allowed a new equilibrium to appear and the recovery to continue to the end of the decade.

The recovery was further prolonged by the co-ordinated response to the October 1987 stock market crash. The imperialist countries worked in concert to reduce interest rates, in order to prevent the crash precipitating a slump in the USA, which in turn would have dragged the world economy into recession. The essential reason for the crash was the weak profitability base of the major companies which could not indefinitely sustain the post-1983 speculative surge in world stock market values.

The markets recovered because Japan was able to take the strain. The Far East giant was already acting as the major locomotive of world investment and demand by pursuing a policy of high levels of business investment and domestic demand together with the liberalisation of trade. After October 1987 the USA and Japan acted to lower interest rates, thereby easing the debt situation of companies in the wake of the crash.

Those countries with the strongest currencies—Japan and Germany—were obliged to reduce their interest rates further than those in countries with weaker currencies (i.e. with trade deficits) such as the USA and Britain.

This differential decrease in interest rates also served to further deepen the unevenness between Japan and Germany on the one hand and the USA

and Britain on the other. In Japan and Germany interest rates fell sufficiently to encourage new capital investment and production, thus helping to prolong the cyclical upturn still further.

After 1987 the role of Japan became even more decisive. Nowhere else were interest rates lower. Nowhere else did the speculative bubble rise higher after 1987. At its peak shares rose four times higher on the Japanese stock exchange than anywhere else.

But this situation made it increasingly difficult for the Japanese speculators to rake in the mega-profits they were used to. The result was that they increasingly turned their attention abroad. Cheap yen flooded out of Japan. As long as the trade surplus could support this outflow then all was well. But by mid-1989 the flood of yen leaving Japan far surpassed the surplus on trade. As a result the yen began to lose its international value.

Economic reality began to make its unwelcome presence felt. The Japanese banking authorities were forced to raise interest rates. Unfortunately for the imperialists this coincided with a sharp slowdown in the growth of profits.

The breathing space afforded by the growth of easy money thus lasted exactly two years. In October 1989 the stock exchanges crashed again. The 27% fall in Tokyo exceeded that of 1987, but elsewhere the crash was milder. That the crash would once again begin in the USA was predictable, given that US imperialism was experiencing the sharpest contraction in profitability at that time. But once again Japan was resilient enough to bear the strain.

The further erosion of US hegemony

The cost to the USA of sustaining the post-1983 recovery has been great. It has involved becoming dependent on countries with surplus capital (especially Japan) for the continuation of its current levels of domestic spending. In part this indebtedness has served the interests of Europe and Japan, helping the former to finance NATO.

In part it reflects a wariness about launching an all-out attack—in the first place via a programme of tax increases—on the bloated privileges that US world dominance has bought for the North American middle class and labour aristocracy. The erosion of real wage levels and the cuts in welfare have been designed to hit only the urban poor and small sections of the employed working class.

US imperialism's share of world trade and manufactures continued to decline in the 1980s cyclical upturn. The post-1985 change of policies has only slowed the tempo of the growth of US deficits. It has not reversed the trend. The competitive effect of various exchange rate movements in the 1980s had cancelled themselves out by 1987.

Yet, real wage cuts and higher productivity than any imperialist country apart from Japan, together with a revival in investment, have ensured that US imperialism has restored a more profitable and productive place for itself, albeit in a narrower range of the world market.

This sums up the successes and failures of the US economy in the 1980s.

Inward looking, slow growth Europe

The late 1970s witnessed a change of direction within key sectors of the European bourgeoisies and governments. Their relative decline in the international industrial and financial spheres during the 1970s brought home to them the need for greater cooperation.

In the 1980s the European Community (EC) was enlarged to 12 member states. In 1978 the it agreed to establish a common monetary system which most countries joined. The conservative Bundesbank pursued a deflationary policy which in turn obliged the French, Greek and Spanish governments to abandon expansionary state backed economic policies and produced a general liberal market consensus.

During the 1979-82 recession there was a concerted drive to reduce over-capacity in heavy industries and, after a series of crises, an agreement to limit Common Agricultural Policy spending. Building on these successes a majority of EC states agreed in 1985 to allow the enthusiastically federalist European Commission to steer the EC towards a single market in goods, services and capital by 1992. In addition, there was a noticeable increase in research collaboration between EC countries throughout the 1980s.

Whatever the future of these policies it is clear that they have stimulated an increase in intra-EC trade and, at the same time, increased the reluctance of member states to take responsibility for boosting the global recovery through reflation. There is a consensus that European capital is best served by preparing for and taking advantage of the further liberalisation of the European market.

Perhaps because of this conservative approach, the greater co-operation shown during the 1980s did not prevent European capital from falling further behind Japan and the USA in market share, technological innovation and productivity. In addition, both the unification of Germany and the prospect of EC-dependent East European states may present problems for the EC in the 1990s.

Japan in the passing lane

When the post-war boom ended there were only two centres of world economy: Europe and the USA. Today there are three, with Japan, together with the East Asian countries under its economic sway, proving to be the fastest growing regional bloc in the world.

It will now be essential for the USA to elicit a co-ordinated response from Japan as well as from Europe in order to maintain or restore global economic equilibrium. On the eve of the last recession Japan was a dynamic exporter of an ever broader range of increasingly sophisticated manufactured goods. Its capital exports to the USA and Europe were negligible although it had built up a significant presence in East Asia alongside the USA.

In the 1980s all this changed. In the first half of the decade Japan exported its massive capital surplus to finance US deficits and thereby became banker to US imperialism. After 1985, with a sharply rising yen, Japan expanded the volume of its direct investments in Europe and the USA. Despite the rising yen, Japanese exports have remained strong due to Japan's ability to make sharp structural adjustments to its industrial priorities under the guidance of a strong state-finance capital complex.

As a result Japanese imperialism is stronger than ever before. Its productivity is better than that of Europe and the USA, and its industrial structure is more broadly based. Its capital has penetrated the Latin American markets on a large scale and has broken into Africa for the first time. It has consolidated its economic dominance in East Asia and, on the basis of investments in industry and banking, it has gained a leverage inside the USA and the EC that it did not hitherto possess. Finally, Japan has become the world's biggest financial power.

The semi-colonies: further differentiation, general decline

The high interest rates that precipitated the 1979 recession pushed many Latin American and African economies over the edge. The recession brought a slump in export earnings at the same time as a massive increase in the burden of repayments. By 1982 the debt problem had become an explosive political issue in Brazil, Argentina and Mexico and threatened a number of over-committed commercial banks in the imperialist countries with collapse.

The immediate consequence in Latin America and in Sub-Saharan Africa was austerity for the masses. Between 1982 and 1986 problems for these workers mounted relentlessly. A strong and rising US currency increased the dollar debt, while the recovery in demand for primary commodities was unable to fully restore export earnings. After 1982 banks stopped lending new money and the era of complex negotiations over re-scheduling began.

Since 1986 the Baker and Brady Plans for dealing with the debt have revealed ever more imaginative ways of easing the pain of repayment. But the debt burden ratio remained exactly the same at the end of the 1980s as it had been in 1982. Meanwhile, the standard of living for the masses of Latin America fell through the floor: workers experienced up to a 25% decrease in real wages and a savaging of their minimal welfare benefits, together with mass unemployment. The staggering poverty in the shanty towns increased.

The post-1986 recovery in primary product prices eased the pressure to a degree, although in 1987 primary product prices (including oil) were 55% of their 1979-81 average. Consequently the situation is still so bad that not only countries like Argentina are in crisis, but previously secure oil rich nations like Venezuela have joined the list of those imposing savage austerity packages.

World Bank development loans have dried up and IMF backed "structural adjustment programmes" have taken their place. This has resulted in the privatisation of state industries and mass sackings, such as in the Bolivian mining industry in 1985-86. Wages have been pegged well below inflation, which has often been replaced by hyper-inflation, as in Peru, Brazil and Argentina. Amongst all the countries of South America, Chile alone bucks the trend of stagnation and decay, while Brazil only sustains growth due to the size of its internal market.

Agrarian reform under IMF supervision has created a kulak class, especially in certain African countries. Since this class has been integrated into the world market at the time of the post-1986 revival in commodity prices, pockets of prosperity are to be found in Nigeria, Kenya, the Ivory Coast and Uganda. On the other hand, the industrial infrastructure of these countries is rapidly declining. The economic level of sub-Saharan Africa is being thrown back decades: its GDP was negative for the 1980s; the debt service ratio leaped from 14% to 34%, whilst investment declined at 2-4% a year.

During the 1980s imperialist multinationals feverishly relocated their sub-assembly operations in the semi-colonial world. This stimulated rapid and sustained industrial growth in certain East Asian semi-colonies. The Little Tigers are in the forefront of this process of manufacturing for re-export. South Korea grew at over 6% a year during the 1980s, doubling its industrial output in two mid-decade years alone. Due to the length of the cyclical upturn the Korean bourgeoisie was able to develop significant monopoly capital of its own, foreign branches of which are penetrating South East Asia and even Europe and the USA. As yet, however, South Korea remains a semi-colony, albeit of the most.

Certain semi-colonial countries in the region are also experiencing economic growth but at the cost of the decimation and even exhaustion of their natural resources and with little compensating industrialisation (e.g. Indonesia, Philippines). Other countries (e.g. Thailand, Malaysia) occupy an intermediate place between the case of South Korea and the others.

In all of these countries we are witnessing the rapid growth of a modern super-exploited proletariat alongside a brittle and autocratic political system. The end of the economic upturn threatens great upheavals in this part of Asia.

Beyond unevenness: the growth of protectionism, parasitism and profits

By the end of the 1980s the cyclical global economic upturn was enjoying its eighth year. But its unevenness and low rates of growth compared to the 1970s ensured that world output of goods and services fell away from an annual average rate of 3.9% between 1971-80 to a rate of 2.2% in the 1980s. Similarly world trade increased by 5% a year in the 1970s but only by 3% in the 1980s. Moreover, the recovery in the imperialist nations has exacted a heavy price from most of the semi-colonies. During the 1980s their overall growth rate was only just over 1% per annum, as

compared to 5% per annum in the 1960s and 1970s.

The world recovery has been concentrated in the OECD countries and a few semi-colonies, where profitability has been restored to the best levels of the post-1973 period. But this has only been possible on the basis of continued mass unemployment and a failure to add substantially to the stock of new productive capacity. In the post-1973 period investment generally involved boosting productivity rather than expanding capacity; most new jobs in the imperialist countries are in services not industry.

The tendency to financial parasitism is greater than it has ever been this century. The mountain of national debt owed by sovereign governments to financial institutions grows ever higher. The biggest imperialist country is the biggest debtor. Corporate and personal debt are also at historic highs, adding to the difficulty of mobilising savings for investment. Interest rates remain high, thus depressing demand. From being a stimulus to production in the long boom debt has become a major barrier to the expansion of the productive forces.

The 1980s recovery did not eliminate excess capacity in key industries (e.g. steel, textiles) and this fact led to a growth of protectionism, especially of the non-tariff variety. US capitalism has also experienced an erosion in its share of world markets for high technology goods This has ensured that GATT has become as much a forum for restraining the growth of protectionism as an arena for negotiating further liberalisation of international trade. The multi-lateralist free trade ethos of GATT is increasingly giving way to a proliferation of bilateral, "fair trade" arrangements, threatening the world economy with division into regional blocs.

Relations between the empires

One of the most important political developments since the mid 1980s has been the global partnership between Japanese and American imperialism. This is rooted in a fundamental economic change in the structure of the world economy: the ever growing financial and industrial interdependence between Japan and the USA.

The economic integration of the USA and Japanese economies, which accounts for 30% of global output, has been dubbed the "Nichibei economy", and even involves corporate alliances between US and Japanese firms. As an example of this interdependence, Japan supplies 40% of all US orders for components in cars and electronics.

This relationship has given rise both to conflict and co-operation. The conflict is based on the growing superiority of Japanese industrial, financial and trading capital. This periodically causes anxiety within sectors of US industry and commerce. The tensions between the USA and Japan reflect the strategic difficulty US imperialism experiences in having to accept its diminishing global economic strength. The situation is made worse for the USA in that it relies upon the main source of its economic eclipse—Japan—to sustain its declining position.

The scale of the co-operation is shown by the willingness of Japanese imperialism to open up its internal markets to the USA, to furnish the dollars to balance the US deficits, and to engage in domestic reflation in order to sustain a global recovery. All this occurs in the context of Japanese imperialism showing little sign of wanting any more political power than the USA thinks fit. Even in East Asia the USA remains the dominant political power, not Japan.

This collaboration, however, contains the seeds of further disintegration. The USA is trapped in a vicious circle. The deficits require Japanese capital imports, which in turn require a high dollar to attract them. The high dollar further erodes US domestic industrial investment and ensures continued relative decline. This decline reinforces the need for foreign capital to bridge the gap between US economic ambitions and its ability to satisfy them from within its own domestic resources.

When will the crunch come? For the moment collaboration ensures an unstable equilibrium. But the kind of radical solution necessary to restore US trading and budgetary surpluses is impossible for Japan or Europe to accept. The cost of this—in terms of inflation, unemployment, loss of US markets for their goods—is unacceptable to Japan and the EC.

The next recession will push the USA into a more aggressive stance towards the EC and Japan. Unilateral retaliatory actions will occur as the USA attempts to halt its further fall from pole position. Conflict with Japan may then break out. Japanese imperialism would be forced to strike out on a more politically independent road. This will probably appear in relation to its dealings with China, USSR, and Africa.

An alternative solution would be a US-Japanese alliance in the context of agreements over cartelisation of the whole Pacific and North American markets, in opposition to a post-1992 Europe. This, however, would require a major shift in the political outlook of the US ruling class, since it would entail abandoning US relative world hegemony and recognising that it would have to share world dominance with one partner or another.

For the moment the major source of economic conflict is to be found between Europe and America. Conflict over agriculture is top of the list, together with fear of European protectionism after 1992. European imperialism is much less committed to the maintenance of economic liberalism on a global scale and increasing tension is likely.

There is no spontaneous tendency within Europe leading to the creation of a European capitalist class. The specific attempts at cross-border multinational collaboration (Hoesch-Hoogovens, Agfa-Gevaert, Pirelli-Dunlop etc) have collapsed. Aggressive takeovers are more typical. A new international division of labour is being established, with each country proving to be strong in certain sectors and succumbing to their rivals in others. The economic and legal restrictions that stand in the way of the emergence of a European capitalist class transcending the existing national states remain legion.

The moves towards greater economic unification require enormous political intervention and



The Wall comes crashing down

leadership. A large measure of economic integration will be achieved by 1992 but much more (e.g. a European federal bank, fuller budgetary and tax harmony etc) will remain the music of the future. And it is precisely these kinds of developments which will be necessary before a distinctly European capital can emerge.

For the moment the imperialists prefer sectoral cartelisation by the multinationals within the context of protected markets. Conflict will break out when a recession reduces market share and the existing agreements collapse. In the short-term (i.e. over the next five years) the extent of European—and here we mean overwhelmingly a united German—penetration of Eastern Europe and USSR will be limited in its economic rewards. But favourable political developments for imperialism over this period could eventually lead to the capturing of major markets and raw materials in the second half of the decade.

For the immediate future, despite Britain's Atlanticist "Trojan horse" tactics, Franco-German political leadership will steer the EC to a considerable measure of economic liberalisation. If other factors do not intervene this should extend the economic recovery via the boost to intra-European (and Japanese) investment in EC countries. Moreover, the whole dynamic is drawing EFTA and certain Mediterranean nations into the same process.

The immediate results and prospects for the major imperialist economies

For how long can Japan sustain the burden of prolonging the global cyclical recovery? Although Japan remains the world's banker its financial institutions are heavily involved in a speculative boom both at home and abroad. They are particularly vulnerable to any collapse in land prices in Japan. Were such a crash to occur then it would imperil the world financial system as Japanese banks—the world's largest—would have to repatriate funds to cover their losses at home. The ability to prevent a massive crash in Japan is pivotal to determining the course of capitalist development in the short term. This is even more true today than it was in 1987.

Can the cycle can be prolonged by business investment, consumer demand and the exploitation of new profitable markets by all or any of the three major imperialist powers? The state of the US economy does not give their bosses much reason to hope that it can be the locomotive of growth. From 1988-90 between a quarter and a third of its states have been in recession at any one time. Its company indebtedness is at an all time high, its financial system has been rocked by the $500 billion bail-out of Savings and Loans.

The post-1986 deficit stabilisation and currency devaluation which led to increased US export competitiveness has now been eroded. New taxes and spending cuts together with low profits are restricting growth in the US economy to very low levels, and have pushed it to the verge of a nationwide recession. Not even the present low interest rates can inject a new dynamism into the US economy.

Can Eastern Europe breathe new life into the world capitalist economy by allowing Europe, especially a united imperialist Germany, to take over as the new locomotive? On their own the gains to be acquired from Eastern Europe cannot do more than prolong the current cycle in Europe. Most of the means of production in Eastern Europe are less productive than the mass of capital scrapped in the west during the 1980s. Productivity is less than half that of the west and the quality of production is highly suspect. Even after the restoration of capitalism productivity will still be far below the average in the imperialist west.

Could imperialism underwrite a new Marshall Plan to rebuild Eastern Europe, thereby creating markets for the multinationals? Indebtedness will also limit this possibility. The American government will not have adequate funds in the next few years. Its hands are full with the growing US budget deficit, although in the long run reduced military expenditure may release some funds for investment. Japan's recent stock market crashes and the need to support the yen has impaired its ability to act as banker to Eastern Europe. The British government is restricted in its actions by its trade deficit.

This leaves Germany and France. Collectively they do not have the resources to underwrite a broad reconstruction plan for Eastern Europe. For the immediate future Germany will probably concentrate its attention and its investment on developing the internal economy of a united Germany. European capital will

nonetheless be able to take advantage of a number of openings and we can expect a strengthening of European capital relative to American capital, and to a lesser degree to that of the Japanese.

The international banks will not be able to repeat their lending spree of the mid-1970s. They have not yet recovered from the writing-off of the debts owed from the previous round of lending. Their capital to assets ratios are still poor and they are now faced with growing bad debts in the imperialist heartlands, particularly as a result of lending to finance the property boom.

The opening up of Eastern Europe should thus prevent a slump in Europe but it will not be able to generate sufficient profits and markets to enable world capitalism to open up a new prolonged new period of expanded accumulation lasting decades. In general over the next few years we will witness a transitional period in which the costs and dangers of re-implanting capitalism in Eastern Europe will be greater than the rewards.

Only the vast resources locked within the economies of the USSR and China could form the basis of a new period of world capitalist expansion. However, these resources could only be tapped following the overthrow of the bureaucratic plan and the historic defeat of the working class. This period still lies ahead. Renewed capitalist prosperity is a potential outcome if the imperialists and their agents inflict a massive defeat on the world working class, are able to maintain social peace in their own countries and can sustain the savage semi-colonial austerity of the 1980s. At the moment the accumulated contradictions of the post-1982 cycle place major obstacles in the way of the imperialists' goal: they will find it very difficult to manoeuvre successfully.

The working class in the major imperialist countries

In the major imperialist countries of North America, Japan and Western Europe the effects of the economic cycle in setting the tempo of class struggle have been pronounced. Thatcher and Reagan came to power as slump politicians, determined to use the full effects of the recession to discipline the working class, to increase the rate of exploitation and to weaken the power of the trade unions.

The labour movements that these ruling class warriors faced varied enormously, but their fate was generally the same. European workers suffered serious setbacks as the recession was used—by social democrats as well as by conservatives—to use the discipline of unemployment to force down real wages and boost the rate of exploitation. In the USA the conservatism and political impotence of the trade union bureaucracy allowed Reagan to impose similar attacks. But a wave of struggles—as yet on a small scale—indicates that the tide of defeats and retreat may be turning. If so the class struggles of the 1990s may surpass those of the 1970s.

The US official labour movement in decline

When Reagan took office the US trade unions were already on a downhill slope. Their peak in terms of size lay as far back as 1952-53, and their golden age of radicalism was over four decades ago (1934-48). Tied down by the Taft Hartley Act (1947) and the Landrum-Griffin Act (1959) and hit by the anti-communist witch-hunts, the AFL-CIO became, and has remained, fiercely pro-capitalist.

Through the International Confederation of Free Trade Unions (ICFTU) and the American Institute for Free Labour Development (AIFLD) the AFL-CIO became an international instrument for splitting radical labour movements and promoting yellow unionism. It was an active participant in the coup against Allende in 1973.

It comes as no surprise that the AFL-CIO has experienced a long term decline and continues to shrink. There has been no period of expanded unionisation since 1953. Its great unionisation drives were in 1934-37 and 1944-45. In fact, the year 1974-75 was a watershed year for de-unionisation, setting a trend that took union levels for industrial and service sector workers down from 28.9% to 19.4% in 1982. These are the official figures: The real situation is probably worse, nearer 14% at the end of the decade.

It is scarcely surprising that such an instrument of imperialism as the AFL-CIO should be a poor instrument for defending the interests of the US workers themselves. By the mid-1980s less than 20% of the US labour force of 93 million workers were unionised. Apart from the astronomically privileged bureaucracy the US unions have remained dominated by the white labour aristocracy of the North East/Mid-West.

No serious attempt has been made to unionise the South and the South West where the most modern and expanding industries are located. To do so would have been a hard, even a bloody struggle, given the unbridled savagery of the US ruling class and its resort to arms faced with elementary trade union activity.

Deals with organised crime, as in the Teamsters union, have also helped keep the US unions safe for capitalism and have resulted in the defeat of repeated democratisation attempts. Indeed rank and file militants have been faced with the dilemma of seeking government sponsorship and protection ("Teamsters for a Democratic Union").

Reagan's onslaught

Reagan was determined to attack the working class in its strongest bastion, the public service unions. In

1981 Reagan fired all 11,400 striking air traffic controllers, members of the PATCO union. This was a clear warning to all other workers that if a highly skilled, apparently irreplaceable workforce could be crushed, less skilled and less well organised workers stood little chance. This was the theme of Reagan's USA.

Between 1972 and 1974 real earnings of US workers fell by 14%. Reagan froze the US minimum wage on taking office and since then it has depreciated by 25%. Reagan's attack on wages was two-pronged. Firstly, there were outright "give-backs". The unions "negotiated" these—starting with Chrysler in 1979—so that by 1982 60% of all unions had agreed either to freezes or wage reductions. 25% of all unionised factories were operating "give-backs".

The second element of the bosses' strategy was to divide the workforce, with long service workers on one rate and dismissable short-contract workers on another. National and state wide agreements were torn up and replaced by plant level agreements. Despite all this American bourgeois economists still believe it is necessary to cut the proletariat's wages by 4-5% per annum for years in order to restore competitiveness with their European and East Asian rivals.

The Reagan onslaught applied to social welfare as well. Health programmes were cut by 25%, unemployment pay by 31%. Despite this the unions have not blocked the offensive let alone led a fightback. Their only concern has been to stem the loss of members.

Since 1982 low unionisation levels have slowly recovered a few percentage points during a boom that reduced unemployment to 5.9%. Of course, at a local rank and file level there have been magnificent fightbacks, such as that of the Hormel meatpackers and the struggles of Eastern Standard Airlines and the West Virginia miners.

These struggles could herald a revival of rank and file militancy but this will require a clear political strategy to defeat the unbelievably privileged and corrupt bureaucrats. A movement of the scale and class independence of the IWW at its height and the early CIO will be needed to overcome these obstacles. However, to break American labor's enslavement to its own bourgeoisie via the "friends of labor" Democrats will require a revolutionary communist leadership.

The British working class under Thatcher

Thatcher's achievement has been greater than that of Reagan. She has broken the power of a union movement at the peak of its official strength (although not of its rank and file organisation and combativity). The road to defeat was opened by the class collaboration and demoralisation inflicted by the 1974-79 Labour Government. Thatcher was able to use the full impact of the 1980-82 slump to crush section after section of workers.

First came the steel workers in 1980, then the rail unions, the civil servants, the healthworkers, the printers and the miners—all after long and bitter struggles in which the intensity of class struggle was greater than any time since the 1920s. Yet these struggles were all defeats and the threat of unemployment plus the Tories' "free market" policy of letting wages find their own level (usually up) deprived the embattled sections of any easy or spontaneous generalisation of the struggle. Each section fought with the sympathy and support of militants throughout the labour movement but without their active solidarity.

This absence of 1970s style solidarity was increased by a series of anti-union laws that stripped away all the legal protection won since 1876. These were introduced step by step and the TUC did little or nothing to oppose them.

Now workers in Britain face more draconian legal repression than in any other major imperialist country. The result of Thatcher's onslaught has been a sharp shrinkage of union membership and unionisation levels. Between 1980 and 1984 the unionisation level for private manufacturing industry fell from 76% to 66%. At the end of the 1970s the TUC had over 12 million members. Today is has only just over nine million.

The late 1980s, following the defeats of the miners and the printers (1986-88), were a low point of struggle, with the notable exception of the healthworkers' campaign. However, 1989-90 witnessed a dramatic collapse in the Tories' political fortunes mainly centred on the deep unpopularity of three measures: cuts in social services, especially health provision; the use of high interest rates to combat high inflation; and above all, a new local tax (poll tax).

A general waning of enthusiasm for rigid neo-liberalism in the ruling class has led to open division between the dogmatic monetarists around Thatcher and a more pragmatic approach to state spending on training and infrastructure as represented by Heseltine. However, it is unlikely that Thatcher can be replaced by a palace coup. The Labour Party is tailoring its programme to meet these ruling class needs. A continued crisis of leadership in the working class prevents struggles over wages, social service cuts and the poll tax coalescing into an open political struggle against the government. Increasingly, the working class is turning its hopes and aspirations towards electing a Labour government in 1991-92.

Italy: the bosses on the offensive

In Italy the 1980s were also marked by a counter-offensive against the working class. The campaign was begun by Fiat, which victimised militants in 1979 and a year later defeated a five week strike. This gave a signal for massive lay-offs. In 1984 the Christian Democrat/Socialist Party government, led by Bettino Craxi, set about undermining the *scala mobile* (index-linking of wages). Following the government's suspension of this gain from the inflationary 1970s, the Communist Party and trade union leaders diverted mass anger and action into a referendum to re-instate it which they lost.

The result has been stagnant or declining real wages. However, from 1987-88 onwards there has

been a recovery of combativity and resistance, first from transport workers organised by rank and file committees (COBAS).

France: austerity with a "socialist" face

In France neo-liberal policies were pursued by a social democratic president to telling effect. Mitterrand was elected after the crushing defeat of the steel strike of 1979. Despite massive demonstrations and armed street battles in the Lorraine, the CGT and CFDT trade union bureaucrats refused to mobilise an all-out general strike and this vital section of the French working class was defeated, setting the tone for the whole of the next decade.

The first phase of the Mitterrand government (1981-84) was marked by the presence of CP ministers in the government and by the adoption in 1983 of a savage austerity programme. Before and after this sea change, leaders of all the union federations held back workers' struggles. This task was made easier by the fact that, at least in the initial 18 months, large sections of the working class had substantial illusions in the "Union of the Left" government.

The result was a success story for the capitalists: production increased and inflation was reduced to 3%. The situation was far from rosy for the working class: restructuring led to over three million unemployed and real wages in the massive public sector were cut by 10% over the decade, all without any class wide working class response. Indeed, the power of the trade unions and of the Stalinist CP was enormously weakened, without recourse to anti-union legislation. The labour bureaucracy was only to eager to do the job.

French imperialist intervention into Africa and the Pacific was maintained, resisting independence movements and wars, and was not opposed by any significant sections of the working class. Similarly, the racist Front National, led by fascists, was able to spread its poison without any decisive proletarian opposition. The responsibility for this sorry situation lies fairly and squarely with the Stalinist and social democratic misleaders.

Faced with a massive decline in their electoral support, the CP left the government in 1984 and began to try and bureaucratically mobilise workers against austerity. The result was a continued fall in their support and the occasionally spectacular growth of rank-and-file bodies outside of union control during major strikes (1986-87 railway strike, 1988 nurses' strike).

Despite these signs of combativity, the working class remained on the retreat and strike figures plummeted to a post-war low. The two years under right wing Prime Minister Chirac (1986-88) revealed a slight improvement, but the beginning of Mitterrand's second Presidency in 1988 and the subsequent socialist-led Rocard government have been accompanied by a relative downturn on the industrial front.

Faced with a weakened and divided trade union movement, the growth of racism and massive unemployment, the working class has yet to find the political programme necessary to fight back against Mitterrand's offensive and to free itself of the crushing weight of Stalinism and of social democratic reformism.

Spain follows the French road—with a difference

The general European pattern of a lower level of trade union struggle in the 1980s was contradicted in Spain. On 14 December 1988 Spanish workers carried out their first truly general strike for fifty years. Six million strikers—two thirds of the total working population—took part. Led by the UGT—the traditionally socialist union federation—and the Stalinist-led "Workers' Commissions" (CCOO) the Spanish state was paralysed, especially the "socialist" government of Felipe Gonzalez.

The strike marked a real rupture between the PSOE, which was carrying out the semi-Thatcherite policies that have become the hallmark of European social democracy, and the UGT. The possibility of such a decisive split had been signalled by the end of the Economic and Social Accord in December 1986.

Since he came to office in 1982 Gonzalez has moved further and further from any identification with the labour movement. Unemployment stands at 20% and the government has replied with forced youth labour schemes identical to those of Thatcher. Spain's growth rate in the recovery was remarkable (5.2% in 1988) and the integration into the EC has given the PSOE continued electoral credibility.

The Spanish labour movement has clearly recovered from the repression of fascism and the failure to take full advantage of the crisis of the Falangist regime in the mid-1970s. It also appears to be throwing off the influence of social democracy, at least with regard to its trade union struggles at least. In the 1990s the Spanish proletariat can play a key role in the European workers' movement.

Germany: from social peace to the price of reunification

In less than twelve months the German bourgeoisie has achieved fundamental and unexpected gains—reunification and an end to the post-war subservience towards the "Victor Powers". It now faces the massive economic task of re-integrating the former GDR into the heart of German imperialism.

The bosses will clearly try to make the FRG workers pay the price. The relatively high standards of living enjoyed by workers in the west will come under attack. There will be no question of these privileges being immediately extended to the German bosses' newly acquired wage slaves in the East. Quite the opposite: sackings and closures will devastate the ex-GDR working class which will be first in the firing line as imperialism adjusts its plans to meet the new situation.

Unlike the US, British and Italian ruling classes, the German bosses have not spent the last decade settling accounts with the working class. In the 1990s they will have to make up for lost time. Despite the instal-



French Jewish youths hit back against Le Pen's fascists

lation of a Christian Democrat/Free Democrat coalition in March 1983, the German bourgeoisie did not launch an all out offensive against the working class.

Instead they workers' representatives at plant level ("co-determination") in order to ensure relative social peace. The DGB union federation is solidly dominated by conservative social democrats and has been complacent in the belief that that no major onslaught is intended against the high wages and good conditions of German workers.

A signal of what the German bourgeoisie will face if it tries a serious offensive was revealed at the Krupp steelworks in Rheinhausen in late 1987. The plant was occupied, the Krupp family palace was stormed and massive street demonstrations rocked the country. Although the IG Metall engineering union did not lift a finger to help the Rheinhausen strikers it has proved to be an important focus for militant rank and file activity. In recent years it has shown itself capable of playing a leading combative role in the West German trade union movement (e.g. during the 35 hour week strike of 1984).

The collapse of Stalinism and the German imperialists' rush to unification led to a nationalist resurgence in the consciousness of the German working class, East and West. Unification also pushed the imperialists to concede temporarily to workers' demands (e.g. a 35 hour week after 1995 in the West, twelve months job guarantee and wage increases in the East), in order to ensure a period of social peace and avoid any cross-border united struggles.

Whatever the results of the 1990 all-German elections, major attacks on the working class will be on the agenda from 1991 onwards. It is at this point that the reformist leadership of the working class will be put to the test.

The political leadership of the West German proletariat, the SPD, was initially able to exploit the decline in popularity of the CDU and the Greens in the late 1980s. However, faced with the drive to unification it began to lose ground. Although in the early phases of the East German revolution social democracy seemed to be strengthened, here too the open parties of the bourgeoisie were able to take the initiative on the basis of their clearer anti-communist record and their offensive over the national question.

Splits within the SPD over the State Treaty further weakened it in both the East and the West. Although it seems likely that the PDS's role in the unified Germany will be that of diverting defensive workers' struggles into the parliamentary arena, the "reformed Stalinists" will also try to take the initiative from any movements which threaten to escape their control, including by making a "left" turn in the direction of workers' action against the capitalist offensive.

In the qualitatively new situation facing the German working class the key question will be that of united action of the whole proletariat against the bosses' offensive, which will fall first and foremost in the East. Both SPD and PDS leaders will work to stop such unity. As elsewhere, the reformist agents of imperialism represent an enormous brake on workers' ability to defend themselves against the attacks of capital.

European immigrant workers and the threat of racism and fascism

The most oppressed and exploited section of the European proletariat is the vast army of immigrant workers and their families—perhaps 15.5 million in all. In Britain, Germany and France workers from the African and Caribbean ex-colonies, from North Africa and from Turkey were recruited to work in the car factories, chemical plants and in the public service industries—transport, cleaning etc.

These workers often lack civil rights, social welfare and elementary job security. In addition they have been subjected to the racism and outright fascism of the far right. Racist parties like the Front National in France and the Republikaner in Germany lead vicious

campaigns against them. The reformist labour movements are often indifferent or hostile. Yet these workers have undertaken militant struggles.

A new element in European racism is the emergence of far right groups and parties in Eastern Europe and the USSR. A prolonged restorationist phase, marked by great hardships and unemployment, can—if the crisis of leadership is not overcome—assist the strong growth of the right.

Japanese workers in the grip of imperialism

In the 1980s Japanese imperialism maintained and strengthened its hold over the proletariat. The capitalists' domination of the labour movement goes back forty years. A historic defeat was inflicted on the working class after the February 1947 general strike was broken by the US occupation authorities. In the following period trade union and political militants were purged on a massive scale. The Sambetsu union federation lost 75% of its membership.

In 1953 the Nissan car workers' union was broken in a strike and throughout the 1950s and 1960s trade unions were crushed and yellow company unions (the Domei federation) installed in all the export led growth industries (shipbuilding, steel, car production and electronics). Through an extensive system of patronage and clientelism the Liberal Democratic Party (LDP) manipulated Japan's "democracy" into a permanent LDP regime that marginalised the Communist Party and the Socialist Party.

Today Japan has one of the most anti-working class bodies of legislation in the imperialist world. This has helped ensure that the unions are excluded from the most important sectors of productive industry. The labour aristocracy have been incorporated by lifetime contracts, pay increases through seniority, 50% of wages being determined by performance, company-provided social services and guaranteed employment for workers' children.

This is the material basis of a fierce feudal-type company loyalty that has corrupted and broken down class consciousness. The propaganda which presents the Japanese people as fanatically hard working and thrifty conceals the super-exploitation to which the vast majority of workers—including the labour aristocracy—are subjected.

The non-existence of a comprehensive social security system obliges workers to devote a great part of their wages to insuring themselves against all eventualities. Japanese workers must work overtime to attain job security and promotion. This goes hand in hand with a modernised version of ancient patriarchal values centring on the oppression of women, the submission to authority in general and to the boss in particular.

In the 1980s there were a few rank and file struggles against plant closures (Nissan Kawaguchi 1986). For this trickle to become a stream of class struggle, Japanese imperialism's enormous prestige will have to be dented. This could occur through pressure to cut wages and conditions arising from competition with other South East Asian countries—sometimes even with Japanese plants in these countries. Such ruling class attacks could provide the impetus for driving out the yellow unions and unionising the great factories of the giant corporations.

Militant unionism has traditionally been dominant in the public sector. The most active union federation, Sohyo, popularised the spring offensive for the annual contract (the Shunto). One area of bitter struggle has been the railways where strikes are illegal. The last major battle was lost and workers forced to quit the union. A rightward move in the Sohyo saw it fuse with some of the yellow unions into the Rengo federation.

Apart from the labour aristocracy in the multinational plants and in the public sector there is a vast, poorly paid proletariat, including most of Japan's women workers and the large Korean immigrant workforce. Where organised, these workers are grouped in tiny local "community unions".

Like the US working class, the Japanese proletariat is a slumbering giant. When it awakes it will shake the world economic order. Its slumber—like that of the British proletariat in the years 1850-1890 and of the US proletariat in the post-1950 decades—is a product of the "economic miracle" and of the class collaboration of the working class leadership. When these two factors are challenged then there will be mass class struggle in Japan once again

Conclusion: on the threshold of a new period

The imperialist powers, especially the USA and the EC countries, have achieved major victories in 1989-90, far in excess of their wildest dreams when they launched the new Cold War. George Kennan, architect of the first Cold War, has commented: "The Cold War is over. We won." Obviously he is correct.

A historic change has occurred in Eastern Europe. The Warsaw Pact has been effectively destroyed and the Soviet Armed Forces are being pressured into total withdrawal. German imperialism is shaking off the last of the shackles imposed in the post-war period by the western powers and the Soviet bureaucracy. It has achieved reunification without making any major concessions to the USSR.

The momentous events in Eastern Europe have repercussions far beyond the boundaries of the continent which will continue to be felt for many years to come. The collapse of the degenerate workers' states of Eastern Europe and the crisis of the USSR removes from the scene a source of economic and military aid

to sections of the semi-colonial bourgeoisie and to petit bourgeois national liberation struggles. Imperialist investment into Eastern Europe will divert funds away from the imperialised world and lead to even greater misery and oppression for hundreds of millions.

The changes in the relationships between the imperialist powers will prove to be of decisive importance in the years ahead. After 1992, in a more economically integrated and enlarged EC, Germany will be by far the strongest economic power. The Bundesbank and the Deutschmark will dominate with or without a new hard ECU. The reunified Germany will seek to open the whole of Eastern Europe—including the USSR—to EC investment and domination. It will seek to organise the new democracies into semi-colonial satellites.

French and Italian imperialism are seeking to achieve the maximum integration of Germany into a fully federal European Community. For the next period this project and the German road to hegemony do not conflict. The principal contradiction within the EC lies between all these powers and Britain, wedded to a world role for the City which dictates the continuance of its post-1941 to 1947 special relationship with the USA. Eventually this opposition will be marginalised by the implacable logic of the interests of imperialist capital.

A whole period lies ahead in which the fate of the degenerate workers' states will be decided. The restoration of capitalism in East Germany was relatively simple for unique reasons. Poland and Hungary will be next to reach the critical juncture. Poland, at least, will face a painful transition to semi-colonial servitude. Whilst imperialism has hitherto had the services of a pro-capitalist leadership of Solidarnosc it will prove difficult for this leadership to retain its hold once the real face of semi-colonial capitalism is revealed.

In Romania and the Balkans the economic consequences of restorationist measures will be even worse and may provide the basis for mass resistance.

The attempted restoration of capitalism in the USSR and in China will be the most fateful imperialist undertaking in the next period. A split within the bureaucracy, leading to open civil war, may occur. Direct intervention by the imperialist powers to ensure the completion of the process and to protect their investments would then be very likely, with incalculable consequences.

Turmoil in the semi-colonies

Throughout the semi-colonial world the World Bank, the IMF and the USA, Britain and France are demanding the total dismantling of the state capitalist and Bonapartist regimes. They are insisting on an economic open door plus millionaires' democracy as the price of further aid and the recycling of loans. Via the lever of the debt, the IMF is increasingly becoming a central command planning instrument for US/EC/Japanese finance capital to direct the economies of the semi-colonial world.

As a consequence the new democratic phase in the semi-colonies is likely to be shortlived and combined with military repression. Revolutionary crises are probable once the masses become disillusioned with the free market policies of the new "democratic" regimes. The democratic struggles in Africa and Asia against the remaining military-Bonapartist regime still have enormous revolutionary potential to mobilise workers, students and the urban poor.

These struggles will all contain the potential dynamic of permanent revolution, but here again the fundamental task will be the resolution of the crisis of leadership and the defeat of enfeebled Stalinism and of nationalist and religious demagogues.

Despite the victories of anti-imperialist struggles in the 1970s and 1980s, and the continued relative economic weakening of the US with regard to Japan and the EC in the 1990s, the USA is temporarily strengthened by the decline of the USSR. With the aid of the Gorbachevite bureaucracy US imperialism is pushing forward a series of counter-revolutionary solutions to the anti-imperialist struggle.

In South Africa, Central America and South East Asia these solutions have—for a period at least—the support of the Stalinist and petit bourgeois nationalist leaderships. Yet so gross is the betrayal of the real interests that the masses have fought for that these "solutions" even if they should reach fruition will rapidly lead to disillusionment and provoke resistance.

The process of imperialist "solutions" is well underway in South Africa and in Central America. Less advanced is a South East Asian settlement centred on Kampuchea, while the Middle East remains the biggest powder keg of world politics. The most obdurate resistance to a US solution comes from Israel. Though the PLO and the Arab bourgeois regimes have sought to compromise, the Zionist state has not.

The growth of inter-imperialist antagonisms

Imperialism's plans are, as ever, based on an optimistic and short term perspectives which could easily prove false. The capitalists hope to maintain the boom, a low level of class struggle and their control over the semi-colonies through neo-liberal economics and conservative democratic regimes. However, the unstable and uneven balancing act of the last boom phase is already coming to an end.

US economic hegemony is progressively being undermined by the growth of Japanese economic might. This could turn into an overt challenge if the USA were to seek to restore its hegemony in order to impede Japanese penetration of its East Asian, Latin American or home markets. A similar effect could be produced were the USA to try and block the centralisation of European capital or its penetration of Eastern Europe and the USSR.

Tensions between the USA, Japan and the EC will intensify during the recession when each imperialism is obliged to protect itself and to offload its problems onto the others. The potential creation of new eco-

nomic and military blocs indicates the possibility of a new period of rivalry different to that of either 1890-1945 or 1945-90.

Britain and the USA were unable to hold back Germany's rush to unification. Today Germany feels free to negotiate independently with the USSR. NATO is obliged to undertake limited troops and arms cuts, and to renounce its former military doctrines. NATO will not survive in its old form as an instrument of US hegemony in Europe aimed primarily at the East European degenerate workers' states.

NATO's political aspects are already being stressed in order to give the USA a continued foothold in Europe. The "world role" of its forces, their potential deployment in "trouble spots", already suggests a use in the Middle Eastern and African semi-colonies. In addition, its "police role" could be essential for imperialist interests in the revolutionary and counter-revolutionary crises that are to come in Eastern Europe and the USSR.

The question of proletarian leadership

The last decade has seen serious reverses for the working class on a world scale. This has largely been the responsibility of the existing leaderships, all of which—Stalinist, social democratic and petit bourgeois nationalist—have failed. Capitalism, naked and unashamed, is at a new pinnacle of self-confidence. Yet there is much in the balance sheet that indicates that this glory will be short-lived.

Over the last period the motor force of the world revolution, the proletariat, has grown in organisation and size, both relatively and absolutely.

The greater homogeneity and interconnection of the world market creates greater connections between the proletariat and its allies worldwide. New, powerful labour movements have come into existence in Brazil, South Africa and South East Asia and have shown their ability to fight. Old proletariats, from Bolivia to Britain, have fought on a level at least as high as that of the past, even if their treacherous leaderships have led them to defeat.

The relaxation of brutal capitalist military Bonapartism in the semi-colonies, and of the bureaucratic castes in the degenerate(d) workers' states, raises the potential for the interaction of all these class struggles one with another.

At first this will be spontaneous and instinctive but international solidarity and class action will become more clear and conscious. The terminal crisis of Stalinism and the increasing rightward drift of social democracy mean that these obstacles on the road to revolutionary communism are not insurmountable. On the contrary, they are wracked with crisis and contradiction.

We now stand in a transition period of uncertain duration and full of explosive potential. If this potential is to be realised as a series of political and social revolutions the question of leadership within the world proletariat must be resolved in a revolutionary fashion.

The death agony of Stalinism could have immediately and overwhelmingly progressive consequences. A new revolutionary mass workers' International could be founded and a world wide revolutionary period opened up. It is to this optimistic perspective that the LRCI devotes itself in the coming years, straining every nerve and sinew to achieve its goal.

LRCI resolutions on the Gulf Crisis

On the Iraqi invasion of Kuwait

Passed by the LRCI International Secretariat, 3 August 1990

The Iraqi attack on Kuwait was motivated by economic aggrandisement necessitated by the Iran/Iraq war and the expenses of maintaining the reactionary military Bonapartist regime of Saddam Hussein. Though this seizure of Kuwait has outraged the imperialist powers it is not a genuine blow against imperialism. Iraq seeks to become the dominant regional Arab power, a power that imperialism must work through and deal with. Its claim to be a liberator of the Kuwaiti people from their reactionary rulers is a fraud. As such we condemn the Iraqi invasion and call for the withdrawal of Iraqi troops.

However, the Kuwaiti regime, and indeed the Kuwaiti state and its borders, are not and never were an expression of their people's right to self-determination. Kuwait was a Balkanised oil rich enclave, carved out of the larger Arab states to subordinate it to imperialist control and the oil multinationals. As such a defencist position in Kuwait would make no sense. The Arab masses have no interest in the victory of either side and should pursue the strictest revolutionary defeatism on both sides.

Imperialism is now threatening measures of economic blockade of Iraq. It is moving its fleets into the region. In response to these threats we say:

- Down with an imperialist or United Nations blockade against Iraq
- Down with the Baker/Shevardnadze statement
- Imperialist forces out of the Gulf

Should the imperialist powers or their Israeli stooges attack Iraq then revolutionaries should take a defencist position *vis-à-vis* Iraq.

Against imperialist aggression!

Passed by the LRCI International Secretariat, 21 August 1990

The huge US war machine has been put into operation against Iraq. The United Nations (UN) has been mobilised to give its sanction to a total blockade. An equally vast propaganda campaign has been launched by the mass media, bewailing the tragedy of the Kuwaiti people and the horrors facing the "western hostages". Saddam Hussein's lurid record as a dictator, as the perpetrator of poison gas attacks against the Kurds, as a latter day Hitler, are now suddenly given full media coverage.

The stinking hypocrisy of these sudden discoveries is obvious after a moment's thought. Britain, the USA and Japan have been arming and trading with this supposed monster for decades. The USA and Britain never sought serious UN sanctions against the South African or Israeli persecutors of the black majority or the Palestinians. UN resolutions on these peoples' brutal oppression gathered dust without a single gunboat being dispatched to enforce them.

The imperialist powers' concern for democracy, their opposition to dictators, is entirely determined by whether these "ideals" coincide with their vital economic and political interests. The interests involved here are naked—control of the Gulf oilfields and the need to keep the Arab states weak and divided economically, politically and militarily. The USA, supported closely by Thatcher, is willing to launch an all-out war to protect these interests. Workers and all anti-imperialist forces world-wide have a direct interest in seeing that they do not succeed.

The Iraqi invasion and annexation of Kuwait was provoked by the mounting economic crisis wracking Saddam Hussein's dictatorship in the aftermath of the Iran-Iraq war. The Kuwaiti regime, along with the other Gulf Emirates and the Saudi monarchy, has consistently weakened the OPEC cartel through overproduction to keep oil prices as low as possible, and therefore performed an important service for imperialism. In addition annexation of Kuwait liquidates at a stroke over a quarter of Iraq's foreign debt.

Iraq was also motivated by military-strategic and political reasons to believe that the seizure of Kuwait would enormously strengthen the Ba'athist regime. In strategic terms annexation would give Iraq secure access to the Gulf which the war with Iran had failed to gain it. Saddam hoped the humiliation of the Gulf emirs and the Saudi dynasty would invest him with the heroic mantle of a Nasser and revive a pan-Arab nationalism centred on Iraq.

However, these aims do not constitute a genuine anti-imperialist struggle. The Iraqi regime is a brutal dictatorship which cruelly oppresses the Kurdish nation in the north, has bloodily suppressed the once powerful Iraqi workers' movement and the Iraqi Communist Party. Despite a long term alliance in the 1960s and 70s with the Soviet bureaucracy, and despite its bellicose verbiage against Zionism, Iraq has never been in the front line of Arab resistance to Israeli expansionism, and by its attack on Iran aimed to prove itself worthy of imperialist support as a replacement gendarme for the Shah. Throughout the eight year war imperialism distinctly favoured Iraq and economically bolstered it at key points to prevent an Iranian victory.

Iraq, even with the invasion of Kuwait, was not seeking a major conflict with imperialism. Rather through its annexation it wished to present the imperialists with a *fait accompli*. It wanted to prove itself to be the dominant regional power which imperialism would have to come to terms with, and work through, to achieve stability in the Gulf and ensure its continued exploitation of the area's vast oil reserves.

Like Galtieri over the Malvinas (Falklands), Saddam has underestimated the imperialist powers' resistance to being despoiled of any of "their" possessions lest it encourage others to try similar actions. US imperialism must recover Kuwait. To fail to do so will be a tremendous demonstration of weakness that would fatally undermine its world policeman role.

For the USA this is nowhere more true than the Gulf. The USA alone is dependent for 50% of its oil imports on this region at a time when Iraq now commands more oil reserves than any other country in OPEC. If unchecked, by the end of the century Iraq will be more economically powerful and have an enhanced military capability. For imperialism and Israel *now* is the time to check Hussein's regional ambitions—by war if necessary.

What should the attitude of workers, revolutionary socialists and all genuine anti-imperialists be to Iraq's original invasion and annexation of Kuwait and to the imperialist forces gathering for an assault on Iraq?

Firstly, revolutionaries should be opposed to the invasion and annexation of Kuwait. Forcible annexations, against the will of the population cannot be a basis for uniting the Arab and non-Arab peoples of the Middle East against imperialism. Rather such actions give imperialism a pretext to intervene and to gather support from other oppressed semi-colonial regimes for this intervention. Therefore, in Iraq revolutionaries should have opposed the invasion.

The main enemy of the Iraqi workers and the oppressed Kurdish minority remained, throughout this period, the Saddam dictatorship. Revolutionary struggle against his regime should not have been retarded or halted out of any concern about a defeat of the Iraqi army in its "war" with the troops of the Emir of Kuwait, unlikely as this was.

If the Iraqi invasion was unjustified was it therefore justified for revolutionaries in Kuwait to "defend the fatherland" alongside the Emir's troops? No. Kuwait is not a nation but a Balkanised enclave cut out of the disintegrating Ottoman empire by British imperialism in 1921, when it was the League of Nations' mandatory power. It has never had the least shred of democracy. Its ruling class are rich and pampered *rentiers*, spending most of the year away from home in Western Europe. The workers of Kuwait are predominantly Arab, Palestinian and other (South East Asian) "immigrants" with no rights whatsoever. Their inherent and objective interest was to overthrow the Emir not to defend him. Therefore, on both sides in this conflict the strictest revolutionary defeatism should have been maintained.

However, once the US troops were sent to Saudi the nature of the conflict changed its character. The adoption of an economic blockade accompanied by military skirmishes is a direct prelude to war. The build up of forces in Saudi Arabia has created the certainty that any Iraqi withdrawal would be followed immediately by a US/British occupation of Kuwait. The result for the Kuwaiti people at the level of democratic rights would be just as bad as the Iraqi dictatorship—witness the "democratic rights" that exist in Panama under US occupation.

But this occupation would have an even more reactionary consequence for the masses of the whole region. It would create a vast new military base for imperialism to police the whole region from, enforcing "its interests" in the Iranian and Iraqi oilfields as well as those of Saudi Arabia and the Gulf Emirates. Therefore, revolutionaries must now subordinate the call for the withdrawal of Iraqi troops to the fight for the withdrawal of all imperialist troops from the Gulf area, and until all imperialist troops are withdrawn we no longer raise this demand.

Whilst it remains the duty of revolutionaries in Iraq to continue to struggle to overthrow Saddam Hussein they must combine this strategic objective with a readiness to defend Iraq against imperialist attack. This applies to revolutionaries in Kuwait. Any fighting here will have the character of being simply a part of a general conflict between a semi-colonial regime exploited and oppressed by imperialism and the mightiest imperialist army on earth.

Revolutionaries world-wide must not only oppose the blockade and the war preparations, but on the outbreak of hostilities must call clearly and unequivocally for the defeat of US and British imperialism and for the victory of the Iraqi forces. We must fight for working class and democratic forces world-wide to take class struggle actions against imperialism which aid the Iraqi resistance.

In Iraq "defencism" has to have a revolutionary character. Revolutionaries must mobilise the masses around genuine anti-imperialist, democratic and class slogans. If war with imperialism breaks out then for Iraqi revolutionaries insurrection against Saddam

Hussein's regime must be subordinated to the tasks of defeating the imperialist onslaught. However, a struggle to overthrow him may prove necessary to prevent surrender and defeat. In the event of a defeat for Saddam and his regime revolutionaries must seek to grasp the opportunity to overthrow the Ba'athist dictatorship and replace it with a genuine anti-imperialist workers' and peasants' government.

As long as Saddam Hussein poses as the anti-imperialist war leader revolutionaries should demand the expropriation of all imperialist property in Iraq and Kuwait, the universal arming of the people, the granting of full democratic rights to the Iraqi and Kuwaiti masses including the withdrawal of all Iraqi troops from Kurdistan. We call on all workers everywhere to refuse to implement sanctions against Iraq.

- Break the blockade
- Down with the imperialist war preparations
- All US, British and other imperialist troops out of the Gulf
- For the defeat of imperialist forces in any war and for the victory of Iraq
- Soldiers of the Arab League turn your guns on imperialism—for a revolutionary war against imperialism
- Down with the emirs and kings of the Arabian Peninsula—stooges and tools of imperialism
- Down with Saddam Hussein and the other Bonapartist regimes of the region
- For self-determination for all who live and work in Kuwait
- For a Socialist United States of the Middle East

Key slogans for international solidarity work around the Gulf Crisis

Passed by the LRCI International Secretariat, 23 September 1990

A vast coalition of imperialist powers stands poised to plunge the Middle East into a mighty war. Under the banner of the United Nations (UN)—that so-called agency for world peace—a war is being prepared by the USA, Britain and France. Japan and Germany act as quartermasters and the servile client Arab regimes act to cut off Iraq from any base of support in the masses of the Middle East.

The ground, air and naval forces are in place. All that restrains them are the political calculations of the White House. Can Iraq be effectively strangled through military blockade and sanctions alone or will war be necessary? Will the social consensus at home hold in the face of mounting combat casualties? Is the propaganda machine sufficiently slavish to ensure this? Is the risk of global economic dislocation that might flow from all out war a price worth paying for the ousting of Hussein?

The coming weeks and months will see answers these questions. Hanging on the outcome is the shape of the whole oil producing region of the Middle East well into the next century. If successful imperialism will have secured its arrogant right to cheap and reliable supplies of oil and ensured the super-profits the oil companies derive from it for a whole period. If successful imperialism will station its troops and listening posts in conservative Arab client states to threaten all future anti-imperialist and anti-capitalist actions of the impoverished Arab masses with ruthless suppression.

It is desperately urgent that all labour movements and progressive forces around the world rally in active opposition to this prospect. Revolutionaries and working class militants throughout the world have no reason to identify with Saddam's seizure of Kuwait. Iraq's rulers—brutal suppressors of the Kurds, the communists and of democratic rights—by annexing Kuwait have enlarged the sphere of operation of Hussein's secret police and military dictatorship. The road followed by Saddam's tanks is not the road of revolutionary or progressive unification of the Arab people against imperialism. But the liberators of Iraq and Kuwait are not to be found in the armed camps across the border in Saudi Arabia. Far from it!

Despite Hussein's butchery against his own people and the Kurds, despite his ill-starred adventure into Kuwait, the main enemies of the Iraqi people now are the forces gathered on its borders. If successful they will not bring democracy to Kuwait, where it has never existed before, they will not end the semi-colonial condition of the Iraqi workers, nor bring national justice for the Kurds. In dealing a fatal blow to the Ba'athist dynasty in Baghdad they will simply install a more slavishly pro-imperialist enemy of the Iraqi people, as they did in Grenada and Panama. To ensure this puppet's rule Iraq will then be surrounded by the military bases of the USA.

Imperialism's economic and military onslaught on Iraq converts the latter's resistance into a justified struggle against a new imperialist "settlement" of the Middle East. For this reason revolutionaries across the world must be opposed to, and seek to break the hold of, the UN sanctions. They must, in the event of war, stand clearly and unequivocally for the victory of the Iraqi armed forces and for the defeat of the joint imperialist and Arab forces ranged against them. To aid Iraq now and in the event of war revolutionaries should seek to mobilise the world's labour movements around the slogans:

- No war for the big oil companies!

- Hands off Iraq—imperialist troops out of the Gulf!
- No to UN sanctions against Iraq
- Iraqi workers, not Bush and Thatcher, must oust Saddam!

The minimum principled basis for anti-imperialist solidarity work against the threat of, or actual, war in the Gulf is summed up in the slogan: imperialist troops out of the Gulf. Revolutionary forces, however, should seek to win backing for a fight against the military blockade and economic sanctions.

The vacuous social pacifist appeal of "No war!" is not an anti-imperialist position. However, where it is not yet possible to form a united front around the position of imperialist troops out then it is principled to enter a "No war!" bloc and fight within it for anti-imperialist positions, propaganda and contingents on events. But if the "No war!" position is combined with support for UN sanctions it is actually a pro-imperialist position deceitfully cloaked in pacifist rhetoric. No united front is possible on such a basis. It is the duty of revolutionaries to mercilessly expose this social pacifism since it prepares the way for support for military action if and when it comes.

Whilst centrist forces can and should be won to the minimum anti-imperialist position, they will constantly seek to retreat into a bloc with the social pacifists around the latters' vacuous slogans and, moreover, create a platform for their pro-imperialist sanctions propaganda. Their practice in the united front is to aid the social pacifists by smothering the expression of their own stated position and junking a full and open position of revolutionary support for Iraq against sanctions, let alone urging victory in the case of military combat.

Nevertheless, revolutionaries must seek to create or maintain a united front with centrists and reformists on an anti-imperialist basis which gives them the freedom to put forward their full position, to criticise the social pacifists and all capitulations to them in practice.

In the degenerate workers' states the working class must mobilise against the treacherous pro-imperialist policies of the leadership of Gorbachev, Deng *et al.*

- Down with the Bush-Gorbachev Helsinki agreement against Iraq. Down with Soviet support for diplomatic, economic and military sanctions. Resume arms shipments and economic aid to Iraq
- In the countries of the Middle East revolutionaries must seek to mobilise against the imperialist war machine and its local agents
- Down with the Saudi monarchy and the sultanate puppets of imperialism
- Down with Mubarak, Assad and Rafsanjani—craven collaborators with the imperialist robbers
- Down with the Zionist state. Victory to the Palestinian *intifada*
- Break the blockade of Iraq—open the ports, frontiers and pipelines to trade to and from Iraq
- Seize all the imperialist assets, nationalising them under workers' control
- In the event of war—money, arms, soldiers for Iraq! Sabotage of all anti-Iraqi military operations
- Masses of the Middle East—rise up against imperialism's occupation and plundering of your region!

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Tasks and slogans in Iraq

Passed by the LRCI International Secretariat, 23 September 1990

The Iraqi people are used to war. Hundreds of thousands have been needlessly slain in a reactionary attack upon Iran. Not a family is left untouched. The privations and shortages that accompany war—all these are entrenched in the culture of Iraq's workers and poor peasants. But for what were they hurled against the frontiers of Iran and for what did they go hungry at home? Not for a just anti-imperialist war but rather only to satisfy the petty ambitions of a bourgeois military dictator.

Now the Iraqi people find themselves once more being prepared for a state of war by the adventures of its dictator. Yet this time the masses must rally to the revolutionary defence of their country, must ring their borders with impenetrable hostility to the forces of imperialism poised to strike. Yet this is not their only task. For years ground under the iron heel of the Ba'athist dictatorship, the Iraqi workers' movement must utilise the struggle against imperialism to reconstruct itself. It can and must do this on the basis of the defence of Iraq against imperialist attack whilst not abandoning the political struggle to break up Saddam's dictatorship. Indeed, the disintegration of the dictatorship is necessary as part and parcel of the mobilisation of the masses against imperialism. This demands a fight to force the Iraqi regime to:

- Seize all imperialist property and holdings in Iraq
- Arm the workers and poor peasants in militias with the right to elect their own officers
- Give arms to the Palestinians in Jordan and the occupied territories to fight Zionism and imperialism
- Recognize the right of freely elected committees of workers and peasants—men and women—to ration and distribute foodstuffs and medical supplies
- Restore full democratic rights—assembly, free speech, press, trade unions and political parties
- Withdraw all Iraqi troops from the Kurdish areas; self-determination for the Kurdish people
- Grant full democratic rights, including self-determination, to the entire population of Kuwait

These anti-imperialist and democratic measures would, at a stroke, rally millions throughout the Middle East to the side of Iraq and undermine the pro-imperialist regimes. Of course, we do not expect Saddam to willingly carry out of any of these measures since they would fatally undermine his brutal dictatorship but they put to the test his anti-imperialist rhetoric, exposing its falsity to the millions who have illusions in him, whilst at the same time pointing the road to a real mobilisation against imperialism.

In the event of war it is in the direct interest of the Iraqi and the Kurdish people to defend Iraq against imperialism without for a minute abandoning their just struggles for national freedom, democracy and class emancipation. In war they should propose a military united front against the attacking imperialist forces. To form this in practice would require, on the regime's part, the complete cessation of all repression against the progressive forces.

But whatever the the regime's actions against the progressive forces imperialism remains the main enemy whilst the armed conflict continues and it is from within the war effort that forces must be rallied to overthrow the Ba'athist regime and create a workers' and peasants' government. Proceeding towards an armed insurrection to achieve that goal during the course of the war with imperialism will have to be considered in the light of the need to secure a military victory against the main enemy—imperialist forces in the Gulf.

US imperialism has the project of a "new world order" to secure its exploitation and oppression of the semi-colonies and disintegrating workers' states. It will pursue this goal through a United Nations sponsored "police force" consisting of US forces and a periphery of allies from the semi-colonies and junior imperialist powers. All workers and peasants have an interest in disrupting and breaking up a new Yalta-Potsdam style re-division of the world that imperialism and its lackeys are attempting.

- Down with imperialism's intervention in the Gulf
- Victory to the anti-imperialist struggle of the peoples of the Middle East
- For the United Socialist States of the Middle East

From the archives of Trotskyism

Principles and tactics in war

By Rudolf Klement

Introduction

We reprint here an article written by Rudolf Klement, one of Trotsky's secretaries, who was at the time a member of the International Secretariat (IS) of the Movement for the Fourth International. Klement, born in Germany in 1908.[1] He was a student of philosophy[2] and an accomplished linguist (he spoke six languages) and his devotion to the movement was without equal.

He joined Trotsky in exile in Prinkipo in May 1933, moved to France with him and parted company only when Trotsky was deported to Norway in 1935. Klement was entrusted with the post of Administrative Secretary of the IS. It undoubtedly shows the confidence placed in Klement by Trotsky and the rest of the Movement for the Fourth International.

The article, "The tasks of the proletariat in war", was written in December 1937 under the pseudonym of W(alter) St(een). It was first published in English in May 1938 under the title "Principles and Tactics in War" in the *New International* .[3]

Klement explains the revolutionary principles that guide the Marxist understanding of war. But he also does much more. As an active revolutionary he is concerned to lay down those measures the international working class needs to undertake faced with different kinds of wars. Today, with imperialism's forces massing in the Gulf, Klement's article has lost none of its strength as a guide to action.

Klement explains the importance of revolutionary defeatism in the imperialist countries, and goes on to show how this should express itself in the case of a war against a non-imperialist opponent which is carrying out a progressive struggle against the imperialist power. He makes clear that the article contains little that is new. He bases himself squarely on the 1934 document "War and the Fourth International",[4] written by Trotsky and adopted by the international Trotskyist movement. Klement's article was occasioned by the need to clear up an important confusion which was threatening to disrupt the Movement for a Fourth International.

Towards the end of 1937 Klement, IS member Walter Held and other exiled German Trotskyists, began the publication of *Der einzige Weg* (The Only Road). The first issue carried a short review of "The Case of Leon Trotsky", the transcripts of evidence given to the Dewey Commission

The review highlighted one particular exchange between Trotsky and Albert Goldman, his lawyer, in which Trotsky dealt with the question of how French workers should react if French imperialism were to make an alliance with the USSR.[5] Klement says that this short quotation had given rise to "false interpretations" and that it was necessary to put the matter straight.

In fact the article threatened to detonate a row which had been rumbling on for some time within the Belgian section of the MFI, the Parti Socialiste Révolutionnaire. At the heart of this dispute was a fundamental political difference between Trotsky and the leader of the PSR, Georges Vereeken.

No sooner had Vereeken seen the review than he accused Trotsky of "going back to Stalinist policies". He continued:

"The extract which the IS finds so interesting, will ideologically disarm our comrades . . . I consider this opinion totally false, dangerous and certain to lead to our movement to end up in the holy alliance of the bourgeois democratic countries."[6]

Without Trotsky's knowledge, Klement launched a political counter-offensive against Vereeken and the PSR leadership. On the 18 December he wrote a stinging letter to the PSR EC. In one particularly telling passage he wrote:

"Comrade Vereeken lacks the most elementary notion of what revolutionary defeatism is. This results both from the fact that he identifies revolutionary defeatism with the sabotage of the whole war machinery and from the fact that he sees *political* opposition to the government as nothing but integration into the holy alliance. This is most astonishing since up to now, in explaining revolutionary defeatism, we have always stressed that it doesn't consist of blowing up bridges or acts of individual terrorism against the military command, but rather of continuing the class struggle during the war and preparing the masses for the revolution, which means irreconcilable *political opposition* to the bourgeois regime."[7]

His letter ends:

"To omit nothing which can favour the military actions of the states which the international proletariat has the duty to defend, here means using every means (revolutionary agitation and military sabotage) to weaken the activity of one's own imperialism. This

1. And not 1910 as often suggested. *Writings*: Supplement 1934-40, p950, n776
2. E.g. *Oeuvres*, Grenoble 1984, p30, n5
3. To our knowledge, the article has only been reprinted twice before. Firstly by *Workers Power* (Dec 1980) and more recently by *Revolutionary History* (Vol1, No1, Spring 1988)
4. *Writings* 1933-34, New York 1975, pp299-329
5. *The Case of Leon Trotsky*, New York 1969, pp289-290
6. From PSR EC minutes, 15.12.37. Cited in Vereeken, op cit, pp265-267
7. Ibid, pp265-267

is no way means that in such cases we should become partisans of individual terrorism, for in the first place we should have no intentions of *substituting* this for revolutionary action to bring down the regime, and because such sabotage and terror can and must take on a mass character, can and must do so—for here lies its chance of effectiveness—with the sympathy and support of the proletariat in the army and outside it.

"Obviously it will be difficult *in the reality of war* to practise both revolutionary defeatism in one's own country and defencism towards the USSR etc, and to combine the two. But the conclusion to be drawn is not that we should close our eyes to such necessities, and limit ourselves to repeating schematically: revolutionary defencism everywhere! That way we should find ourselves at the crucial moment without a real directive. Instead we should be thinking now about arming the members for every eventuality. This is also the only way to prevent the temptation to join the holy alliance taking hold of revolutionary militants in difficult situations."[8]

Three days after this letter the initial draft of "The Tasks of the Proletariat in War" was finished. Within a few short months the article had been published in English, French and German and was to form a new weapon in the arsenal of the revolutionary programme on war.

In July 1938 Klement was assassinated by the Stalinist secret police, the GPU. His headless corpse was found floating in the Seine at Meulan, outside Paris. The life of this "unselfish and courageous" young man was over.

Klement's death was a loss for revolutionaries all over the world. Fifty years later his article is still important, and can serve to educate and guide the new ranks of revolutionaries who will complete Klement's work, stopped in its tracks by Stalin's executioners.

8. From PSR EC minutes, 22.12.37. Vereeken, op cit, pp276

The review of the book *The case of Leon Trotsky* in the first number of the periodical *Der Einzige Weg* quotes the following interesting statement of comrade Trotsky on the difference in the tasks of the proletariat during a war between France-Soviet Union and Germany-Japan (reproduced here somewhat more completely):

"Stolberg: Russia and France already have a military alliance. Suppose an international war breaks out. I am not interested in what you say about the Russian working class at this time. I know that. What would you say to the French working class in reference to the defense of the Soviet Union? 'Change the French bourgeois government', would you say?

"Trotsky: This question is more or less answered in our document, *The War and the Fourth International*, in this sense: In France I would remain in opposition to the government and would develop systematically this opposition. In Germany I would do anything I could to sabotage the war machinery. They are two different things. In Germany and in Japan I would apply military methods as far as I am able to fight, oppose, and injure the machinery, the military machinery of Japan, to disorganise it, both in Germany and in Japan. In France it is political opposition against the bourgeoisie, and the preparation of the proletarian revolution. Both are revolutionary methods. But in Germany and Japan I have as my immediate aim the disorganisation of the whole machinery. In France I have the aim of the proletarian revolution . . .

"Goldman: Suppose you have the chance to take power during a war, in France, would you advocate it if you had the majority of the proletariat?

"Trotsky: Naturally." (P 289)

Within the limits of a book review it was naturally impossible, with this isolated, half-improvised, necessarily incomplete and special colloquial statement, to develop the general problems of the revolutionary struggle in wartime or even to throw a sufficient theoretical light on that special question. Since the above quotation thereupon unfortunately led to misunderstandings, and worse yet, to malicious distortions ("preparing for the civil peace in France", renunciation of revolutionary defeatism, etc!), it is well to make up here for the previous neglect.

As to the basic principles of the revolutionary struggle against war and during it, considerations of space compel us to confine ourselves here to our theses on war,* which were adopted in May 1934 by the International Secretariat of our movement, have since formed one of the most important programmatic documents of Bolshevism, and acquire more topical importance with the passing of every day.

With regard to the specific question that interests us, comrade Trotsky, in the statement above, makes reference to the following points in the theses on war:

"44. Remaining the determined and devoted defender of the workers' state in the struggle with imperialism, the international proletariat will not, however, become an ally of the imperialist allies of the USSR. The proletariat of a capitalist country which finds itself in alliance with the USSR must retain fully and completely its irreconcilable *hostility to the imperialist government of its own country*. In this sense, its policy will not differ from that of the proletariat in a country fighting against the USSR. But in the nature of practical action considerable differences may arise, depending on the concrete war situation. For instance, it would be absurd and criminal in case of war between the USSR and Japan for the American proletariat to sabotage the sending of American munitions to the USSR. But the proletariat of a country fighting against the USSR would be absolutely obliged to resort to actions of this sort—strikes, sabotage, etc.

"45. Intransigent proletarian opposition to the imperialist aims of the given government, the treacherous character of this 'alliance', its speculation on capitalist overturn in the USSR, etc. The policy of a proletarian party in an 'allied' as well as in an enemy imperialist country should therefore be directed towards the revolutionary overthrow of the bourgeoisie and

* War and the Fourth International

the seizure of power. Only in this way can a *real alliance with the USSR* be created and the first workers' state be saved from disaster." (p 21)

The wars of recent years did not represent a *direct* struggle between imperialist powers, but colonial expeditions (Italy-Abyssinia, Japan-China) and conflicts over spheres of influence (China, Chaco, and in a certain sense, also Spain), and therefore did not for the time being, degenerate into a world conflict. Hitler hopes to attack the USSR tomorrow just as Japan attacks China, i.e. to alter the imperialist relationship of forces without directly violating the essential interests of the other imperialisms and thereby temporarily to localise the conflict. These events, occurring since 1934, have clearly shown that the above-quoted theses on the attitude of the proletariat of imperialist countries are valid not only in an anti-Soviet war but in all wars in which it must take sides—and those are precisely the ones involved in recent years.

* * *

War is only the continuation of politics by other means. Hence the proletariat must continue its class struggle in wartime, among other things with the new means which the bourgeoisie hands him. It can and must utilise the weakening of its "own" bourgeoisie in the imperialist countries in order relentlessly to prepare and to carry out its social revolution in connection with the military defeat engendered by the war, and to seize the power. This tactic, known as *revolutionary defeatism*, is one of the strongest levers of the proletarian world revolution in our epoch, and therewith of historical progress.

Only, where the struggle is imperialistic only on one side, and a war of liberation of non-imperialist nations or of a socialist country against existing or threatening imperialist oppression on the other, as well as in civil wars between the classes or between democracy and fascism—the international proletariat cannot and should not apply the same tactic to both sides. Recognising the progressive character of this war of liberation it must fight decisively against the main enemy, reactionary imperialism (or else against the reactionary camp, in the case of a civil war), that is, fight for the victory of the socially (or politically) oppressed or about-to-be oppressed: USSR, colonial and semi-colonial countries like Abyssinia or China, or Republican Spain, etc.

Here too, however, it remains mindful of its irreconcilable class opposition to its "own" bourgeoisie—or its political opposition to the Soviet bureaucracy—and does not surrender without resistance any of its independent positions. As in the imperialist countries it strives with all its strength for the social revolution and the seizure of power, the establishment of its dictatorship, which, moreover, alone makes possible a sure and lasting victory over the imperialists. But in such cases, it cannot and does not, as in the imperialist camp, seek revolutionary victory at the cost of a military *defeat* but rather along the road of a military *victory* of his country.[1]

Class struggle and war are international phenomena, which are decided internationally. But since every struggle permits of but two camps (bloc against bloc) and since imperialistic fights intertwine with the class war (world imperialism—world proletariat), there arise manifold and complex cases. The bourgeoisie of the semi-colonial countries or the liberal bourgeoisie menaced by its "own" fascism, appeal for aid to the "friendly" imperialisms; the Soviet Union attempts, for example, to utilise the antagonisms between the imperialisms by concluding alliances with one group against another, etc. The proletariat of all countries, the only internationally solidary—and not least of all because of that, the only progressive—class, thereby finds itself in the complicated situation in wartime, especially in the new world war, *of combining revolutionary defeatism towards his own bourgeoisie with support of progressive wars.*

This situation is utilised with a vengeance right now and certainly will be tomorrow, by the social patriots of the social democratic, Stalinist or anarchist stripe, in order to have the proletarians permit themselves to be slaughtered for the profits of capital under the illusion of helping their brothers of the USSR, China and elsewhere. It serves the social traitors, furthermore, to depict the revolutionists not only as "betrayers of the fatherland" (just as they are now shouted down as agents of Franco). All the more reason why the proletariat, especially in the imperialist countries, requires, in this seemingly contradictory situation, a particularly clear understanding of these combined tasks and of the methods for fulfilling them.

In the application of revolutionary defeatism against the imperialist bourgeoisie and its state there can be no fundamental difference, regardless of whether the latter is "friendly" or hostile to the cause supported by the proletariat, whether it is in—treacherous—alliance with the allies of the proletariat (Stalin, the bourgeoisie of the semi-colonial counties, the colonial peoples, anti-fascist liberalism), or is conducting a war against them. The methods of revolutionary defeatism remain unaltered: revolutionary propaganda, irreconcilable opposition to the regime, the class struggle from its purely economic up to its highest political form (the armed uprising), fraternisation of the troops, transformation of the war into the civil war.

The international defense of the proletarian states, of the oppressed peoples fighting for their freedom, and the international support of the armed anti-fascist civil war must, however, naturally take on various forms in accordance with whether one's "own" bourgeoisie stands on their side or combats them. Apart from the political preparation of the social revolution, whose rhythm and methods are in no way identical with those of war, this defense must naturally assume military forms. In addition to revolutionary support it consists, consequently, in military support of the progressive cause, as well as in the military damaging of its imperialist opponent.

The military support can naturally take on a decisive scope only where the proletariat itself has the levers of power and of economy in its hands (USSR, and to a certain extent, Spain in the summer of 1936). In the imperialist countries which are allied with the countries conducting progressive and revolutionary

wars, it boils down to this: that the proletariat fights with revolutionary means for an effective, direct military support, controlled by it, of the progressive cause ("Airplanes for Spain!" cried the French workers). In any case, it must promote and control a really guaranteed direct military support (sending of arms, ammunition, food, specialists, etc), even at the cost of an "exception" from the direct class struggle.[2] It will have to be left to the instinct and revolutionary perspicacity of the proletariat, which is well aware of its tasks, to make the right distinction in every concrete situation, to avoid injuring the military interests of the far-off ally of the proletariat out of narrow national class struggle considerations, no matter how revolutionary they seem, as well to avoid doing the dirty work for its "own" imperialism on the pretext of giving indirect aid to its allies. The only real and decisive aid that the workers can bring the latter is by seizing and holding the power.

It is otherwise—so far as the outward form of its struggle goes—with the proletariat of the imperialisms engaged in a direct struggle *against* the progressive cause. In addition to its struggle for the revolution, it is its duty to engage in military sabotage for the benefit of the "enemy"—the enemy of its bourgeoisie but its own ally. As a means of revolutionary defeatism in the struggle between imperialist countries, military sabotage, like individual terror, is completely worthless. Without replacing the social revolution, or even advancing it by a hair's breadth, it would only help one imperialism against another, mislead the vanguard, sow illusions among the masses and thus facilitate the game of the imperialists.[3] On the other hand, military sabotage is imperiously imposed as an immediate measure in defense of the camp that is fighting imperialism and is consequently progressive. As such, it is understood by the masses, welcomed and furthered. The defeat of one's "own" country here becomes not a lesser evil that is taken into the bargain (a lesser evil than the "victory" bought by civil peace and the abandonment of the revolution), but the direct and immediate *goal*, the *task* of the proletarian struggle The defeat of one's "own" country would, in this case, be no evil at all, or an evil much more easily taken into the bargain for it would signify the common victory of the people liberated from the existing or threatening imperialist yoke and of the proletariat of its enemy, over the common overlord—imperialist capital. Such a victory would be a powerful point of departure for the international proletarian revolution, not least of all in the "friendly" imperialist countries.[4]

Thus we see how different war situations require from the revolutionary proletariat of the various imperialist countries, if it wishes to remain *true* to itself and to its goal, *different fighting forms*, which may appear to schematic spirits to be "deviations" from the basic principle of revolutionary defeatism, but which result in reality only from the combination of revolutionary defeatism with the defense of certain progressive camps.

Moreover, from a higher historical standpoint these two tasks coincide: in our imperialist epoch, the national bourgeoisie of the non-imperialist countries—like the Soviet bureaucracy—because of its fear of the working class which is internationally matured for the socialist revolution and dictatorship, is not in a position to conduct an energetic struggle against imperialism. They do not dare to appeal to the forces of the proletariat and at a definite stage of the struggle they inevitably call upon imperialism for aid against their "own" proletariat. The complete national liberation of the colonial and semi-colonial countries from imperialist enslavement, and of the Soviet Union from the internal and external capitalist destruction and anarchy, the bourgeois democratic revolution, the defense from fascism—all these tasks can be solved, nationally and internationally, only by the proletariat. Their fulfilment grows naturally into the proletarian revolution. The coming world war will be the most titanic and murderous explosion in history, but because of that it will also burst all the traditional fetters and in its flames the revolutionary and liberation movements of the entire world will be fused into one glowing stream.

To present clearly, even now, to the proletariat the problems of the coming war and its combined tasks—this serious and difficult task is one of the most urgent of our day. The Bolshevik-Leninists alone have taken it upon themselves to arm the proletariat for its struggle and to create the instrument with which it will gain its future victories: the programme, the methods, the organisation of the Fourth International.

Brussels, December 1937

1. We leave aside the case where wars between two non-imperialist countries are only or predominantly the masked combat between two foreign imperialisms—England and America in the Chaco war—or the case where the war of liberation of an oppressed nation is only a pawn in the hand of an imperialistic group and a mere part of a general imperialistic conflict—Serbia from 1914 to 1918.

2. It may confidently be assumed that for the French bourgeoisie in wartime a strike of the Marseilles harbour workers, which makes an exception of war shipments to Russia in which it is least of all interested, would be particularly vexatious! No less nonsensical would it be, for example, in the course of a printers' strike, not to allow the appearance of the labour papers which are needed for the strike struggle itself.

3. Lenin wrote on 26 July 1915 (see *Gegen den Strom*) against Trotsky's false slogan of "Neither victory nor defeat" and said polemically:

"And revolutionary actions during the war surely and undoubtedly signify not only the wish for its defeat but also an actual furtherance of such a defeat (*for the 'discerning' reader: this by no means signifies that 'bridges be blown up', that abortive military strikes should be staged, and in general that the revolutionists should help bring about a defeat of the government*)." (My emphasis—RK)

4. Naturally military sabotage in favour of the non-imperialist opponent of one's own bourgeoisie is not to be extended in favour of its imperialist ally. The German proletarians, for example, would seek to disorganise militarily the eastern front, to help Soviet Russia; for the western front, where a purely imperialist war would be raging between Germany and a France allied to the USSR, "only" the rule of defeatism would be valid—for the French proletariat as well as for the German.

LRCI resolutions on East Germany

How capitalism triumphed in East Germany

Adopted by the International Executive Committee, 30 July 1990

The German Democratic Republic (GDR) was formed as part of the defensive reaction by the USSR to Marshall Aid. The latter was used by imperialism in an attempt to resuscitate capitalist forces in Eastern Europe. A degenerate workers' state from the establishment of planning in 1951, the GDR served the needs of the Soviet bureaucracy and its local agents, the Soviet Military Administration (SMA) in Germany. In turn the SMA was backed by the Socialist Unity Party (SED), a party formed by fusion of the German Communist Party (KPD) and SPD (East), and then purged of all potential opposition groupings.

Consequently, the very existence of the state as a political and territorial entity, was closely bound up with both its political regime and its class character. Without the anti-capitalist structures of the economy the state would have remained capitalist and eventually this would have undermined the rule of the Soviet Union and its agents. Equally, without both Soviet backing and those anti-capitalist structures the bureaucracy of the GDR state would have been superfluous and short lived, since its existence was neither a consequence of the development of German society and class struggle nor a necessary component of the post-capitalist production relations.

This does not mean that the GDR was doomed to exist as a degenerate workers' state or not to exist at all. Both the Paris Commune and the Russian Socialist Federation of Soviet Republics[1] during the civil war and wars of intervention, showed that a revolutionary state can exist on a fraction of the territory of a previously bourgeois state. However, those same examples show, negatively and positively respectively, that revolutionary leadership of the masses is the decisive question. The GDR could have survived as a healthy workers' state had there existed a revolutionary leadership able to win the masses of the working class to a programme of political revolution.

The task of such a political revolution would be the overthrow of the bureaucratic regime by genuine, armed, workers' councils. They would create the political regime necessary both to defend the existence of the post-capitalist property relations and to energise those relations with proletarian democracy so that planning of production and distribution could be effectively democratically centralised in the interests of the working people. The victory of such a political revolution would immediately have posed the need to spread the revolution beyond the borders of the GDR, but the speed and direction of this would have been a matter of tactical consideration.

Without such revolutionary leadership, social counter-revolution—the re-establishment of capitalism—was inevitable, since Stalinist rule necessarily prevented the advance towards socialism. The restoration of capitalism in the GDR would, however, put in question the continued existence of the state itself. There was no internal capitalist class which would see any merit in the continued existence of a separate capitalist East Germany. On the contrary, the only German bourgeoisie, and a very powerful one, existed in the Federal Republic of Germany (FRG) and had a vested interest in the destruction of the GDR as a separate state. The huge gravitational pull of this most wealthy and dynamic of the European capitalist economies was bound to draw the GDR, whose leadership—overwhelmed by the consequences of Stalinist rule—decided to dismantle the anti-capitalist measures imposed bureaucratically in the 1940s. Unless there was to be a political revolution in the GDR, or a serious capitalist crisis in the FRG, absorption into the FRG was inevitable.

What we have witnessed in the last twelve months is the step by step confirmation of this analysis albeit from the negative side. The demise of Stalinism without even a fight, has given capitalism a tremendous political boost. Already it is becoming the accepted wisdom that "socialism proved to be impossible" and "planned economies have shown themselves inferior to the market".

This unearned victory of the bourgeoisie could become a full scale rout of the working class movement unless Marxists prove themselves able to learn the lessons of the last period and use those lessons to enrich their own theoretical inheritance. By formulating an accurate analysis of what has happened we lay the basis upon which to win the working class to our programme in the period of instability and re-adjustment which is bound to follow from the July 1990 State Treaty, which re-established a bourgeois state and which must now undertake the implementation of a fully functioning capitalist economy.

Destabilisation of the monolith

Although many factors lay behind the terminal crisis of the GDR, the initial catalyst was the decision of Hungary to open its borders with Austria for its own citizens. Rumours that this might also apply to citizens of the GDR led to ever increasing numbers assembling by the Austro-Hungarian border. In a move calculated to pressurise Hungary to break with a Warsaw Pact ally, and designed to undermine the credibility of the GDR regime, Chancellor Kohl of the FRG demanded free exit for the refugees, reminding the world that all citizens of the GDR were automatically entitled to full citizenship and social security rights in the FRG. In this way Kohl acted both in the general interest of the NATO powers and stressed the continuing FRG commitment to German unity, a pledge hardly heard for two decades.

With the effective blessing of Gorbachev, Hungary obliged the FRG and opened its borders to GDR citizens. The scale of the emigration was an embarrassment to Honecker and evidence of the illegitimacy of his regime. The Czechoslovakian decision to allow GDR citizens to leave by special trains to the FRG further inflamed the situation and highlighted the GDR's isolation as a "hardline Stalinist state". Up to this point the internal SED opposition, which included a range of political currents, from Gorbachevite reform Stalinists to openly restorationist social democrats, had not been able to differentiate into clear groupings. But with Honecker on the defensive the opposition began to echo demands for democratic rights raised by various movements outside the Party. Although the right to travel was included, the chief demands were for freedom of association, speech and communication and these were presented as the means by which to save the GDR from a collapse caused by mass emigration. Drawing on the models of Hungary, Poland and even the Soviet Union, New Forum was formed on a programme aimed at reform of the state machine through negotiation with the government.

The announcement that New Forum had tried to register itself as an organisation, and that this had been refused by the government, heightened the tension within the GDR. Increasingly, the hopes of reformers were focused on the need for a change of personnel in government and the emergence of a leadership committed to *glasnost*. Consequently, Gorbachev's visit to the Fortieth Anniversary "celebrations" provided an opportunity to demonstrate the scale of hostility to Honecker's government, whilst pleading continued loyalty to the state itself. Although subject to police brutality, the scale of the demonstrations gave new impetus to the opposition. This expressed itself in Leipzig in the 9 October demonstration and again a week later. Divisions within the SED together with Soviet refusal to back repression prevented a bloodbath, and led directly to Honecker's resignation on 18 October.

Revolutionary crisis

The formation of the Krenz government marked the opening of the period of political revolutionary crisis. In this period it became abundantly clear that the old rulers could no longer rule in the old way and that the masses would no longer tolerate being ruled in the old way. The withdrawal of Soviet support, the impending economic crisis (rooted in both debts to the imperialist powers and the decline of the GDR's role within Comecon), and the hostility of the masses, dissolved the supposed monolithic unity of the SED and the chain of command within the state apparatus. Unable to coerce the people any longer, the government was forced to make concession after concession. The most dramatic of these was the opening of The Wall on 9 November.

Dual power

So rapid was the collapse of state control and internal discipline that the newly mobilised masses did not create permanent assemblies which embodied their own power—an embryonic form of a revolutionary state. Instead, they limited themselves to mass protests for democratic liberties and underlined their refusal to bow to the government. For this scale of mobilisation local "citizens' committees" were sufficient. Although in respect of the collapse of central state authority this period exhibited features of a classic "dual power", the lack of a developing alternative source of legitimate power to the state justifies the characterisation of this period as, in Trotsky's apt phrase, one of "dual powerlessness".

The resolution of this unstable situation in favour of the revolutionary forces would have required the creation of workers' councils defended by a workers' militia. They would have completed the destruction of the state apparatus of repression, proclaimed the achievement of all the democratic rights demanded by the masses and imposed their own control over the faltering economy through the seizure of control over the planning mechanisms.

It cannot be doubted that revolutionary action like

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this would have come under attack from all reactionary forces—the remnants of the GDR state, the Soviet Armed Forces and in the west the NATO forces. The only defence for the revolution would have been the call for active support from the working class of the whole of Europe, east and west, but especially from the workers of the FRG.

This, together with the widespread recognition that modernisation of the economy of the GDR would require assistance from the more advanced FRG, made the call for a revolutionary re-unification of Germany essential. In simple terms this meant political revolution in the east and social revolution in the west. Such a perspective and programme could only have come from a Trotskyist party. The eradication of this tradition by Nazis and Stalinists alike, and the unwillingness of the centrist "Trotskyists" to overcome this, ensured that this direction was not taken by the mass movement despite its overwhelmingly proletarian character.

Defending what?

Within the strategy of political revolution a vital distinction had to be drawn between defence of the post-capitalist property relations—obligatory for all Marxists—and illegitimate defence of the bureaucratic state apparatus, which was the principal enemy of the working class within the GDR. Failure to make this distinction lay at the heart of the impotence of the left wing opponents of the state. It led the majority of those who genuinely wanted to prevent the restoration of capitalism into identifying mass mobilisations against the regime principally as attacks upon the property relations. By the same token, it also led them to see in the state apparatus a potential means of defending those property relations. An early variant of this was a utopian call for factory based workers' councils to gradually displace the existing state apparatus, a programme which was dominant in the United Left current.

While the Stalinists, the social democrats, the centrists and the emerging mass leaders wavered, unsure of their next steps, the decisive elements in the imperialist camp were quicker to act. Recognising what was at stake, Kohl proposed his ten point programme for German unity which variously outraged and dismayed his domestic and foreign allies but established the destruction of the GDR as the German bourgeoisie's maximum programme. From then on opponents of the Krenz government were going to be measured against this yardstick.

Throughout November the mass movement spread. Instead of the generally reformist orientation of New Forum in September and early October, the mass movement was now more overtly opposed to the whole system. It was an anti-Stalinist, pro-democratic movement, spontaneously seeking revolutionary methods of achieving its goals. Organisations such as Democratic Awakening and Democracy Now were established in this period on relatively clear rightist platforms that called for the dismantling of the Stalinist regime, the opening of the border, political pluralism and new, free elections. However, it was the citizen's committees, especially in the south, which were the immediate organisers and leaders of the mass movement.

The demands of the movement as a whole also became sharper and more fundamental at this time. Chief among them were the surrender of the leading role of the party, free elections and the dissolution of the Stasi (secret police) and the bureaucratic apparatus. The movement gained added momentum from the revelations of the degenerate and parasitic lifestyle of the former leadership of state and party. The publicity given to these was an expression of the divisions that existed within the SED, as the reform faction around Modrow tried to distance itself from those who had been the lieutenants of the old leadership. Its effect was to shatter the organisational coherence of the two million strong party. In a matter of weeks some two-thirds of the the party had resigned, adding their often prestigious voices to the demands for a total transformation and purging of the whole political system. However, quite a lot of careerists also used the opportunity as a pretext for leaving the party which had now become an obstacle to their aspirations. It was this new wave of mobilisation, against the background of a mass emigration to the west that showed no sign of halting, that led to resignation of the SED politburo and of Krenz as the Chairman of the party on 3 December, and to his resignation as President of the State Council on 8 December.

Modrow and the Round Table

The Modrow administration which succeeded Krenz was essentially a caretaker government created to provide a framework for the "orderly" resolution of the "dual powerlessness". Restoration of order, it was hoped, would allow the SED to re-consolidate itself around a new programme. Modrow's strategy was to seek economic support from the FRG for a programme of controlled "marketisation" similar to that adopted, for example, in Hungary. The main tactic was the convening of the "Round Table" (from 7 December) as a forum for consultation between the government and the leaders of the newly-born opposition groupings. Participation in the Round Table implied acceptance of the need to demobilise the movement on the streets and to formulate the rules by which bourgeois parliamentary elections (scheduled initially for 6 May) could be held to establish a legitimate government. It was, therefore, a counter-revolutionary device which should have been denounced as such by revolutionaries.

Whilst counterposing to the Round Table the creation of workers' councils and a national congress of such councils, revolutionaries could legitimately have related to illusions in the Round Table by demanding election of representatives to it by workers' assemblies and organisations on the basis of direct accountability and recallability. This could have acted as a means of exposing the Round Table's true political character.

Both the Stalinists and the imperialists decided to try to regain the initiative in mid December. The Stalinists convened an extraordinary congress of the SED which decided to rename the party (now SED-PDS) and adopt an overtly restorationist programme around which to try to consolidate the remaining 35% of its membership.

At the same time, calls for a national referendum on "reunification" raised by New Forum groups in the south, were decisively rejected by the New Forum leadership in Berlin, despite strikes to support the demand. This marked the beginning of the end for New Forum's leadership of the mass movement in the south and the steady transfer of support to the right, first to the SPD but eventually to the CDU and DSU.

Following his class instincts Kohl headed for Dresden to endorse the ever more frequently raised slogan of "Germany, the one Fatherland!" At the same time the citizens' committees in both Dresden and Leipzig decided to make support for reunification a condition of membership. Rapidly growing support, especially in the south, for overtly nationalist slogans, gave a great boost to the morale of the extreme right and the fascists of the FRG. Their forces had been strengthened in recent years by standing in elections which created a veneer of "respectability" and promoted organisations in which fascist cadre could collaborate with and recruit from both the "traditional" right wing and the lumpenised youth.

Treptow

The intervention of, in particular, the far right Republikaner group into the events in the GDR provided Modrow with a focus around which to try to consolidate not only the remains of the SED-PDS but broader layers of the left. Whether or not the state used *agents provocateurs* to exaggerate the impact of the Republikaner in the GDR, the SED-PDS were able to mobilise a demonstration of some 200,000 in response to the desecration of Soviet war memorials. This 3 January demonstration at Treptow was a considerable political success in the campaign to consolidate support for the government.

It also tended to confirm the left in their view that support for national unification was tantamount to support for Nazism, a Fourth Reich. This sectarian attitude served to deepen the gulf already existing between the mass movement and the left. Revolutionaries had to support the Treptow demonstration but, simultaneously, warn of the intention of the SED-PDS to strengthen the Stalinist state apparatus. It was essential for revolutionaries to call for independent working class mobilisations against both the fascists and the state.

Hoping to build on this success, Modrow proposed a "new" security service to guard against the fascist threat and the possible instability caused by developing economic crisis in the wake of continued mass emigration. This announcement was a decisive turning point in the political revolutionary crisis. The prospect of a return of the Stasi led to an almost immediate spontaneous mass mobilisation. The storming of the Stasi HQ in Berlin and their offices across the country on 15 January was the most celebrated of these.

This re-assertion of mass hostility to the whole governmental system immediately clarified the whole political situation. The period of revolutionary crisis had not been ended by Modrow's machinations. The power of the masses was still not constituted into permanent organisations, but it remained strong enough to thwart this brazen attempt to re-establish the *status quo ante*. The mobilisations also threw a vivid light upon the pattern of political allegiance. The leaders of the "left" in the Round Table talks called for the restoration of order; that is, they opposed the masses and defended the state. The various right wing groups announced their support for an electoral alliance based on commitment to speedy reunification. Chancellor Kohl insisted that there would be no economic assistance until after elections had produced a legitimate government.

Resolution of the revolutionary crisis

Thrown onto the defensive by the mass movement and politically crippled by the scale of mass emigration (3,000 per day), Modrow began to attend the Round Table discussions. Following this, at the end of January he invited representatives of both left and right from the Round Table to enter the Government of National Responsibility itself, which met on 5 February. Modrow then brought forward the elections to 18 March in a desperate attempt to take advantage of the continued existence of the party and state machine and before his opponents were able to organise themselves.

All that he achieved was the domination of the electoral campaign by the established parties of the FRG. Kohl, having gained Gorbachev's agreement in Moscow on 10 February, announced the abandonment of his Ten Point Programme in favour of proposed immediate economic and monetary union in consultation with the government when it was elected. On this basis he obliged the still disunited right wing parties to form the Alliance for Germany and himself took the lead in electoral campaigning on its behalf.

The SPD, too, were quick to take over responsibility for their sister party's campaign. Expecting to capitalise on the tradition of support for social democracy and on fears of the effect that rapid unification would have on jobs and living standards, the SPD campaigned for a more cautious process in which the new government of the GDR would negotiate, over time and as an equal partner, a new constitution for a united Germany.

It was the bringing forward of the elections which demobilised the mass movement and signalled the end of the revolutionary crisis. With the electoral campaign the masses were satisfied that they had achieved their aim. Whatever the result, the old regime was now finished, its illegitimacy had been publicly acknowledged and a new government,

"properly" elected, would take its place. Although dominated by the western parties, the election campaign underlined the overwhelming support of the people of the GDR for a parliamentary-style solution.

This implied from the beginning that the resulting government would have a "democratic mandate" to carry out its programme. It also meant that there were no grounds upon which revolutionaries could have called for a boycott of the election. However, none of the mass-based parties, including the PDS, stood for defence of the post-capitalist property relations, or even unequivocally for the continued sovereignty of the state.

Equally, none of the smaller parties and groups had an adequate programme for the political revolution as the means of defending post-capitalist property. Consequently, revolutionaries had to call on the working class to abstain from supporting any party in the elections and to spoil their ballot paper as a mark of opposition to all counter-revolutionary programmes.

In the week before the election, Kohl promised that the savings of GDR citizens would be exchanged 1 : 1 for Deutschmarks as soon as monetary and economic union could be agreed. He suggested that this could be done within three months. This apparent concretisation of the CDU programme of unification was enough to win them the election. However, their majority was not large enough to do without opposition support for the key constitutional measures necessary for the fulfilment of the CDU programme. After slight hesitation the SPD agreed to take part in a coalition which would ensure this.

Resolution of the dual power

The result of the election, therefore, was a popular front government, that is, a bourgeois government whose aim was to end the period of mass mobilisations and which was committed to the restoration of capitalism. In this popular front government the SPD represented the working class.

However, insofar as the SPD had only embryonic links with the GDR working class, this government was only a coalition with the "shadow of the working class". The task of this government was the re-establishment of the hegemony of the market economy and its law of value via unification with the FRG. That this bourgeois government came to office in a still existing, but much weakened, degenerate workers' state, is certainly a contradiction, but a real one born of living forces, and accurately captured by Marxist terminology.

The election finally brought to an end the fracturing of state power and the resulting "dual power" that had begun with the fall of Honecker. It provided a solution which was both practicable and acceptable to all the major forces which had undermined the old regime.

The most important of these was the working class of the GDR, which had been violently and bureaucratically stripped of its own political organisations at the end of the war and excluded from any independent role in the overthrow of capitalism between 1949 and 1951. Militarily suppressed when it rose in revolt in 1953 and imprisoned behind The Wall when it tried to escape, this working class finally concluded that the post-capitalist property relations were not worth defending.

The Stalinist bureaucracy had been the only section of society which had consistently benefited from the bureaucratic overthrow of capitalism. With that bureaucracy now demoralised by the withdrawal of support from the Soviet forces present in the country, and paralysed with a sense of its own bankruptcy, no serious obstacle remained to prevent the government ceding power to the institutions of the imperialist FRG.

Capitalist restoration

The sole *raison d'être* of the post-18 March government of the GDR was to oversee the dismantling of the GDR and its absorption into the FRG. Although most emphasis has been placed on the constitutional procedure by which this would take place, the first priority of the FRG was to replace the post-capitalist property forms of the GDR by those of capitalism.

For Marxists the class character of a state is defined by the property relations it defends. The class character of the GDR was determined neither by its constitutional claims nor by its territorial sovereignty. Rather it was the state's guardianship of an economy regulated by planning, albeit bureaucratic and inadequate, that had marked out the GDR as a degenerate workers' state.

On 18 May, the GDR and FRG signed a State Treaty which formally abolished, as of 2 July 1990, every aspect of planned regulation of the economy of the GDR. It repealed all GDR statutes which contradicted the laws concerning the operation of capital and labour in the FRG. Specifically, the Treaty removed all controls on capital movement and trade and introduced the Deutschmark as the sole currency under the control of the Bundesbank. GDR labour laws were replaced by those of the FRG and gave control over public spending and credits to the Finance Minister of the FRG.

Therefore, from 2 July the GDR economy, even where it remained nationalised, was not regulated by the plan but by the law of value as determined by the imperialist institutions of the FRG. The GDR ceased to be even a degenerate form of the workers' state after that date.

The State Treaty, however, has not resolved all the issues raised by the collapse of Stalinist rule. In the economy attempts to restructure industry to achieve profitability and measures to integrate this industry into the economy of the FRG will bring with them instability and conflict. Politically, the dismantling of the GDR as a separate national state and the development of a reliable Federal Republic administration will generate conflicts that will find expression in the political parties. Above all, the aspirations of the masses towards higher living standards and democratic rights will come into conflict with the harsh realities of "really existing capitalism".

Capitalism: the new danger for GDR workers

Adopted by the International Secretariat, 5 August 1990

Between March and July 1990 the East German working class suffered a historic defeat. Even though Stalinist bureaucratic dictatorship smashed, the proletarian property forms, monopoly of foreign trade and planning have been dismantled. In short, the degenerate workers' state has been overthrown.

Parties loyal to the West German bourgeoisie took office and in July surrendered control of the economy to the financial institutions of the Federal Republic of Germany (FRG). Their next step is to rush the country into an undemocratic unification which will increase the soaring unemployment, the wave of privatisations and the attacks on social rights and conditions of workers, women and immigrants.

This defeat was not recognised by the working class, nor was its movement smashed because it surrendered the nationalised planned economy into the hands of the exploiters without a fight. The reason for this lay in the crisis of leadership caused by forty years of Stalinist oppression. Millions of East German workers voted for unification under the illusion that they would thereby achieve economic prosperity, democracy and national unity. Now, however, it is becoming clear to section after section of workers that this unification means mass unemployment and the loss of legal protection and social gains.

A short lived opportunity exists to counter-attack before the united German imperialism is consolidated. The waves of struggles against unemployment and the attacks on social welfare must be generalised into a conscious class wide defence of workers' gains, and pass over into an offensive to stop the undemocratic capitalist unification and establish a workers' and farmers' government, acting as a spark for an all-German workers' fightback.

The task of our action programme is to develop this potential, to unleash social revolution before the rule of capital has been consolidated. For this it is necessary to mobilise workers around immediate and transitional, economic and political demands which relate to and, if fought for, can explode the widespread illusions in capitalism and bourgeois democracy.

The working class must not pay for the western bosses' *Anschluss*!

No to unemployment! For the right to work!

- No factory closures; spread available work amongst those presently employed at no loss of pay
- Average pay for those out of work
- For full wage parity with western workers and a sliding scale of wages against inflation
- Occupy all factories and firms announcing closure or redundancies

Defend nationalised property, social ownership and state provision of education, health and housing!

- Halt privatisation. All firms in the hands of the Treuhand to be put under workers' control.
- For a programme of public work, under workers' control, to put the unemployed back to work and to repair the years of neglect of the German Democratic Republic's (GDR) infrastructure and to meet the needs of the consumers and workers
- For workers' control of all enterprises
- For workers' inspection of all dangerous processes and enterprises
- Open the books to workers' inspection; against business secrecy, reveal all the deals done between the government and FRG multinationals behind the backs of the workers
- Demand that the GDR government reject all FRG claims for re-instatement or compensation for nationalised property

Defend the small farmers from the economic *Anschluss*!

- No to the break up of the co-operative farm
- No to the de-nationalisation of the land
- For the right of the co-operatives to trade their produce directly; for joint commissions of workers and farmers to ensure production and distribution of food
- For the expansion of state credits to the collective farmers

Defend and extend the social provisions of the DDR!

- No to the closure of the nurseries and kindergartens
- Defend the abortion laws, no Section 218 in the GDR; for free abortion and contraception on demand
- Defend equal pay and the equal right to work for women
- Down with privileged access to education, down with the reactionary FRG education laws

Organise the working class to fight!

- For sovereign mass meetings in all plants and enterprises
- For workers' defence units to protect the plants and the workers' organisations and districts
- Elect factory councils of recallable and accountable delegates to lead the fight on every front
- Build workers' defence squads to defend the factories. Agitate among the police and army to join with the workers' in the defence of their livelihoods and to refuse to obey the orders of the bourgeois

government
- Build direct links with the rank and file of the FRG working class.
- Keep out the bureaucrats of east and west. For democratically controlled, all-German industrial unions

Defend the oppressed communities!
- For workers' and immigrant self-defence against the racist and anti-Semitic attacks

No platform for fascists; for a workers' united front to prevent the growth of fascist organisation and influence
- Defend lesbians and gay men from assault

Down with the imperialist *Anschluss*!
- No to the undemocratic imposition of unification
- No to the forced acceptance of the FRG's undemocratic constitution
- For the removal of the troops of the Warsaw Pact and NATO from Germany
- For a general strike to stop the capitalist offensive. Smash the July State Treaty.
- Down with the bourgeois government of Maiziere
- PDS and SPD: break with the government of unification
- For a workers' and farmers' government based on the fighting organisations of the proletariat
- For free elections, without restrictions, to an all-German constituent assembly
- For a United Socialist Germany as a step to the Socialist United States of Europe

The crisis of leadership of the working class can only be overcome in the struggle against Stalinist betrayal and capitalist offensive. To the extent that the workers fight for their own class interests they will generate their own new leadership. But for this leadership to be won to the programme of social revolution requires the intervention of revolutionary Trotskyists and the forging of a Trotskyist party in Germany as a section of a new revolutionary International.

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Germany, united fatherland . . .

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The German Democratic Republic (GDR) is dead. The election of De Maiziere's Alliance government left it at Kohl's mercy and he pronounced the sentence; the currency union delivered the *coup de grâce* and on 3 October the GDR will be unceremoniously buried. It is one of the greatest victories of the German bourgeoisie, on a par with Bismarck's founding of the Reich on the ruins of the Paris Commune and Hitler's seizure of power over the corpses of the massacred workers' movement. This time, too, German Unity has stayed true to the tradition, accomplished as it is on the ruins of the workers' state of the GDR.

And what a triumph! The GDR, bureaucratically created at the behest of Stalin, from the first day to the last of its forty years a bureaucratically dominated and degenerated workers' state, capitulated without even a struggle. Such victories come to pass only rarely; little is left of the "really existing socialism" and the "better Germany" by which so many swore, except memories. Of the SED bureaucracy, which reigned all-powerful as little as a year ago, not a single representative tried to mount any serious resistance to the restoration of capitalism and the annexation of the GDR.

German unity 1990 is the peaceful takeover of the GDR by the Deutsche Bank and the Bundeswehr (Federal Army), it is the annexation of the GDR by West German imperialism under the dictate of Bonn. The fact that a majority of East Germans agreed to their fate cannot alter this. The end of the workers' state on German soil, however degenerate and bureaucratically deformed it was, constitutes an historic defeat of the German working class. It is a catastrophe made all the worse in that its historical significance is not recognised by the workers of the east or west.

The GDR suited the men and women of the working class in much the manner of a strait-jacket; the direction, the control and the features of the non-capitalist economy, like democratic administration of the state, were denied them by the Stalinist bureaucracy. Now they have burst out of the strait-jacket but have found no better alternative. The East German workers are entering German unity naked.

The penalty for this will be merciless; today's mass unemployment, wage cuts in the east and west, together with the collapse of social rights and gains are but a foretaste of what is to come. Stalinism, which silenced and repressed the workers, remained reactionary even in death and has now thrown them to capitalism without a clear class consciousness, without their own fighting organisations and without a party that can lead them.

The workers, however, face a determined, self-conscious and powerful enemy which knows exactly what it wants and will shrink from nothing to achieve it: a re-united imperialist Germany under unchallenged leadership of the bourgeoisie. As the hegemonic imperialist power in Europe Germany could stand on an equal footing with its two major rivals, the USA and Japan. German unity is, in this respect, a precondition and preparation for a new division of power and influence amongst the imperialists and a new definition of the relations between them.

While bourgeois public opinion is still celebrating the unconditional capitulation of the Soviet Union over the GDR's fate and the unstoppable collapse of the Eastern Bloc, and while the liberal flatterers of imperialism talk ceaselessly about a new golden age of peace, Kohl and authoritative officers of the Bundeswehr speak bluntly of Germany's "new military responsibilities" in the world. Despite all the disarmament steps, there will be a re-armament of Germany. The "Fighter 90" will be built, whatever it might cost. Germany will need a bigger and more powerful navy. The next step will be the demand for its own nuclear capability and a "rapid deployment force" on the American model.

German nationalism froze to death at Stalingrad and was long forgotten in the forty years of peace. Now it is violently resurrected. German unity's first heralds may have been the Republikaner and the skinhead gangs, but nationalism has now been raised to the status of state ideology. Kohl, this monumental garden gnome of the Christian Democratic provincial middle class, is its ideal symbol.

Moreover, he is eagerly supported from the left; German nationalism shows its hateful, chauvinistic side when, for example, Lafontaine proposes restrictions on foreigners, or when "left" Greens like Antje Vollmer swear their allegiance to the pan-German homeland. Germany, it seems, has a "mission" once again and is not ashamed of it, from the Maas to the Memel . . .

These sentiments alone give an indication of what has been lost with the inglorious end of the GDR. For



all its oppressive SED command-socialism, the GDR was a real counter-weight to Federal German imperialism. It was, with all its tragic history, a proof of another—non-capitalist—Germany. It was, with all its miserable living standards and desperate attempts to catch up with the consumer standards of the imperialist metropolises, a state which could guarantee its citizens fundamental rights: the right to work, the right to a home, the right to a state funded pension in old age; an effective dismantling of the educational privileges of the "upper crust" and not least, the right of women to control their own bodies. Even now the rich and glitzy world of the Federal Republic still cannot guarantee these things.

The GDR was evidence that imperialism can be defeated and on its ruins another society can be built. It was evidence that the rule of the exploiter, the factory owner and the *Junker* is not eternal. Despite the Stalinist strait-jacket it prefigured a rational system of production, one planned to meet the needs of the producers. And if in the Berlin Wall, that shameful monument to the Stalinist police state, there was anything progressive at all, it was that it made visible a barrier against the military omnipotence of NATO.

It was this positive side for which the west would never forgive the GDR, not the bureaucratic despotism, the trampling on human rights, the orders to shoot, the lack of freedom of thought, the Stasi-spying and all the other things constantly raised by the patrons of human rights among democratic imperialists.

In the forty years of its existence imperialism did not stop its attacks on the GDR for a single day. It has used the collapse of Stalinism resolutely and quickly to force through the restoration of capitalism in the GDR. If today De Maiziere's Alliance government is accused of incompetence in the running of the economy entrusted to it by the 18 March elections this is really a bad joke. De Maiziere's task was precisely to make the planned and state owned industry inoperable as much as possible in order to allow a problem-free takeover of the GDR economy by western firms—and that at giveaway prices.

Let us not fool ourselves. In recent years the GDR economy had moved towards stagnation. It was always less productive than the technologically well-equipped industries of the "free west". There was a visible shortage of supplies in important branches of consumer industry and it was running up a fast-growing foreign trade deficit. But, nonetheless, the GDR was far from embroiled in a catastrophic economic crisis.

The GDR was an industrial country whose living standards numbered amongst the highest in the world. This economy now lies in ruins and the contribution made by De Maiziere's famous "social market" economic policy was consciously to disorganise it and starve it of resources. "Lies only have short legs" says a German proverb. Few have had shorter ones than the famous electoral promise: " No citizen of the GDR will be worse off than before—quite the opposite!" With this consolation the citizens of the GDR marched forward to German unity. Amongst them were the two million that this latest economic miracle has made unemployed in just two months.

The speed of the reunification and the brutal form of the *Anschluss* of the GDR, which contradicted the democratic pretences of the Federal Republic's own constitution, has forced the helpless and confused left to the sidelines of events. After a few demagogic convolutions and manoeuvres concerning the "cost of unity", the SPD was quick to show its readiness to adopt the role of agent of capitalist restoration and played this role to the end. They could not bring the *Anschluss* forward fast enough, if necessary by introducing an Enabling Act and breaking the constitution.

Already brought to its knees by Gorbachev's pressure for unity and its lack of democratic credibility, the PDS showed neither strength nor guts in standing against the restoration of capitalism in the GDR and German reunification. All it could criticise were formalities and the, for the PDS unaccustomed, fact that it would not have a secure place as a parliamentary force in a united Germany. Its proposed alternative to Kohl's unification of the two states—a referendum on the draft constitution drawn up by the Round Table—was trapped completely within the logic of bourgeois parliamentarism. Indeed, coming from a party that would struggle to get over the 5% hurdle, it appeared quite absurd.* All the more so because this alternative constitution was itself entirely bourgeois, if a little more radical than the Federal Republic's Basic Law.

The radical left, above all the *"Autonomen"*, remind one of a child lost in the woods. Scared stiff, it tries to raise its spirits by whistling. "Germany, die!" and "Germany, never again!" All this tough guy nonsense, which rashly likens Kohl to Hitler and caricatures a united Germany as the "Fourth Reich", only serves to cover up the total incomprehension of these groups as to how to actually mobilise against a thoroughly bourgeois democratic all-German imperialism. These lefts, despite their ultra-left shouting and "militant" posturing, actually lived on the borrowed hopes of revolutions in the "Third World" in order to avoid having to take positions on the issues of revolutionary politics against imperialism in their own country.

The forced march into German unity, the breakneck stampede urged on by Kohl in the last few months, are a sign of the strength and momentum of Federal German imperialism. However, one should see in this also a sign of its weakness and insecurity at the international level.

Kohl has to get the *Anschluss* over and done with as quickly as possible in order to be equipped for the future scramble for Eastern Europe. He wants to achieve this quickly with a democratic mandate in Germany itself before the consequences of reunification for the mass of the population becomes painfully obvious. The German bourgeois has swallowed the GDR in one bite, we must do what we can to make sure it sticks in its throat!

* Since the article was written the constitutional Court of the Federal Republic has ruled against applying the 5% threshold to the former territory of the GDR. The parties of the former GDR need only achieve 5% on the territory of the GDR to gain seats in the Bundestag. The PDS therefore now seems likely to ensure its parliamentary position in the December elections.

The Butchenko affair: a reply to our critics

In July and August any reader of the "Trotskyist" press not familiar with the stock in trade of half truths and downright lies which passes for polemic amongst the sectarians and centrists, might have come to the conclusion that Workers Power, British section of the LRCI, had undergone its 4 August 1914.

Workers Press, British section of the newly formed "Workers International", led the pack with an exposé by Simon Pirani revealing how leading members of Workers Power and *Socialist Organiser* met "behind closed doors" with one George Miller to organise a tour of Britain by a Soviet trade unionist Yuri Butchenko, a representative of the Kuzbass Workers' Union. Miller is a member and British representative of the extreme right wing National Workers' Union (NTS), which has been active in the USSR since the 1930s. This "news" was eagerly seized upon by the *Leninist* a tiny left Stalinist sect in Britain, which rehashed the same story in good gutter press fashion. However, lacking either nerve or imagination, or both, they added nothing to the slanders of the *Workers Press*.

Not to be outdone, although a little slow off the mark, the slavishly pro-Stalinist Spartacist League (US section and font of all wisdom for the International Communist League) weighed in with new revelations in August.

Under the shock-horror headline, "Workers Power caught with Russian fascists" intrepid *Workers Vanguard* reporters revealed the abyss into which the comrades of our British section had fallen. "Workers Power", it declared, had been caught out "lending their services to a sordid cabal of the UDM (a scab miners' organisation in Britain), NTS and other sinister forces aimed at breaking the NUM and its President Arthur Scargill". Workers Power, the article continued, was now trying to "squirm out of its responsibility for setting up Arthur Scargill"!

To top it all off that lively tabloid *International Worker*, paper of the British International Communist Party, added Workers Power to its growing list of CIA agents whose main objective is to disrupt the building of the ICFI led by David North.

To be accused of such crimes by fragments of Healy's International Committee, given their record of paid service for assorted bloody Bonapartist regimes in the Middle East, or by groups that hailed Jaruzelski's crushing of the Polish workers, hardly carries much weight. But unanswered slanders can stick in the minds of those who do not know the rotten records of these organisations. Readers will have to forgive us for going into some detail with regard to the events surrounding Butchenko's visit, but our centrist detractors make such an explanation necessary.

Workers Power participated with *Socialist Organiser* in a united front, "Campaign for Solidarity with Workers in the Eastern Bloc" (CSWEB). Among a number of representatives from socialist and workers' organisations which this campaign brought to Britain was Yuri Butchenko. During his visit to Britain Butchenko broke from CSWEB, threw in his lot with the UDM scabs and joined in the attacks on Arthur Scargill leader of the NUM.

Clearly this was a major set-back for CSWEB, and indeed for the whole attempt to build links between the militant left wing of the British labour movement and the newly formed Soviet independent workers' organisations. It was a victory for the forces of the right within the labour movement and its millionaire backers like Robert Maxwell, for the UDM and other yellow unions and for the forces of the state. We have no reason to conceal this because throughout the whole period we were engaged in a struggle with these forces, not in any form of collaboration.

The origins of our contact with Butchenko

Through the LRCI's work we had obtained a number of contacts among the developing independent miners' unions in Vorkuta and the Kuzbass. We knew very well that the right wing trade union leaderships, like the AFL-CIO in the USA, Force Ouvrière in France and the EETPU in Britain, backed by their governments, were actively working to win these new unions over to right wing positions. In Britain the "left" trade unions were doing little or nothing to combat this, largely because of their traditional links with, and sympathy for, the Stalinist stooge "trade unions". This was especially true of the British NUM led by Arthur Scargill, the members of which were perhaps in the best position to influence these developing unions and prevent them coming under the sway of right wing free marketeers.

Rather than sit back in smug passivity like the sectarians we decided to take up this struggle, despite our small forces, and organise visits from these organisations to rank and file workers in Britain. Our aim was to influence, argue with and inform these delegations as to the nature of the right wing in the trade unions and the implications of the market economy for workers' lives in the west. We also sought to win practical assistance from class conscious workers in the west for building the new labour movement in the workers' states. We do not believe that a precondition for undertaking these links must be that the Soviet workers' organisations pledge themselves in advance to the defence of the planned economy in the USSR. If they already had those positions there would

be no need for pursuing this work of argument and education.

In the autumn of 1989 representatives of Workers Power met Yuri Butchenko in the Soviet Union. In the early 1980s Butchenko had been a student dissident in Leningrad, where he had helped organise a protest against discrimination and persecution of Jewish students in the university. He had been arrested for communicating information about this protest to the western media via the US Consulate, and was sentenced to eight years in labour camps.

After his release Butchenko worked as chemical worker in his home region and there, with the arrival of *glasnost*, he became the editor of the magazine *Kuzbasskie Vedemosti* (Kuzbass Chronicle). This was an eclectic journal which supported and promoted the formation of independent workers' organisations in the Kuzbass mining and industrial region in central Siberia.

Butchenko's magazine carried no articles of a right wing character—no material from the NTS let alone from the fascist Pamyat. Butchenko himself, and trustworthy contacts who had known him for a long period, never identified him as a member of the NTS. We had no evidence then nor have we received any since, that he was a member of the NTS. On the contrary, we received reports that he had expressed his opposition to the NTS in conferences, etc.

Of course, we knew Butchenko, like nearly all Russian workers, was no defender of the planned economy which he saw as inseparable from bureaucratic dictatorship. He was in favour of "market" relations but, inconsistently, not of the privatising or handing over of industry to capitalists. He expressed views in favour of workers owning and managing their own enterprises. That is, his views were typical of the dangerously confused pro-western ideology which predominates in the new unions.

As an individual we would certainly not have wished to commend his views to British workers nor arranged a tour for him alone. But he was the international representative of the Kuzbass Workers' Union, a mass organisation including the new miners' union in the coalfields of that region. He was present and helped organise the first congress of the new Confederation of Labour. What Workers Power, and later CSWEB, set out to organise was a tour of Britain by a delegation of workers' representatives from the new unions.

Butchenko offered to organise this and to come with them. He did not ask for, nor did he receive, any money from Workers Power or CSWEB for this. Butchenko always claimed that the Kuzbass Workers Union would pay for the tickets to London but would then wish to raise money for the expenses of the tour and for the unions. We know Butchenko's air ticket was purchased in Moscow in roubles. He always maintained to us that it was paid for by the Kuzbass Workers' Union. Thus it is absolutely false to say that we initiated or arranged the tour with anybody other than Butchenko himself. *If* Butchenko's ticket was paid for by the NTS we did not know of it nor do we have any evidence that this was the case. Do the slanderers? If so we should be glad to have it.

Enter Miller, stage right

How then did the figure of George Miller, editor of the periodical *Soviet Labour Review*, and as it transpired, British representative of the NTS, enter the picture? Certainly not, as the slanderers claim, as the co-organiser of the tour.

Shortly before the first CSWEB conference on 26 January, Butchenko and a number of Soviet trade unionists sent a fax welcoming the offer to host a visit by a delegation of workers. Through sources in the union movement in Moscow, quite possibly from the NTS, they had acquired Miller's fax number in London and sent their fax asking for it to be forwarded to CSWEB. A phone call from Miller about this fax resulted in his first contact with CSWEB, to hand over the fax. At this point nobody in Workers Power had any knowledge of who or what Miller was. No agreement, co-operation, or united front was struck at this "meeting", which did not take place "behind closed doors" but at London's School of East European and Slavonic Studies where it appears that Miller is researching for a doctorate.

Workers Power and CSWEB did, however, initiate enquiries into Miller's political character. All we discovered was that he had links to the right wing in the unions, that he was a "shady character", and that his magazine was very well informed. He himself claimed at first to be a Liberal and former anarchist. No connection to the NTS emerged.

The next contact with Miller, again undertaken by him and unconnected to the proposed tour with Butchenko, was when he phoned Workers Power to say that he had staying with him one Yakovlev, a Vorkuta deputy to the Supreme Soviet and representative of the Workers' Committee of this region. He inquired if we wished to meet him. We said yes.

Yakovlev, we discovered on meeting him with Miller, had been invited to Britain by Labour MP Terry Fields and the *Militant*, but had broken from them because they were "too left wing". Yakovlev proclaimed himself a "social democrat". Shortly after this meeting, which was solely to gather information, we discovered from *Militant's* denunciation of Miller and Yakovlev that Miller was a representative of the NTS. Having found out as much as we could from *Searchlight* (a British anti-fascist journal), etc, about Miller, we confronted Miller and Yakovlev with this.

Miller confessed that he was a member of the NTS but denied that the NTS was a fascist organisation. We made absolutely clear to him that neither Workers Power nor CSWEB would have anything to do with the NTS in Britain or with Soviet NTS members. Far from any collaboration or agreement being arranged we made clear the exact opposite.

Thus the WRP's accusation that Workers Power and *Socialist Organiser* representatives met with the NTS to "organise a tour of Britain by a Soviet trade unionist" is an outright lie. The meeting's purpose was the exact opposite, to make clear we would not.

Pirani ends his article by declaring: "There are times and places when against the imperialist and Stalinist enemy, all sorts of expedient alliances are possible—but not this one". As we have just made

clear, we made no alliances with the NTS. But exactly what kind of "expedient alliances" is Pirani referring to? Possibly the "expedient alliances" with Gadaffi and other bourgeois leaders in the Middle East that for years and years Pirani, Slaughter, Pilling *et al*, sat and agreed upon with Gerry Healy? "Alliances" which brought in millions of pounds to the WRP for "services rendered"? The WRP (*Workers Press*) has apparently renounced these methods, but individuals like Pirani, who were up to their ears in all of those past misdemeanours, should be a little wary of donning the mantle of accuser.

Spartacist lies

But what about *Workers Vanguard*'s "revelations"? A brief reply to just some of them will confirm what most of the left already knows about the editorial "standards" of this paper, renowned for its lies, half truths and scandalous amalgams.

Workers Vanguard says we provided Butchenko with a *carte d'entrée* into the labour movement "knowing full well that he was at the very least intimately connected with the fascist NTS, through its British representative George Miller". This is a bare-faced lie. As stated above, we confirmed from several independent sources in the USSR that Butchenko was not a member of the NTS. If *Workers Vanguard* has evidence that he was in fact "intimately connected" before the tour, let them produce it.

All that *Workers Vanguard* bases this assertion on is the fact that it was Miller's invitation that got Butchenko the visa to Britain. But is this fact damning as *Workers Vanguard* claims? Not at all.

Perhaps ordinary readers are unaware of the complex bureaucratic procedure that the Stalinist USSR and racist Britain devise to block and delay visits between the two countries. A Soviet citizen requires an exit visa from the USSR issued by OVIR (the bureau for foreign travel). To get this visa the applicant must have an invitation from an individual in the country concerned in both their language and in Russian. Once having obtained a Russian exit visa he/she must obtain a British entry visa. To get this, again, a British citizen must invite and guarantee the maintenance of the visitor. Since CSWEB was planning the tour for Autumn 1990 it set about seeking invitations from left Labour MPs, academics, etc, *not from Miller.*

Before this process was complete we received a message from Butchenko saying he and three to four other Soviet trade union representatives were coming to Britain in May or June and requesting CSWEB to organise a tour. The tickets would be paid for by the Russian unions. Later enquiries as to how they were getting visas revealed that formal invitations of the type mentioned above had been received from Miller and/or Terry Fields MP. We knew from Soviet sources that Terry Fields had issued many invitations to Soviet trade unionists on his visit to the USSR. Although Miller's involvement was worrying we felt it was no reason to refuse to organise the tour since there was no evidence of any political link between Butchenko, Miller and the NTS.

But it was Miller's invitation which worked with the British Embassy, no doubt because of Miller's connections and the fact that he is a known anti-communist. Originally four miners were coming, but because of the imminence of a national miners' strike only Butchenko came.

At this point we should make something clear. About the only thing that is true in the *Workers Vanguard* article is that Workers Power made a mistake in its August article. Workers Power's 11 July statement made clear they learnt by phone from Moscow that it was Miller's invitation that had secured Butchenko's visa. In an article in the August issue of *Workers Power* the author said this only became apparent when Butchenko arrived in Britain. We await with little interest the use to which this error will be put in a future *Workers Vanguard* exposé of our sinister plot.

In fact it was quite simply a mistake. The author of the August article believed wrongly that Miller's invitation had been discovered *after* Butchenko arrived. In fact it was discovered in a telephone call shortly before his departure when he asked us to notify Miller of his arrival. This we refused to do. We met Butchenko at the airport. CSWEB organised his tour without the slightest link with Miller.

Workers Vanguard repeats the accusation that when Butchenko arrived we had a "cozy" relationship with Miller. This accusation is completely untrue. The evidence? We initiated no contact with Miller. Butchenko did. Only when Butchenko announced that he had contacted and was meeting Miller did we send someone along who could understand Russian to find out what they were arranging.

In fact all that Butchenko and Miller decided at this meeting was that Butchenko would visit the TUC International Department. *Workers Vanguard* seems to regard it as a crime that we did not denounce or obstruct this visit. Now whilst the International Department of the TUC doubtless performs services for Whitehall and even MI6 it is not simply a nest of spies as the Spartacists would have us believe. Indeed, we can have little reason to doubt that ordinary union head offices perform similar functions. Does that mean we prevent workers from contacting their own union bureaucracy and making demands of it?

For these infantile leftists however, "they might as well have gone directly to the Foreign Office or for that matter the US Embassy in Grosvenor Square". Isn't it about time the ICL seriously considered giving James Robertson an educational on the difference between the trade unions and the organs of the bourgeois state? But then again perhaps they have no one within their ranks capable of giving one.

As if their farrago of lies and half truths was not enough, *Workers Vanguard* has to add Workers Power's role in "setting up" Arthur Scargill! Now this is very curious. One of the first papers on the left to take up the defence of Arthur Scargill against the witch-hunt was Workers Power, starting with an editorial in its April issue and with articles in several issues since. Meanwhile, *Workers Hammer* (the British ICL's paper) has conducted its defence in three paragraphs buried away in an article on the poll tax in a supplement to its March/April issue. *Workers Van-*

guard, remained strangely silent on this matter until it suddenly discovered the issue in August when it was to be used as a weapon against the LRCI!

And what is the evidence that we set up Scargill? Workers Power and CSWEB were involved in organising a tour for Yuri Butchenko. Butchenko, unbeknown to us, went with Miller to see the UDM who are key players in the witch-hunt against Scargill and the attempt to drive him from office. Therefore, Workers Power is responsible for setting up Arthur Scargill! This is the most ridiculously transparent amalgam yet seen from the *Workers Vanguard* editorial office. Gerry Healy himself could not have done better.

In reality Workers Power and CSWEB broke all links with Butchenko over his relations with the UDM. We then broke off all involvement in CSWEB because it refused to unequivocably condemn Butchenko even though it agreed to end the tour.

At the root of their pathetic slander is the desire of Robertson and his increasingly Stalinophile sect to show themselves as the best foot-soldiers for the Stalinist bureaucracy in its "hour of need". Thus they fulminate against us for daring to point out that the Scargill leadership of the NUM played into the hands of the right wing by their slavish commitment to the state-run Stalinist dominated unions. They froth at the mouth because we dare to compare these state-run miners' unions and their rotten history of strike breaking on behalf of the bureaucracy, with the scab UDM in Britain.

The Spartacists know which side they are on. They are well on their way to writing off the independent workers' movement in the Soviet Union as counter-revolutionary, just as they wrote off the multi-millioned Solidarity workers' movement in 1980, and finally "took responsibility" for the bloody crushing of that movement in 1981.

There is little chance these brave revolutionaries, secure in their New York offices, will make any concrete attempt to fight the right wing influence in the Soviet working class, let alone try to convince the rank and file that a revolutionary alternative to Stalinism exists.

The "defencism" of these characters boils down to defence of the Stasi against the outrage of the workers. Their strategy for building a "Trotskyist" party is simply to hobnob with SED bureaucrats, gracing their platforms with uncritical speeches and sending ludicrous and unread pleading telegrams to assorted Stalinist functionaries, Soviet generals etc.

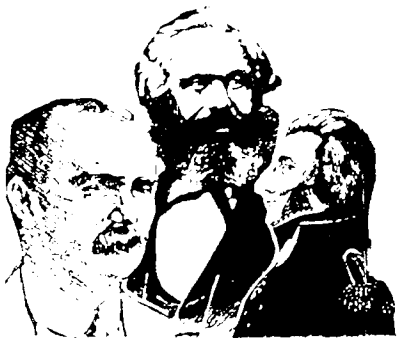
This appalling debasement of revolutionary politics is a product of the terrible degeneration of "Trotskyism" after its post-war crisis and breakdown in the years 1948-51. Despite the ICL's claim to be "anti-Pabloites" their total surrender to Stalinism goes far beyond that of Michel Pablo in the late 1940s and early 1950s.

The difference is that Pablo was the secretary of the as yet unbroken and unbowed Fourth International. His capitulation to the triumphant Stalinist bureaucracy was a tragedy. The ICL's self-abasement before Stalinism on its deathbed is still a crime, but it is also a vulgar farce.

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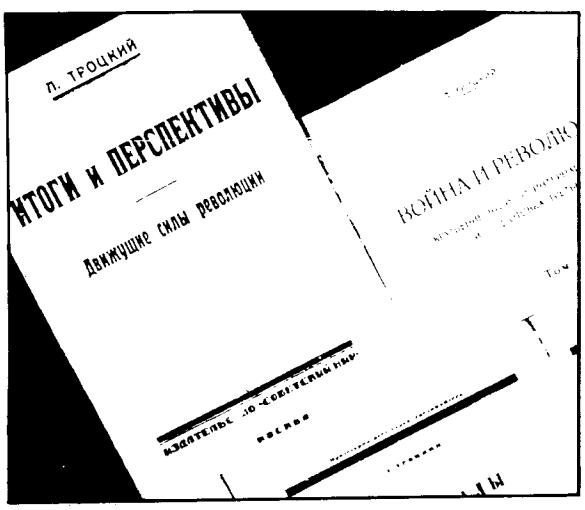
A review of *K Istorii Russkoi Revolyutsii* by L D Trotsky, Introduction by N A Valetskii, Politizdat, Moscow, 3 roubles

After over sixty years Soviet readers can now purchase a copy of a selection of Trotsky's works, although it is already reported that the official print run of 150,000 copies has sold out.

Entitled *Towards a history of the Russian Revolution* (K Istorii Russkoi Revolyutsii), it contains an invaluable collection of Trotsky's writings. Soviet readers will now have access to *The New Course* (1925), *Lessons of October* (1923), *Results and Prospects* (1905), the *Programme of Peace* (1916), *Our Political Tasks* (1904) and to *Our Differences* (1924). They will also have access, for the first time, to extracts from Trotsky's *History of the Russian Revolution*.

All this is to the good. But we need to ask why has this collection been published at this time? In part the answer is contained in a lengthy introduction by N A Valetskii. Throughout the 1980s he has been the Kremlin's expert on "international Trotskyism". His introduction contains the traditional slavish genuflections in the direction of the CPSU party leader; our readers may be surprised to learn that so familiar is Gorbachev with the writings of the great revolutionary leader that he is cited as an authoritative critic of Leon Trotsky! Valetskii caricatures the theory and programme of permanent revolution, arguing that Trotsky counterposed world revolution to the Russian Revolution. His discussion of the Fourth International argues that Trotsky was losing all touch with reality. And the section on "Trotskyism without Trotsky" is heavily based on assertions that Trotskyism's base is petit bourgeois.

To that extent there is no break with Stalinist orthodoxy even in the writings of a hack introducing the works of Trotsky. But there is one important difference. Gone is the ritual defence of "socialism in one country" and of Josef Stalin. Gone too are some of the cruder counterpositions of Trotsky to Lenin. But why? Valetskii and his ilk, along with a significant section of the party ideologues no longer have any commitment to what used to pass in the USSR for "socialism". Trotsky's whole revolutionary thrust was as a stern and inflexible opponent of the bureaucracy's conception of "socialism" and of the parasitic caste itself. Trotsky is becoming harmless for them because, increasingly, they reject any tradition of Marxism against which Trotsky's critique of them can be measured.



They are prepared to republish some of his works as a museum piece and they do so with the intention of burying Leon Trotsky and revolutionary Marxism in general, not of praising him.

But Valetskii and company are in a cleft stick. The book has also been published because people are hungry for information about their own past. They want to know about the history and traditions of those who fought Stalin. And they know that the fight against Stalin is personified by Leon Trotsky. Valetskii is forced to produce the volume. But his introduction will seem limp and unconvincing to ever greater numbers of Soviet workers and intellectuals who have less and less patience with time servers such as Valetskii. At last they have an opportunity of reading some of the great revolutionist's works for themselves.

The fairly meticulous footnotes cite revolutionary after revolutionary who was rehabilitated to party membership after their death at the hands of Stalin. Trotsky is not among them. And if he were to be rehabilitated in the present day USSR it would be as the devil not as a fighter for human emancipation. Mr Yeltsin's Russian Republic evidently prefers the ideas of Alexander Solzhenitsyn, whose reactionary, clerical nationalist outpourings they have recently been subsidised in a print run of over twenty million copies.

Moscow News, a journal produced by arch pro-marketeers, recently also carried an article on Trotsky. It was free of the old Stalinist slanders and relatively accurate, by Soviet standards, in its description of Trotsky's views. But as with Valetskii the purpose was not to rehabilitate those views. On the contrary, its purpose was to argue that those in the bureaucracy who still talk about planning, international solidarity and the transition to socialism are themselves Trotskyists!

It was a denunciation of the heritage of revolutionary Marxism, and Trotsky is now allowed to take his place in the heritage they denounce. Let us hope that thousands of Soviet readers will discover, through the use of this volume, that Marxism has nothing in common with Stalinism and bureaucratic conservatism. The new circles of revolutionary minded workers and students that are arising out of the confusion of present Soviet political life will increasingly come to realise that the tradition represented by Lenin and Trotsky offers the only road to the emancipation of the working class and oppressed people.

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