

The

MAERXIST

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**ARTHUR EVANS  
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THE MARXIST cannot achieve its aims unless it establishes a relationship with its readers. We want your views and experiences, your comments and criticisms. We want your suggestions for articles in future issues.

We want letters for publication and we shall devote as much space as possible to them. If your letters express criticism we shall welcome them, as we believe that argument is the responsibility of a Marxist journal. Even if you do not wish your letter to be published we shall welcome hearing from you. Letters or criticism or those making suggestions for improving our journal will be carefully studied and acknowledged.

Perhaps you will wish to become a contributor to our pages. We shall be happy to consider either outlines or articles.

We cannot deal with anonymous letters or contributions but if you indicate that you do not wish your name to be published we shall respect this.

We want to build a partnership with our readers. We shall do our part. Will you do yours?

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## PRIVATISATION

The Tory drive to privatise services which have been historically carried out by Direct Labour departments of local Councils has predictably caused a furor among the employees whose jobs are immediately threatened.

The Thatcher position is unambiguous; anything that can be run at a profit must be in the hands of private enterprise. Her political reasons are clear; a large measure of her actual and potential electoral support comes from the owners and would-be owners of the small and medium sized businesses who stand to gain from it. The more she can expand and consolidate that support, the more stable her political position in electoral terms.

It is no exaggeration to say that a large number of the people who use those Council services are massively disinterested in the attempts of the Council employees to keep their jobs.

Among the politically active in the Labour movement there is a feeling that privatisation should be resisted but the reasoning does not go much beyond an objection that someone will be making a profit out of it. That indicates a basic class approach which is good as far as it goes, but is of little help in formulating a political line which will help the working class to become the leading force in society.

It is becoming increasingly clear that the Leftist attitudes on this, and other questions, are only gestures which serve to confuse the situation and conceal the underlying reformism under a blanket of left-wing phrases.

Council workers whose jobs are threatened by privatisation are naturally opposed to it. Trade union officials, who are supposed to represent them, and some Councillors attempt to raise the issue to a matter of principle by arguing that it is a retrograde step and as such should be resisted by all progressive people.

Precisely why it is retrogressive is never adequately explained, certainly not from the point of view of the interests of the working class as a whole. It is hinted, if not clearly stated, that in some vague way a public undertaking is a kind of socialist enclave which must be defended from encroachment by the market forces which dominate the rest of the economy.

In many respects the present 'trendy' Left in the Labour Party has retreated from even the acknowledged reformist standpoint of people like Philip Snowden, one of the early leaders of the Labour Party. He envisaged public enterprises entering into competition with private ones and defeating them by demonstrating their superiority.

In his book "Socialism and Syndicalism" he wrote,

"Socialists demand that the community be placed upon terms of equality with private enterprise; and where the citizens so desire they shall collectively have the liberty to run risks and bear results. Socialists are willing that the community shall bear the losses - and take the profits."

We dispute the theory that the capitalist system can be transformed into a socialist one by the piecemeal extension of public or co-operative ownership, or that the capitalist class would, in any event, accept the 'sovereign will of Parliament' on the matter and refrain from resorting to extra-parliamentary action to protect their interests.

Events will prove us to be right or wrong on this matter, but it is incumbent on those who adhere to reformist ideas to prove by example that socialism is more efficient than private enterprise. This is extremely important because public enterprise is closely associated in the public mind with Socialism, and the failure of Councils to demonstrate that superiority is often regarded as proof that Socialism does not work. Far from protecting Council Direct Labour departments from competition from private enterprise, they should be eager to enlarge the field of competition, as Snowden suggests.

In another part of his book, Snowden argues:

"There will be far fewer officials under socialism than we have to support and obey today .... if today there are, in some instances, more officials in the public services than are necessary, that is not the fault of the system but of the democratic control which is not sufficiently strict. Every system is open to abuse; the success depends upon the degree of interest in management."

How does this match up with today's experience? Complicated methods of administration and the associated growth of bureaucratic empires is not a figment of the Tory imagination; it is a reality that people understand all too well and it gives credence to the argument that socialism is inefficient. Furthermore, those empires are now protected under the umbrella of trade unionism.

As things stand, the cuts in public expenditure are resulting in worsened services because savings are being made by reducing the number of those employed at the sharp end who physically provide the services. This is not surprising in view of the fact that those who decide how the cuts shall be implemented are in a position to ensure that their empires will emerge from the exercise with the minimum of casualties.

To divert attention from this, NALGO leads the campaign against cuts in pub-

lic expenditure, knowing full well that there is such widespread opposition to further increases in rates on the scale experienced in the past that cuts in expenditure are inevitable.

If those at the sharp end want to retain their jobs, they will have to get the support of the public by denouncing the high overheads that play such a part in pushing up Council costs, and showing that they themselves are concerned with providing a service.

September 1983

## THE SMALL BUSINESS SYNDROME

One of the most obvious features of capitalist development is the way in which the bigger economic units have ruthlessly absorbed or destroyed smaller ones. This process is intensified during recessions. According to the Daily Telegraph there was a total of 6,398 liquidations in England and Wales in the first six months of 1983, an increase of 15.2% over the same period last year.

As there is no record of any of the major companies going into liquidation it is fair to assume that those statistics refer to small and medium sized businesses that are too insignificant to warrant a paragraph in the newspapers.

At the same time, we have the spectacle of directors of the monopolies, whose business practices are partly responsible for some of these failures, calling for assistance to be given to the small business sector. The Thatcher government has responded with proposals for the ostensible purpose of expanding that sector.

So we have a situation in which representatives of monopoly capital appear to be attempting to reverse the course of capitalist development. Although this, on the surface appears to contradict the Marxist theory of capitalist economic development, it is nothing more than an attempt by monopoly capital to increase efficiency, to make British industry more competitive.

In Britain the small business sector has been reduced to a smaller size than has been the case in West Germany, France, Japan and Sweden, all of which have been more successful in capitalist terms than Britain over most of the post-war period.

Statistics are often out of date before they are published but according to information gleaned from the financial press, only 30% of all enterprises in Britain employed less than two hundred workers, whereas in France, Sweden and Japan the comparable figure was 50%. Enterprises with less than ten employees numbered 27,000 in Britain, compared with 180,000 in France, and 150,000

in West Germany.

The conclusion seems to have been drawn by some members of the establishment that there is a direct causal relationship between the relative size of the small business sector and the efficiency of the economic system as a whole. Lord Robens, chairman of ICI, has gone on record to that effect.

So this new found enthusiasm for small businesses has its basis in the needs of big business.

Political attitudes are being manipulated to serve that economic end. New hopefuls are being credited with exhibiting all the qualities that "made Britain great", such as self-reliance, thrift, the willingness to take chances, etc. Managers made redundant by the bigger firms are being encouraged to sink their redundancy pay into what are high risk forays into the small business field. Some have already had their fingers burnt but with no alternative in sight it will continue to have its attractions for the ambitious.

Thatcher has been successful in projecting an image of herself as the patron saint of small businesses, and it undoubtedly won her votes in the General Election.

Despite all the chat about the necessity for a healthy small business sector the big concerns still consider it to be good business practice to delay the payment of bills until the last possible moment, irrespective of the liqu-

idity problems that it creates for the small sub-contractor who is waiting to be paid for work already done.

As there does not seem to be any attempt to prevent or even deplore the morality of such practices it is safe to conclude that the main aim of the exercise is to bring about a situation in which the birth rate of small businesses exceeds the death rate.

One of the schemes that have been introduced to assist the smaller firms is the so-called Enterprise Zone. The idea was first put forward by Peter Hall of Reading University. He envisaged zones in which all planning restrictions were removed and the need to comply with statutory requirements removed.

What finally emerged was a scheme to set up zones in Swansea, Corby, Dudley, Hartlepool, the Isle of Dogs, Gateshead, Salford, Speke, Wakefield, Clydebank, and Belfast. Firms within those zones will be exempt from development Land Tax and rates. They will also receive 100% tax allowances for their expenditure on buildings.

That is all very well for firms within those zones but those outside it, even by a few hundred yards, will still have to pay rates and comply with statutory requirements.

The only way to resolve that contradiction is either to withdraw the concessions from firms within the zones or extend them to firms outside them. If

the former approach is chosen the zones will be a dead duck. If the latter course is followed it will represent a victory for those who want industry and commerce to be relieved of responsibility for paying rates. In that case the rate burden will fall more heavily on domestic ratepayers.

#### Indirect Subsidies for the Big Boys

Small business can be divided roughly into two categories: those which deal directly with the consumer, and those that are sub-contractors to the larger firms and are, for all practical purposes, extensions of them. They have little bargaining power, particularly in present circumstances when the bigger firm can virtually determine the terms of the contract.

One would have to be exceedingly naive to believe that the big boys will refrain from taking into account the lower overheads of the firms within those zones when determining contract prices. Those concessions, ostensibly made to increase the profitability of the small companies, will eventually be reflected in the profits of the larger ones.

At the end of the day it is another means of transferring wealth from the working class to the middle class and monopoly capital.

#### Job Creation?

The government and the media have been very assiduous in promoting the

idea that an expansion of the small business sector will play a big part in reducing unemployment. It is true that individuals with an entrepreneurial turn of mind can identify gaps in the market and, in the course of filling those gaps, can create jobs.

Inasmuch as it can be done, it must be welcomed in the present situation but it would be ludicrous to think that the opportunities presented by this approach will make even the lightest dent in the unemployment total.

If Local Authorities and worker co-operatives can get in on the act, well and good because it is always better that an undertaking should be run for the benefit of the collective rather than for private profit but apart from that consideration it will have no impact whatever on capitalist society, much less change it into a socialist one.

Paul A. Baran and Paul Sweezy put it very succinctly in "Monopoly Capital", p.62:

From the point of view of a theory of monopoly capitalism smaller businesses should be treated as part of the environment within which Big Business operates rather than as an actor on the stage."

The employment of people on socially desirable jobs is vastly preferable to letting them rot on the dole, but it is important that it be recognised that that sentiment is, and will continue to

be, used to divert attention from the need for radical solutions to unemployment and all the other problems that are endemic in capitalist society.

It is also necessary to combat the idea that extension of the small business sector, whether privately or co-operatively, can change the character of capitalist society.

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## THE LIMITS OF TRADE UNIONISM

Following on the review of "Control of New Technology" in our previous issue, we continue with discussion on some of the issues raised.

Take the question of control; that word implies both power and purpose. The contributors to the book appear to envisage a situation where shop stewards' committees will be able to control the introduction of new production processes in such a way that existing jobs, skills, working conditions will remain virtually unaffected. Failing that, past experience indicates that a deal will be done so that the workers remaining will get some financial benefit from its introduction.

Our view, that the latter will be the most likely outcome in most instances, does not indicate cynicism on our part, rather a realistic appraisal of the limitations of the trade union approach.

The development of grass roots trade

If small businesses of either kind require assistance, let it come through lower bank charges, not lower rates, and more legal guarantees to protect the small firms from the depredations of the bigger ones.

In short, if monopoly capitalism needs a small business sector, let it pay for it.

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union organisation at plant level under the leadership of shop stewards' committees is the most significant development in trade union organisation since the foundation of trade unions as such.

From the time when Willie Gallagher and others developed them during the first world war they have become the most democratic organisation in industry. Despite all the vicious attacks by the entire Establishment, and tolerated rather than encouraged by the 'moderates' among the trade union officials, the shop stewards have deepened their roots in the working class.

Inevitably, some mistakes have been made and stewards have temporarily isolated themselves from their workmates but, under the influence of the workers, those mistakes get rectified. Shop stewards come to recognise that they are strong only as long as they have their feet on the ground.

For the past thirty-five or forty years most improvements in wages and working conditions in industry have been attributable to grass roots activity, led by the shop stewards.

The foregoing is necessary lest what follows gets construed as an attack on the shop stewards' movement.

The very strength of that movement, (its close ties with the workers and response to their wants), has made it susceptible to ideas coming from the workers, ideas which have been inculcated in them by the media - in other words, consumerism, the idea that continuous economic expansion is both desirable and possible, and that it can continue indefinitely.

The phenomenal successes recorded by the grass roots organisation in economic terms was rooted in the almost uninterrupted economic expansion that has been such a unique feature of capitalism in the post-war period. This bred the illusion that trade union action

could solve all problems; it was only a matter of becoming more militant. In those circumstances politics came to be regarded as of little practical importance, almost an irrelevancy.

The obvious truth is that control over investment decisions, and hence over the kind of technology to be introduced, is only possible when the overall economic environment has been changed, when the purpose of investment has been re-defined.

This takes us beyond the limits of trade unionism into the realms of political action, the struggle for the political power necessary to change that environment. An essential part of that struggle is to give it a purpose, a perspective which will enthuse the whole of the working class and a sizeable proportion of the middle class in a way that mere defence of craft skills can never do.

We will return to that theme in our next issue.

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## COMMENT

The result of the General Election did not come as a surprise to anyone who had not lived in a cloister for the past few years. During this time confidence in the Labour Party has steadily declined at a faster rate than that of the Tories who, as the party in Office, should on past experience have suffered the greatest decline.

The 'unity' established at the 1982 Conference of the Labour Party was so unprincipled that it was bound to offer the Tories an opportunity to exploit the contradictions within it.

Attempts to portray unilateralism as something different from pacifism was bound to fail, and the British people

(certainly the working class) are not pacifists.

The pledge to take Britain out of Europe was another dead duck. As much as anti-EEC feeling is growing in the country, people are shrewd enough to realise that withdrawal from it would not be a simple straight-forward matter that could be done without considerable upheaval. If and when they come to believe that withdrawal is absolutely necessary they will face up to the ensuing difficulties, but nobody tried to explain the alternative to EEC membership.

The response would have been more positive if the Labour Party had clearly outlined what it proposed to do to solve the many pressing domestic problems and then showed how these solutions might be regarded as incompatible with EEC membership by the other member countries. In that way the decision would have related to defence of national sovereignty.

In the event it is Thatcher who has got a feather in her cap as the best defender of our national sovereignty, while Labour got another nail in its coffin.

Notwithstanding, or perhaps because of, the poor performance of the Labour Party (which displayed a dearth of positive, credible policies and bumbling leadership) there seemed to be a fair amount of naivety about Tory intentions after the Election.

The bait of lower direct taxes attracted votes from the higher paid, just as it did in 1979, and the vague promises about protecting the Health Service and the living standards of those who could not help themselves disarmed many people who, in any case, could not believe that a Labour government would not do any better.

Tory intentions will become clearer now that Thatcher feels electorally secure. The removal of the 'Wets' from the Cabinet is a sure sign that further cuts are in the pipeline for those at the bottom end of the scale, in order to finance tax cuts for those who are already well-heeled.

The refusal to give pledges to maintain the value of unemployment benefits is more than a straw in the wind. Pensioners who think that this can be interpreted as a sign that they will not be affected are living in a dream world. It is more a matter of dividing the opposition by attacking one section at a time.

Up to now unemployment has been largely financed by income from North Sea oil but that cannot be a long-term solution. Oil production will begin to tail off in a few years time. Five or ten years is not a long time in politics and economics. It is already reported that the rush over the past two years by British investors to acquire assets overseas is partly in anticipation of declining revenues from North Sea oil. There is no sign of manufac-

turing production getting back to pre-1979 levels and even less of any real (as distinct from cosmetic) fall in unemployment.

All-in-all, the stage is being set for sharper class struggles around the issue of how the national income shall be divided, particularly now that the Keynesian 'solution' is no longer a practical proposition, at least on the same scale as before.

Differentiation between classes and class interests should be easier to spot and when that happens it is easier to decide where the battle lines should be drawn, but for discontent to be transformed into class struggle, leadership is necessary.

#### The Labour Party

The events over the past few years which culminated in the electoral defeat show that what future there is for the Labour Party will still lie in pseudo-Left reformist politics.

It lost votes to the SDP because some voters mistook the vociferousness of the Left-wing in the Party for an actual ability to gain control of it.

The Tories successfully played on that fear (which was entirely unfounded) and split the Labour vote.

The structure of the Labour Party with its built-in guarantee of Trade Union domination ensures that it will never become a party that can lead the

working class to establish a Socialist state.

Unless public opinion has already been prepared for it, the party will never campaign on the basis of a socialist programme for that would lose votes as things stand at present. Neither is it politically or organisationally capable of leading the working class in day-to-day struggles in defence of its own interests.

Much less is it capable of initiating and leading extra-parliamentary activity with the longer term aim of creating a more meaningful and more effective democracy than that presently offered by the parliamentary system.

Tebbit's proposals regarding the political levy will, if carried through, weaken the financial position of the Labour Party and, by implication, tend to weaken the influence of the trade unions over the Party.

Tory reasoning on this matter is not clear. If the Labour Party is seriously weakened it will be less able to carry out its traditional role of diverting potentially dangerous moods and movements into safe, constitutionally acceptable channels.

It could be that Tebbit and his colleagues have not thought the matter through, or they have come to the conclusion that the Labour Party is no longer the 'safety valve' that it used to be, or that any possible focus of opposition to the policies of present and

future right-wing governments must be destroyed. Francis Pym's statement during the election that he did not wish for a landslide victory for the Tories indicates that some elements within the Tory party are concerned that the latter possibility is the most likely one.

One of the factors which reduced the credibility of the Labour Party as an alternative to the Tories was the lack of unity within it. Surely those who joined that party on the basis of it being 'a broad church' must now be realising that that concept is condemning the party to sterility. There is no possibility whatever of uniting all the diverse factions and tendencies within it behind a single, cohesive political programme, let alone welding it into an effective fighting force. It is democracy gone mad. The best that can be hoped for with such a motley collection is a broad front organisation, but even then there must be a leading centre within it if it is to be effective.

The election defeat will result in increased control over the party by the trade unions and the 'soft' Left. Without that soft-Left image it would lose support among the politically active members of the working class at a faster rate than is happening at present. It will be discarding its historical role of obscuring the need for a Party of an entirely different type.

#### The Pattern of Voting

The pattern of voting during the

election is more important in the longer term than the number of seats obtained by any particular party.

It is understandable that the SDP/Liberal Alliance should get uptight about the present electoral system. Between them they gathered 24.6% of the vote as against Labour's 27.6% but obtained only 23 seats against Labour's 209. It is also understandable why the two main parties want to retain the present system. It is not just a matter of whether it suits them at the moment; more importantly, it is a fear that a proportional representation method would lead to greater governmental instability, and hence to greater political instability in the country as a whole.

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The point has already been made by Arthur Scargill and others that the present government is a minority one. (So, incidentally, were most post-war governments, but let that pass.) It is a valid argument to give punch to our legitimate opposition to the government's policies but it could also be taken to imply that extra-parliamentary opposition would not be legitimate if the government did have an overall majority.

Talk about political strikes, as though there is a clear distinction between political and non-political ones, serves to divide rather than unite opposition to various aspects of government policy.

It also raises suspicions that every

strike, no matter what its original objective, will be manipulated by trade union leaders to serve political ends determined and desired by them, but not necessarily shared by the people directly concerned.

In the coming months there will be an

## CORRESPONDENCE :

### THE DECADENCE OF CAPITALISM A CONTRIBUTION FROM ONE OF OUR READERS

In the centenary year of the death of Karl Marx it is useful to remind the working class of his analysis of capitalist society. Most of this was done by him in "Capital" but there are shorter studies, like "Wage, Labour and Capital" and "Value, Price and Profit".

The central piece of this analysis is the analysis of capital itself. Marx distinguishes two parts of the capital invested in a capitalist industry: constant and variable capital. The constant part of capital consists of buildings, raw materials, overheads, etc. The variable part is just one aspect: labour.

Marx has also shown that the surplus value accruing to the capitalist consists of that part of the labour power used in an industry which consists of that part of the time a worker works in a day (a week, a year) which is above that part which is needed to reproduce his labour in the present, and his children for the future. Thus Marx divides the variable capital into two parts - the part

increasing tendency for groups of workers to be forced by circumstances into actively opposing this or that aspect of government policy. That tendency should be encouraged, but why should we bother to put a political tag on them? The government and the media will do it anyway.

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which is needed for the reproduction of the labour, and that part which he calls surplus value and which we usually call profits.

The capitalist does not arrange for the production of goods in order to serve society. His only aim is the making of profits. Thus he employs labour because - and this is the central point in Marx' theory - only labour power provides profits.

Marx was also quite clear about the downfall of capitalist society. He showed, and we will reproduce this in an example, that with the increase of constant capital, and therefore the decrease of the variable part of the capital, the rate of profit decreases until there are no profits made by the capitalists any longer.

If this sounds as if Marx' analysis was utopian, we will show that this was not so. If we take the total capital invested in capitalist industry as 100, one part of it will be constant, say

50, and the other variable, in this case also 50. The latter 50 is divided into two parts, as we have already seen - the part that reproduces the labour power and the other part which produces surplus value, i.e. profits.

We can make the assumption that during an eight-hour working day, the worker needs four hours to reproduce himself; the other four hours produce surplus value. In this case the rate of profit is 50% of the working day's production of value. This is a very high rate of profit and we have chosen this in our example in order to show the decline of capitalist industry under conditions which are favourable to the capitalist class.

Our example is as follows: in the first column we show the constant capital (out of 100), in the second the variable capital, and in the third the surplus value which we assume to be 50% of the labour time.

50	50	.25
60	40	20
70	30	15
80	20	10
90	10	5
100	0	0

We can clearly see that the rate of profit diminishes to the same extent as the constant capital increases and the variable capital decreases. In other words - the more the machine displaces the worker, the lesser is the rate of profit for the capitalist.

For an instant this seems to be fallacious, for why does the capitalist increase his constant share of his capital by introducing more and better machines at the expense of the variable part, i.e. the number of workers? It seems as if the capitalist class works against its own interests. And in a way it does, this being the reason why Marx predicted the downfall of the capitalist economy.

However, the capitalists are not one unified class. Amongst them there is competition which leads to an increase of the share of the constant part of the capital, because only by introducing more and more sophisticated machines can the individual capitalist decrease the price of the goods produced and thus beat his competitors who, in their turn, will try to outdo him by having ever more machines installed.

Even in the conditions of monopoly capital, when the capitalists in a particular industry join together to fix the price of their goods, the competitive struggle goes on because monopolies hold together as long as it suits all members of the monopoly.

In our days of international organisations when a particular group of capitalists tries to fix the price of the goods produced in their factories all over the world, the process of increasing the constant part of the capital invested goes on; even companies with interests all over the world meet eventually with competition, be it that

another group of capitalists enters the world markets for the particular product, or the original product is replaced by a different one which serves the same purpose and is cheaper, or is both cheaper and more efficient.

Thus the capitalists as a class are compelled to increase the proportion of constant capital and decrease the proportion of the variable capital. But - and this is where capitalist society will founder - the profit for the capitalist only accrues from the variable capital, i.e. the labour power. As this diminishes, the rate of profit also diminishes. When capitalist industry relies for the production of goods on robots which will replace totally the labour power in a particular factory, the rate of profit will be 0.

Thus the capitalist class is in a vital dilemma; on the one hand the share of constant capital (which does not produce profits) grows, on the other hand the capitalist class will not only keep the rate of profits but will also try to increase it.

There are two means of trying to do this. The capitalist will try to increase the working day in order to increase the share of surplus value. This is the reason why, in times of economic crises, a great deal of overtime is worked in spite of the large numbers of unemployed. This is also the reason why the capitalists fight with all their power to maintain, if not increase, the working day.

All talk about work-sharing with the unemployed is so much eye wash. Only the strength of the working class movement can compel the capitalist class to shorten the working day, as was done during and after the industrial revolution when at last the eight-hour working day was established.

The other means of saving the profits of the capitalist class is waste. Capitalist society is more wasteful than any other before it. Of new products invented, at least 90% fail. Advertising and all the tricks of marketing are wasteful.

But the ultimate waste is, of course, war. The crisis of the last years of the nineteenth and the first of the twentieth centuries was followed by the first world war. The crisis of the thirties was followed by the second world war. Will the crises of the seventies and eighties be followed by the third world war?

Logically speaking, the answer is Yes. But it can be prevented by the strength of the working class which clearly understands that capitalism has reached the last stage of its development, that it can only deteriorate, that it is condemned to death by its own mechanisms.

It is true Marx predicted the downfall of capitalism. But he never overlooked the part the working class will play to push capitalist society where it belongs - in its grave.



That is the reason why the working class should do everything in its power to prevent another war. A nuclear war will destroy society altogether; the capitalists will vanish from the earth together with the working class. That is why the workers must fight the Reagans and the Thatchers, the forces which promote war, even nuclear war, as a means of saving capitalism. That is why the working class cannot and must not stand aside and wait for the inevitable downfall of the capitalist society. In their despair the capitalists

will destroy the whole of mankind rather than give up their privileges.

Thus it is on the one hand that capitalism destroys itself, on the other hand the working class has the historical duty to prevent war and, at the same time, to further destruction of a hateful society which exists on the exploitation of man by man.

Karl Marx was right. Will the working class understand its historical role?

## LETTER FROM AN ECOLOGIST

I enjoy the magazine because it's well thought out but since only a difference of opinion can fuel a discussion I'll confine my comments to criticisms. Take it as read that I agree with much of what is written there.

My most critical comment is that the articles are so concerned with detailing facts that I sometimes forget where the article is leading.

Take "Crime and the Community". Most of it was concerned with the failure of the present system and where it's leading and a blow by blow account of the current situation. Where was the vision of what the future could be? Where was the philosophy of your movement to which the reader could refer your plans to see that they fitted into a whole pattern?

Take "The Control of New Technology". Loads and loads of facts and observations but surely the real question is "What is work?" How can you discuss the role of work in tomorrow's society without discussing the role of money? It seemed to me that the observations were all based on yesterday's working society rather than tomorrow's.

My own philosophy is based on a small community society and once that is accepted in any discussion one is able to 'refer' any question or subject to it. Thus many of the problems and conflicts in the law and order debate are resolved by a gradual change in people's attitudes because they belong.

When the community provides the work, the discipline, the rewards, the 'family', then much of the motivation for

crime is eliminated. How can you solve the law and order problem without first solving the education and employment problem. I would personally like to see the journal paint more of the big picture and show how it's solutions to problems will move towards the changed society.

Nuclear bombs and technology. Important only insofar as mishandling may stop the need for us ever to solve the problems that pose the long term threat to civilised society - namely the population explosion and the squandering of the earth's meagre resources.

It seems to me that most pro/anti nuclear arguments founder because they fail to separate the three strands of the pro/anti reasoning.

### 1) Moral

Should one ever be prepared to drop one of these on anybody? Should one be prepared to jeopardise life for future generations by poisoning the planet? The argument seems to me to rest on an assurance (cast iron) that possession of the weapon guarantees that they will never be used. I believe that continual possession of the weapons guarantees that sooner or later they will be used. Not necessarily by U.S., U.S.S.R. or G.B.

### 2) Economic

It's an insult to our unemployed, our schoolchildren and the aid-starved third world to spend our resources on nuclear

weapons.

3) Political joins with 2) Economic since Britain's nuclear deterrent is a political ego trip. What difference does our bomb make to the world situation? How do all the non-nuclear countries manage to survive without the bomb? Why are we so important that we have to have it?

Re-read 1984 and the motivation is all too clear. Maggie rattles the sabres better than any leader since Ghengis Khan.

Outside the question of our internal decisions is the effect our rejecting nuclear weapons has on the US and USSR. Russia's actions since 1945 have been principally motivated by fear - hence the buffer states. Remove all nuclear weapons from Western Europe and the super powers are again equi-distant 'nuclear-wise' and equally vulnerable. That is the best basis for successful multi-lateral disarmament.

Nuclear Power. Indecent haste on wasteful expensive systems. What about more conservation of energy. Most important of all, what 25,000 year legacy are we giving to future generations with nuclear waste. The dangers are enormous whilst the benefits are minimal. Tomorrow's 'industry' will demand less energy than yesterday's but like our generals we always plan to fight the last war and not the next.

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WE REPLY OVERLEAF

Dear Reader,

Thank you for your criticisms. We cannot tackle them all in this correspondence; however, they do fall into two categories - a critique of our political line, and the way in which we present it.

To take the former first. As communists we start from the position that there can be no fundamental reorganisation of society in favour of the working class and the majority of the people of this country while the bourgeoisie hold political power. The bourgeoisie will not be divested of this piecemeal through legislation, change of habit or self-enlightenment. Political power must be won through an ever-sharpening class struggle that will ultimately decide who controls the state.

In the final analysis, this position distinguishes us Marxists from other progressive people such as yourselves in the Ecology Party who believe that your aims can be attained through Parliament.

If state political power is gained by the working class and its allies - and consolidated - a whole vista of opportunities for improving the quality of life in Britain opens up. Perhaps the most far-reaching is that production can then be determined according to use or social need, rather than profit. Capitalist 'economies of scale' will no longer decide the location of industry. Account can be taken of the social costs of production, to satisfy domestic

needs, to make regions more self-reliant, to rejuvenate industrial wastelands, even if this leads to higher production costs.

On the political front, decentralisation from Whitehall (or indeed Redhall!) to organs of local self-government will enable ordinary people to exercise far greater control over their own lives than would be possible under capitalism, even if this leads to 'chaos' and 'disorder'. Socialism means nothing if it does not mean the fullest possible democracy.

But decentralisation of political power and production can never mean a return to a society of independent producers. The working class must remain in control if the positive changes such as those above are to be established. Therein, perhaps, lies another fundamental difference between the Ecologists and ourselves. For the above goals, economic and political decentralisation, which your Manifesto embraces, are impossible without socialism.

The key to working class control is class struggle, a never ceasing battle to make the working class the leading force in society. At present the working class is a long way from attaining this position. It has not yet found its identity as a class, let alone a political force.

We hope THE MARXIST is a tool for attaining this consciousness. So, taking the standpoint of the working class, we attempt to offer thorough analysis of

current events and developments, and to propose policies that will advance working class interests.

And this leads onto the question of presentation. In posing questions about crime and punishment today, it is not good enough to offer the panacea that small community society will solve the problem.

Our analysis of the effects of new technology on employment demands that we address ourselves to the problems caused by robotic production in 1983. These problems will not disappear when the proletariat takes power, as some on the Left would like to believe.

Similarly, our shared dislike of nuclear weapons does not allow us to ignore

the realities of the current international scene, in which two equally predatory superpowers contend for world domination, with Europe in the 'firing line'.

Where we can, we endeavour to raise questions in the minds of our readers and return to discussion in future issues. Thus in both "Crime and the Community" and "The Control of New Technology", having presented the scale of the problem, we ask whether it can be resolved in a future society.

Marxists are indeed visionaries. But too many such visionaries confine their propaganda to the clarion call, "Come the revolution, Comrades ...."

THE MARXIST tries to break that mould.

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## ARTHUR EVANS - A TRIBUTE

A.H. Evans (1902-1983)

Twenty years ago there was one communist party for each state. Every CP recognised every other CP as having the sole licence in 'its' country to put the case for communism.

The result was that, when the leaders of a communist party became anti-communist, communism died. Such was the case in the Soviet Union, Britain, and elsewhere.

In 1963 two people in Britain, Michael McCreery and Arthur Evans, aided by a

few others, pointed out that the Communist Party of Great Britain was no longer a communist party but a self-perpetuating clique of opportunists.

The days of one group's monopoly of communism were ended, never to return.

Writing in 1964, Arthur, discussing the effect of a possible US defeat in Vietnam, said:

"..... the people of Malaya would take their future into their own hands. Britain would be faced

with the certainty of the century-long flow of loot from Malaya, ceasing to be loot. Tin, rubber, sugar, spices, teak, a hundred and one products would have to be paid for at nearer their true value and that would be largely determined by the prices obtained in the home capitalist market - and by the prices of the finished product, which would quadruple and even more the sale-price of these tropical products. No more would Britain be able to bribe-off sections of her own working class through super exploitation of colonial and neo-colonial peoples." ("Once again, TRUTH WILL OUT", by A.H. Evans)

This is better than anyone else was saying in 1964. But it implies that the true value of neo-colonial products is the price obtained in the home capitalist market. If this were the case, the only people to benefit from imperialism would be those engaged in trade. Other people might benefit indirectly. But there would still be a great majority of British workers who did not benefit from imperialism and so were ready for revolution.

As a result, Arthur overestimated the receptiveness to Marxism of the British working class. Yet, when Arthur was down to earth, he came near to the truth:

"While the basic home-based industries have been emasculated over the years, importation from abroad of coal and steel has steadily in-

creased and, moreover, private capital investment and State loans to projects overseas proceeded apace.

Why is this happening? The reasons are clear: because in the ex-colonial and neo-colonial countries labour prices are dirt-cheap and plentiful, and raw materials close to hand are abundant. The profit is limitless.

The run-down of basic industry in the Western World, with no possibility of their recovery or replacement with other industries demanding a large human workforce is a new phenomena in the history of capitalism." (Welsh Republic, March 1981)

It should be added that Arthur always earned his living from hard manual labour and paid his own publication costs.

Some, not understanding Arthur, thought him eccentric. Others saw a tendency to seek short cuts where none existed. Neither of these is so terrible. Eccentricity and opportunism will be forgotten, buried in the great amount that is already there.

But the truth, once said, can never be unsaid. It penetrates into people's minds, it influences their actions, simply because it reflects reality.

Arthur Evans will be remembered as someone who was not afraid to speak the truth.

## COMMENT

In terms of parliamentary strength the Tory position is very strong and, as a result, what passed for a resolute approach prior to the election is now being revealed as intolerance of any opposition.

Having, for the time being, demolished the Parliamentary Labour Party as an effective opposition and removed from the Cabinet everyone suspected of being even a little damp, Mrs. Thatcher is now directing her attention to getting rid of any organised opposition in the country at large.

The inability of the previous government to bring many Labour controlled Local Authorities to heel is driving her to adopt a more heavy-handed approach. The suggestion that ceilings will be placed on Local Authority rate increases is a different thing from the existing method of denying grants to authorities which overshoot Government targets.

Over the years most Local Authorities have found it impossible to cover their expenditure from the rates. The practice has grown for the central government to make grants to cover the difference.

The big explosion in local government expenditure during the sixties and seventies forced Labour as well as Tory governments to try to limit it by impo-

sing conditions under which those grants would be made. That led to the charge that the autonomy of Local Government was being undermined, and so it was, but something had to be done to put curbs on the local mandarins to whom virtually unrestricted income presented unlimited opportunities for expanding their administrative empires.

As a result of the cuts in government grants an increasing proportion of Local Authority expenditure has now to be borne by the ratepayers. That is not a bad thing in itself because it brings a bit of reality into the situation by forcing people to keep a more watchful eye on how their rates are being spent.

The biggest outcry has come from commercial interests which, quite rightly, do not have any voting rights in Council elections.

Being relatively unsuccessful in influencing rates at local level, the big commercial organisations have turned to their friends in high places to place further, and completely unwarranted, limitations on the power of Local Authorities to levy rates.

If the majority of people in the Borough are dissatisfied with the high rates they can register that fact, particularly at election time, but for central government to override what are

presumably the wishes of the local electorate is a real infringement of local democracy.

The onslaught against the social services, including the National Health Service, is only in its initial stages but it is already clear that it is being conducted with a great deal of skill.

Encouragement of private health schemes is supplemented by a campaign of denigration of the National Health Service and is conducted in such a way as to minimise all its considerable positive achievements as a means of weakening the struggle to preserve it and eliminate its shortcomings.

All the talk about the need to reduce taxation and letting people keep more money in their pockets is preparing the ground for splitting those who are dependent on social security from those lucky enough to have a job and who have to pay taxes to keep them.

On the surface Thatcher appears to be firmly in the saddle, with any opposition that there is well muted, but the 'unity' between the various sections of the capitalist class and the support that she receives from the middle class has a pretty fragile basis.

Their difficulties provide opportunities as well as burdens for the working class. Despite sunshine stories about "the upturn being just around the corner", there is, as yet, no sign of one. Job losses are still taking place in manufacturing industry and what jobs

are being created are in distribution.

The rise in consumer spending since January of this year raised hopes in some breasts that the economy was beginning to take off but 40% of it was on credit, that is, buying this year's production with next year's wages, and hardly 'good housekeeping' in the Thatcher tradition.

In any event, that increase in sales found little reflection in increased output in manufacturing industry in Britain, and little sign of any increase in capital investment, the key factor and indicator that the economy is coming out of the slump.

The Confederation of British Industry is continually expressing its discontent with the level of retained profits, that is, profits after taxation and payment of bank charges. The latter is one way of saying that the production industries should be allowed to retain a bigger share of the surplus value created by the workers in production industry, instead of having to surrender such a large proportion of it to the banks in the form of high interest rates. Also, advertising takes an ever increasing share of the surplus value created at the point of production.

At its present stage of political development the mass of the working class still accepts the capitalist measure of economic viability. In these circumstances a struggle can best be mounted by showing that manufacturing industry,

the most important yet the hardest hit part of the economy, could become more profitable and more able to survive if the surplus that it alone produces is retained at the point of production, and not squandered in the ways indicated

A fight on those lines would upset the unity that presently exists between those different sections of the capitalist class - a unity that only appears to be strong because of the working class's acceptance of the role of fall guy.

On the international front capitalist unity is even more fragile. There is a desperate need for them to hang together lest they hang separately, yet the contradictions between them are becoming so strong that each must look after its own interests; and in the struggle for survival that overall unity is prejudiced.

The instability of the world banking system is well known. It is freely admitted that the business of rescheduling is nothing more than buying time in the hope that something better will turn up.

#### Foreign Trade

Exactly who was trying to fool who at the Williamsburg Summit is not clear, but the participants issued a statement at the end of it in which they pledged themselves to work to remove all barriers to international trade, and expressed the belief that it would help

generate world economic growth.

Within a few short weeks the United States was renewing its attempts to make foreign firms comply with American law relating to foreign trade.

The ongoing dispute about the right of the US to impose penalties on foreign firms which participate in the Siberian Gas Line project, has been defused by Reagan's decision to relax some trade embargoes on the Soviet Union when the transfer of high technology is not involved.

But that bit of footwork leaves the principle of extraterritoriality, as embodied in the American Export Administration Act still intact. That means that foreign-owned companies with investments in the United States will have to conduct their foreign trade in accordance with American laws.

In addition, it is posed that individual American states should have the right to tax foreign-owned companies on their world wide profits, and not just on those made in the US. As those things will affect the profits of the transnationals it can easily be seen why non-American ones are up in arms about it.

It is said that when thieves fall out the honest man comes into his own, and if it results in decreased international trade of the kind conducted by the transnationals, it will be a good thing for the working class of all countries. It will diminish, however slightly, the

ability of the transnationals to play off the workers of different countries against each other, for the bulk of international trade is presently conducted expressly for that purpose.

The greater the disruption of that trade, the better it will be for the working class, and in the long term, for the mass of the people.

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**Please send correspondence to:**

**T. Hill,  
11 Barratt Avenue, London, N22 4EZ.**

**Subscriptions to:**

**F. Huscroft,  
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