

**Capitalist Rulers Fleece Working People**

# Financial Crisis: Bankruptcy of Capitalism

The economic crisis that exploded on Wall Street over spring has reduced some of the world's most powerful financial institutions to twisted wreckage. The U.S., Japan, Germany and much of Europe are now officially in recession while Australia teeters on the edge. As it expands and deepens, the economic crash is putting at risk the livelihoods of hundreds of millions of working people around the globe.

In the biggest bailout in U.S. history, the U.S. government voted to allocate some \$700 billion to buy out the "toxic assets" of banks and other major financial institutions. Aply dubbed "cash for trash" by international bankers, under the bailout deal the government would pay a premium for "trash" on bank ledgers, centrally mortgage-backed securities that high-rolling financiers bought en masse in speculative schemes to cash in on the U.S. housing market. Last year when the bubble burst, bankers began to sharply cut back lending to businesses, consumers and even to each other, threatening to trigger an even deeper economic crisis. While cynically decrying Wall Street "greed," Washington has now expanded its subsidies to compensate the losses of the banking and financial looters to a staggering U.S. \$7.7 trillion.

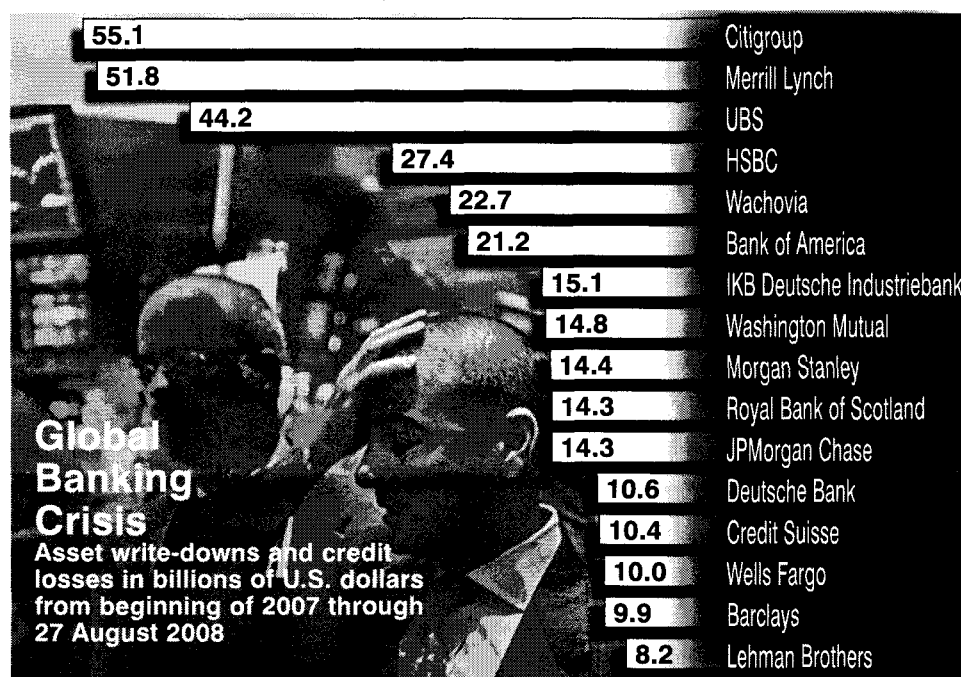
Raising the spectre of the Great Depression, bourgeois economists and media pundits have insisted that the Wall Street bailout was the price that everyone had to pay for restoring stability. But no one really believes that the bailout will do much for the economy; the stock market continues to plunge as credit tightens even further.

Now the U.S. auto giants are seeking a \$25 billion bailout while Citibank

(previously the world's biggest bank) is currently being propped up by U.S. government intervention. In Australia, firms such as investment giant Babcock and Brown, and ABC Learning (providing childcare for tens of thousands) are headed to the corporate graveyard along with Allco Finance.

Having previously tried to reassure the public that Australia would be largely immune from the economic meltdown, the Rudd Labor government has been frantically trying to pump-prime the economy. Rudd has already promised to spend in excess of \$30 billion. This includes \$6.2 billion to buttress the already heavily protected local operations of Toyota, General Motors and Ford, \$15.1 billion for state governments, and \$10.4 billion in one-off payments to families, pensioners and first-home buyers in an attempt to stimulate spending. All this will likely have a negligible impact. While families struggle under high levels of debt, the elderly subsist on a pitifully low pension that the Rudd government has contemptuously refused to increase. As for the ALP's enticement to new homebuyers, everyone knows that prices are falling and many workers may not have a job next year.

Regardless of Reserve Bank interest rate cuts, Rudd's rash of government spending and appeals to spend for "the country," Australia will be battered as prices for key commodities like coal and iron ore plummet. As Rory Robertson an economist with Macquarie Group Ltd. declared, "While Australia is an island, the Australian economy is not. The extraordinary power of the sudden down-



Workers Vanguard graphic, Chart Source: Bloomberg, Photo: Getty

shift in the global economy may have made recession in Australia unavoidable" (Bloomberg.com, 3 December).

The Australian capitalist class has accrued enormous wealth on the back of mineral sales to China at extortionate prices. However, growth in the Chinese bureaucratically deformed workers state is slowing as the impact of the financial downturn on exports begins to bite. This, combined with recession in Japan, has led to a reversal in Australia's minerals export boom, which has propped up the Australian economy for more than a decade. BHP-Billiton, who recently pulled out of a takeover bid for its major competitor Rio Tinto, is now signalling its intention to cut back production. For its part, Rio Tinto is planning to reduce iron ore sales by millions of tonnes while slashing 14,000 jobs worldwide. Meanwhile OZ Minerals could join the growing number of smaller mining companies facing administration. These developments will have significant flow on effects throughout the economy.

The contraction of mineral exports occurs alongside the current frozen state of international credit. Australia carries a large current-account deficit that is funded by heavy overseas borrowing. These factors, combined with falling house prices (said to be overvalued by up to 25 percent) could see the economy rapidly spiral into a deep recession in which workers face losing their jobs, savings and homes.

Indeed the working class, poor and oppressed have plenty to fear as this crisis will be played out on their backs.

Thousands of jobs from the finance and manufacturing sectors have already been destroyed. And there are predictions that hundreds of thousands more will be thrown out of work in the New Year. Meanwhile workers have seen their superannuation savings shrink at an alarming rate, leaving many older workers facing the prospect of future poverty on a government pension. Australia's superannuation pool fell by \$72 billion between 30 June and 30 November. Compulsory employer-paid superannuation was introduced in the early 1990s by the then-federal Keating Labor government in lieu of workers receiving a wage rise. This was peddled as building a supposed retirement "nest egg" in the sweet bye-and-bye while providing a giant slush fund for financiers and investors. It also had the aim of transferring responsibility for providing support in old age from the government to individual workers. For those workers who still have a job, it's another day older and deeper in debt trying to make ends meet—paying the rent or mortgage, groceries, credit card and other debts, while their retirement savings evaporate.

Like all the inevitable economic crises that occur periodically under capitalism, the current crisis reflects at bottom a key

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Queensland workers join 2 December national protest against the witchhunting ABCC. Days earlier, facing threat of mass proletarian actions, ABCC dropped charges against CFMEU union official Noel Washington.

**Those Who Labour Must Rule!**



# 70th Anniversary of Founding of Trotsky's Fourth International



LENIN

## TROTSKY

The following article is reprinted from Workers Vanguard (No. 922, 10 October 2008), newspaper of the Spartacist League/U.S.

September 3 marked the 70th anniversary of the founding of the Fourth International, world party of socialist revolution. The founding of the Fourth International was a culmination of the fight led by Leon Trotsky to defend the program of Bolshevism (i.e., genuine Marxism). We print below "A Great Achievement," by Trotsky, co-leader with V.I. Lenin of the 1917 Bolshevik Revolution, announcing the Fourth International's founding. The piece originally appeared in the October 1938 issue of *New Internationalist*; it is reprinted from the *Writings of Leon Trotsky (1937-38)*.

Trotsky was instrumental, along with Lenin and other Bolshevik leaders, in the founding of the Third (Communist) International in 1919. World War I had exposed the complete bankruptcy of the Second International, whose sections—with such notable exceptions as the Russian, Serbian and Bulgarian parties—betrayed Marxism by supporting their own bourgeoisies in the war. Meanwhile, the October Revolution was met with a bloody civil war, where the forces of counterrevolution were allied with 14 invading capitalist powers. Trotsky led the Red Army to victory in the Civil War. But the Soviet workers state was bled white, many of its best proletarian fighters having fallen in the struggle to defend the Revolution. By 1923, the Bolsheviks were also faced with the failure of socialist revolutions in the West, especially in Germany. It was under these dire conditions that a conservative, nationalist bureaucratic caste emerged, effecting a political counterrevolution in 1923-24 and consolidating power in the Soviet Union.

Against the Stalinist dogma put forward in late 1924 of "socialism in one country," which liquidated the program of the revolutionary struggle of the proletariat, Trotsky and the Left Opposition fought for Leninist internationalism. In retaliation, a series of Stalinist bureaucratic measures would lead, by 1928, to Trotsky's exile to Alma-Ata and his expulsion from the Soviet Union in February 1929.

But at the 1928 Sixth World Congress of the Comintern held in Moscow, American delegate James P. Cannon and Canadian delegate Maurice Spector read copies of Trotsky's Critique of the Congress' draft program, published later in *The Third International After Lenin*. It was a searing indictment not only of the policies of the Stalinist bureaucracy within the USSR, but also of its disastrous policies internationally. It dealt in particular with the lessons of the Chinese Revolution of 1925-27, with Stalin & Co.'s policy of liquidation of the Chinese Communist Party into the bourgeois-nationalist Guomindang, which in turn resulted in the slaughter of tens of thousands of Communists and trade unionists.

Trotsky's Critique won Cannon and his allies to the Left Opposition, for which they were expelled from the

American Communist Party in October 1928. The direct corollary to "socialism in one country" was the transformation of the Comintern from an instrument of world revolution into an instrument of the nationalist policies of the Kremlin Stalinist bureaucracy. In 1930, the International Left Opposition was founded in order to wage a factional struggle to restore the Third International to its revolutionary purpose. But by 1933, Stalin's Comintern could not be awakened by what Trotsky called "the thunder of fascism"—the victory of Hitler's Nazis without a shot being fired by the powerful, pro-socialist German workers movement.

When this catastrophe did not give rise to outrage, or even significant dissent, within the ranks of the Third International, Trotsky concluded that that body had

national," popularly known as the Transitional Program. Trotsky considered the founding of the Fourth International the most important work of his political life. Writing in 1935 (printed in *Trotsky's Diary in Exile—1935*), he noted:

"Had I not been present in 1917 in Petersburg, the October Revolution would still have taken place—on the condition that Lenin was present and in command.... The same could by and large be said of the Civil War...."

"But now my work is 'indispensable' in the full sense of the word. There is no arrogance in this claim at all. The collapse of the two Internationals has posed a problem which none of the leaders of these Internationals is at all equipped to solve."

In 1940, the dirty work of a Stalinist assassin would finally silence this great revolutionary. But it could not obliterate his massive volume of revolutionary work, including the construction of the Fourth International. Indeed, Trotsky's final fight was against a petty-bourgeois minority in the then-Trotskyist Socialist Workers Party (SWP) that, as the Second World War got under way, wanted to jettison the program of unconditional military defense of the Soviet degenerated workers state.

Unlike the Second and Third Internationals, the Fourth International never betrayed; it was destroyed in the early 1950s by the liquidationist forces led by Michel Pablo. Faced with the onset of the imperialist Cold War and the creation of Stalinist-ruled deformed workers states in East and Central Europe, the Pabloites denied the need for a Trotskyist vanguard. The Pabloites looked to the Stalinists, social democrats and, eventually, Third World nationalists, arguing that they could be pressured to outline a "roughly" revolutionary course. The struggle against Pabloism in the Fourth International was led by Cannon, albeit partially, belatedly and on the SWP's own national terrain. The SWP would later take quite another tack, that of seeking "convergence" with the Pabloites in the 1963 "reunification," which formed the

"United Secretariat" (Usec). It is beyond the scope of this introduction to deal in a substantive or thorough fashion with the post-World War II Pabloite degeneration of the Fourth International. We refer readers to "Genesis of Pabloism" (*Spartacist* No. 21, Fall 1972), *Prometheus Research Series* No. 4, "Yugoslavia, East Europe and the Fourth International: The Evolution of Pabloist Liquidationism" (March 1993).

The forebears of the Spartacist League, the Revolutionary Tendency (RT), waged a fight within the SWP against, among other things, its perversion of revolutionary Trotskyism in order to unify with Pablo and his ilk. For this, the RT was bureaucratically expelled from the SWP, which quickly degenerated from centrism into outright reformism (see our 1984 pamphlet *The Socialist*

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Founding of Fourth International at 1938 World Congress announced in *Quatrième Internationale* in France, Russian-language *Bulletin of the Opposition (Bolshevik-Leninist)* and *Socialist Appeal* in U.S.

proved itself utterly dead as a force for revolution. He called for the building of a new, Fourth International. In 1935, the Third International at its Seventh Congress explicitly codified its program of class collaboration with the policy of the "People's Front." The Stalinized Comintern went on to play an aggressive counterrevolutionary role in the Spanish Civil War, slaughtering revolutionary fighters in order to appease the "democratic" imperialists and head off proletarian revolution in Spain.

The founding conference of the Fourth International was held in Périgny, France, on the eve of the inter-imperialist Second World War, as the Trotskyist movement faced murderous repression internationally at the hands of capitalist regimes of all stripes, from fascist to bourgeois-democratic, and the Stalinists. The conference adopted as its basic programmatic document Trotsky's "The Death Agony of Capitalism and the Tasks of the Fourth Inter-

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**ICL Declaration of Principles and Some Elements of Program**

The Declaration of Principles of the International Communist League (Fourth Internationalist) is a concrete expression of our purpose: to build national sections of a democratic-centralist international which can lead the struggle for worldwide socialist revolution.

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## U.S. Trotskyists Say:

# Break With Capitalist Democratic Party! For a Revolutionary Workers Party!

# Obama: Commander-in-Chief of Racist U.S. Imperialism

The following article is reprinted from Workers Vanguard (No. 925, 21 November 2008), newspaper of the Spartacist League/U.S.

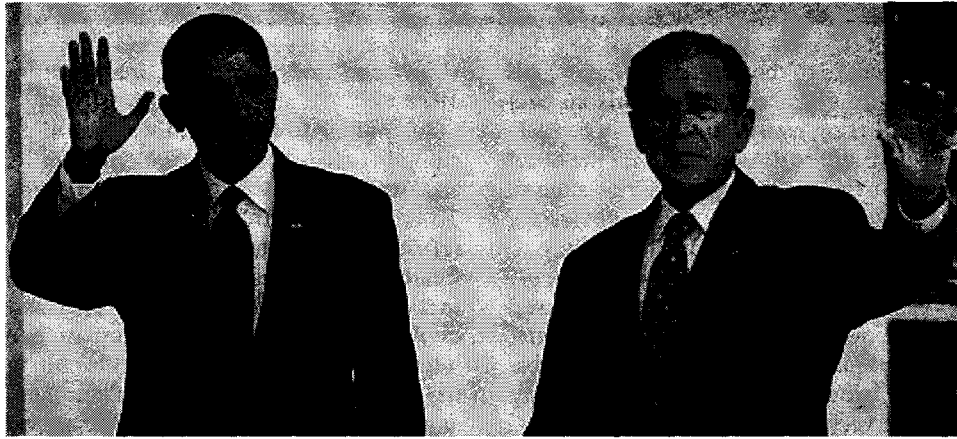
### WORKERS VANGUARD

The election of Barack Obama as the first black president of the United States has aroused great expectations among working people and the oppressed around the world. Black people and others celebrated on streets throughout the country the election of the next Commander-in-Chief of bloody U.S. imperialism. Michelle Obama, the descendent of slaves, will be first lady in a White House whose foundations were laid by slave labor. This is something most Americans never expected to see in their lifetime. Amid fears of a new Great Depression, as millions of working people are losing their homes and unemployment grows, hopes for "change" center on the incoming Democratic Obama administration. These hopes will be brutally dashed.

As America's next top cop, Obama will preside over the racist capitalist system, which is based on the exploitation of working people at home and abroad. As against the reformists, who either explicitly or implicitly backed Obama, we Marxists fight to break working people and the oppressed from illusions in the capitalist Democratic Party of war and racism. On principle, we do not vote for, or otherwise extend any political support to, any capitalist politician—Democrat, Republican, Green or "independent." As the front-page headline of *WV* No. 923 (24 October) emphasized: "McCain, Obama: Class Enemies of Workers, Oppressed."

We Marxists also do not run for the executive offices of the bourgeois state, such as mayor, governor or president. This is based on our understanding that the capitalist state—which at its core consists of the cops, military, courts and prisons—exists to defend the class rule and profits of the bourgeoisie. Holding executive office means administering the capitalist state. Our aim is the forging of a revolutionary workers party to lead the multiracial working class, and behind it all the oppressed, in the struggle to overthrow the capitalist order through workers revolution and establish a workers state where those who labor rule.

Immediately upon winning, Obama sought to tamp down expectations for his administration. He made his agenda of "national unity" patriotism clear when he declared on election night, before a crowd of 250,000 people in Chicago celebrating his victory, the need for "a new spirit of sacrifice." In this, Obama is following in the footsteps of the black Democrats who have been employed as mayors and police chiefs of major urban areas—from L.A. to Chicago, Detroit, Philadelphia and elsewhere. Their job has been to *keep working and black people down*, to oversee rampant cop terror and administer the slashing of social programs; their value to the racist rulers is epitomized by the statement of black former New York City mayor David Dinkins: "They'll take it from me." With the U.S. entering a deep economic recession, it will be Obama's job to contain potential social unrest and impose austerity measures upon working people—



From Bush to Obama, imperialist war and capitalist economic crisis will continue.

and his current popularity may very well allow him to get away with much.

With cool "post-partisan" arrogance, Obama—wielding his own \$660 million campaign, which was supported by significant sections of the bourgeoisie—blames the oppressed for their own oppression. In his Chicago victory speech, Obama stated: "If there is anyone out there...who still questions the power of our democracy, tonight is your answer." A similar message came from McCain in his concession speech, who bluntly stated, "Let there be no reason now for any American to fail to cherish their citizenship." As we warned in "Obama Offers Facelift for U.S. Imperialism" (*WV* No. 920, 12 September): "Obama serves as a very powerful propaganda weapon for the bourgeoisie, telling black people and the oppressed to shut up and stop complaining, because, you see, 'the American dream' works!"

From the standpoint of the international working class and oppressed there is *nothing to celebrate* in Obama's victory and much to fear. Enthusiasm among large sections of the bourgeoisie, on the other hand, is justified. After nearly eight years of one of the most incompetent and widely despised regimes in recent U.S. history, they now have in Obama a more rational face for their brutal, irrational system. Obama has also inspired illusions in the trappings of bourgeois democracy, the means by which the capitalists disguise their rule with the appearance of a popular mandate. Abroad, Obama provides an invaluable facelift for U.S. imperialism, the main enemy of the world's working people.

Obama calls to remove "combat troops" from Iraq (while maintaining a "residual force") in order to redeploy at least another 10,000 soldiers to Afghanistan in support of that murderous occupation. He is dedicated to further machinations against Pakistan, including military incursions into that country. In his July 24 speech in Berlin before a huge crowd, he invoked the anti-Soviet Cold War to motivate U.S. imperialism's interests, not least the restoration of capitalist rule in China. He is a staunch supporter of the "war on terror," including warrantless wiretapping and the renewal of the USA Patriot Act. His inner circle includes Carter- and Clinton-era war criminals like Zbigniew Brzezinski and Madeleine Albright as well as staunch supporters of Zionist Israel like Vice President-elect Joe Biden and Rahm Emanuel, projected to be the new chief of staff. Obama is considering one John O. Brennan, who was among those who created the current CIA detention and torture programs, for director of national intelligence or head of the CIA. Brennan vehemently defended the administration's use of "rendition" in a December 2005 interview on *The NewsHour with Jim Lehrer*, calling it an "absolutely vital tool."

We say, from Afghanistan to Iraq and Guantánamo: *Free all the detainees!* As revolutionary opponents of U.S. imperialism, we stood for the military defense of Afghanistan and Iraq in the lead-up to U.S. imperialism's invasions of those countries while politically opposing the reactionary Taliban and Saddam Hussein's brutal capitalist regime. We called for

class struggle against the capitalist rulers at home. We are for the *defeat* of U.S. forces; their every setback serves to assist the struggles of working people and the oppressed the world over. We demand the *immediate and unconditional withdrawal of all U.S. troops and bases from Iraq, Afghanistan and Central Asia! U.S. hands off Pakistan and Iran!* As against the reformist left, which has lined up with its "own" bourgeoisie, we fight for the *unconditional military defense of those states where capitalism has been overthrown:* China, Cuba, Vietnam, North Korea.

Domestically, working people face grinding debt and mass layoffs. And the bourgeoisie has no solution for the current economic crisis and the inevitable boom-and-bust cycles of capitalism. With auto sales collapsing, General Motors and Ford recently announced that over the past three months they burned through cash at a rate of more than \$2 billion a month; GM said that by year's end it could run out of the cash necessary to fund its business. Even if bankruptcy is averted—or postponed—by government subsidies, as some Democrats are demanding, auto workers face massive layoffs, pay cuts and an all-out attack on pensions and health care.

Meanwhile, in the face of worldwide economic crisis, Obama and the Democrats embraced (with only minor modifications) the Bush administration's plan to transfer \$700 billion of taxpayers' money to banks and other financial institutions. So far, this gigantic bailout has done little to unfreeze credit markets. Last week the Treasury Department announced that even though about \$290 billion of that sum had already been allocated, the banks were still not willing to lend to consumers. Obama seeks to socialize the bourgeoisie's losses on the backs of working people, while helping the exploiters appropriate the profits for themselves.

Our class opposition to all bourgeois candidates—and to bourgeois electoralism—is based on the Marxist understanding that capitalist society is divided between two fundamental classes, the bourgeoisie and the proletariat, whose interests cannot be reconciled. Labor needs a fighting leadership that will unleash the power of the multiracial working class in struggle for workers' economic interests and also for black rights, in defense of immigrants and in opposition to U.S. imperialism. But the trade-union bureaucracy of both the AFL-CIO and

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Left: U.S. Marines in Afghanistan, July 2008. Right: Line at New York job fair as unemployment soars.

## Northern Ireland

# Socialist Party Champions Former H-Block Warden Turned Security Guard

We reprint below a letter published in *Workers Hammer* No. 203 (Summer 2008) newspaper of the Spartacist League/Britain. The Australian affiliates of the Socialist Party and Socialist Workers Party referred to in this article are the Socialist Party Australia and Solidarity respectively.

Dublin  
26 May 2008

Dear *Workers Hammer*,

Over the last few months a number of articles have appeared in the newspapers of both Irish and British reformist organisations about a hunger strike by “airport

### WORKERS HAMMER

workers” in a legal battle against the leadership of UNITE, the trade union that organised them. The articles describe how these “workers” have been betrayed by the union leadership, and now face legal bills arising from the period when they were being organised into the union. This all sounds like the sort of fights workers have faced time and time again. However, it is only further on into the articles that the reader finds out these are not “workers” but security guards from Belfast airport demanding the union pay their £70,000 legal bills. Security guards are not workers but hired company thugs! It is an outrage that UNITE was organising these thugs in the first place. It would also be an outrage to use genuine workers union dues to pay their bills!

The most vocal defenders of these security guards in their battle against UNITE is Peter Taaffe’s Socialist Party. The Socialist Party has long proclaimed these guards “workers,” in fact it played a central role in organising them into the trade union. To add insult to injury, these reformists are now calling on trade unionists around the world to support the bosses’ hired thugs. Knowing full well that security guards are not necessarily popular with workers, they have been circulating a petition which simply refers to them as “workers” and “shop stewards,” omitting what they really did for a job. Lying and hiding basic truths is nothing new to social democrats like the Socialist Party, who are committed to trying to convince workers that the capitalist state can be made to act in their interests.

Even more disgusting, they and the Socialist Workers Party (SWP), have also completely disappeared the fact that, prior to patrolling Belfast airport, one of these “workers” was a prison warden at the infamous H-Block/Maze prison! According to the *Belfast Telegraph* (13 April), Madan Gupta was for years part of the murderous regime that beat and tortured [Irish] Republicans. He was an overseer during the Hunger Strike in 1981! By championing such thugs, the Socialist Party and SWP are spitting on the memory of heroic men like Bobby Sands and the nine others who died on hunger strike that year.

The Socialist Party’s support to security guards is of a piece with their notion that cops and prison guards are part of the workers movement. This includes elements of the Northern Irish security apparatus such as H-Block prison wardens. As Marxists we have a duty to expose and politically combat these cowardly frauds. This is part of the struggle to achieve clarity in the workers movement, in particular

## Security Guards Out of the Unions!

on the nature of the capitalist state, which at its core consists of cops, prisons and courts. Prison guards and cops in capitalist countries are not workers, but the hired thugs of the capitalist state. The state is not some neutral arbiter above all classes, as the reformists would like to portray it, but simply the dictatorship of the bourgeoisie. Cops and security guards are used against workers during class struggle, beating pickets and protecting scabs. Indeed, around the world airport security is at the very front-line of the imperialists’ ongoing “war on terror” targeting, in particular, Muslims. As usual, the Socialist Party cares little for the plight of the besieged Asian communities in Britain or the Catholic minority in Northern Ireland, seeking instead to rally the working class to the defence of the very cops, security and prison guards that are used to beat, torture and imprison them.

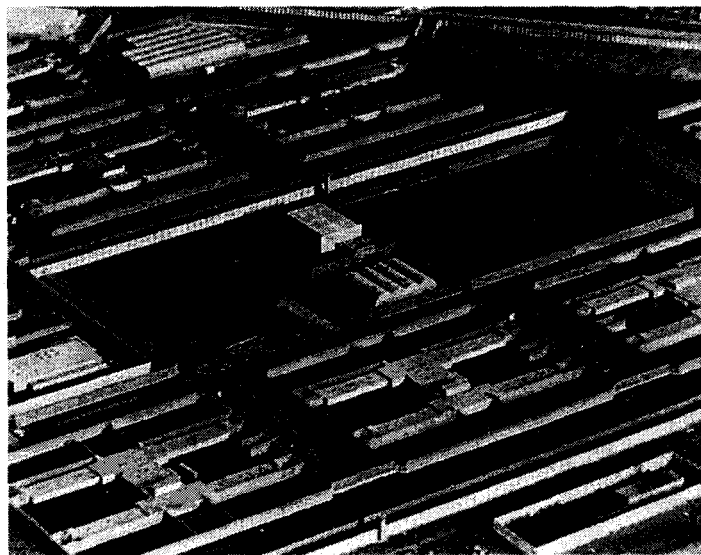
There are few places in the Western world where the precise nature of the state and its “special bodies of armed men” is

infamous Bloody Sunday massacre in 1972.

In contrast to the reformists, the ruling capitalist class makes no apologies for its state and the actions it takes to defend it. To this day, the British ruling class has refused to admit that the troops murdered innocent civilians on Bloody Sunday. The fact that the slaughter of the unarmed civilians is on film, and dozens of eye witnesses have testified, is irrelevant to the arrogant imperial masters. Their message to the population is quite clear: we rule! This is the same message sent out when cops executed Jean Charles de Menezes in July 2005 in London, and repeated in every denial of any wrongdoing. And it was the gruesome message that Thatcher’s government sent to the world when it provoked the Hunger Strikes in 1981. After years of protests against the brutal and demeaning regime under vicious wardens, Republican prisoners led by Bobby Sands insisted on regaining the status of political prisoners,

need for a workers revolution, i.e., the smashing of the capitalist state and the need to establish a workers state, they must deny the very class nature of this state. By lying to workers that their interests can be served within capitalism, they provide cover for the bourgeoisie. The Socialist Party holds that once the reformists win a majority vote in Britain, laws can be passed in Her Majesty’s Parliament bringing about workers rule. That is, a bourgeois government—for any government administering the capitalist state is bourgeois—will bring workers rule to Britain! The idea that the gentlemen from the City [London financial district], and their friends in Sandhurst [military officer academy], will simply step aside because of a plebiscite and a piece of legal paper, is muck the Socialist Party consistently tries to rub in the eyes of the working class.

It is their reformist programme that inevitably leads the Socialist Party to become craven apologists for cops and prison guards. Their disgustingly chauvinist line on members of the brutal security apparatus in Northern Ireland is nothing new. They have rightly earned themselves the title “Her Majesty’s Socialists” among leftists and Republicans in Belfast and Dublin. The Socialist Party on both sides of the Irish Sea has for



Long Kesh/the Maze prison (left), British imperialism’s notorious torture camp where Bobby Sands (far right) died on hunger strike in 1981. Press Eye

clearer than in Northern Ireland. Since its inception in 1921 as an Orange statelet, the local capitalist class and their British imperialist masters in London maintained their rule through naked anti-Catholic terror. The heavily armed RUC [Royal Ulster Constabulary] and “B-special” auxiliaries tortured and murdered with impunity, in particular targeting Republicans or anybody that dared question Orange rule. When a mass civil rights movement, supported both by the majority of Catholics and many Protestants, erupted in 1968 demanding an end to the daily discrimination of the Catholic minority, the Orange state and their Loyalist terror groups responded with increasing violence. By 1969 the British government decided to “stabilise” the situation by pouring in thousands of imperialist troops onto the streets of Belfast and Derry. Soon, the army and the RUC were filling internment camps with hundreds of “suspected Republicans” without even the facade of a trial. Innocent civilians were gunned down on the streets—on one day alone paratroopers murdered thirteen in Derry, the

as indeed they plainly were, including the simple rights to wear their own civilian clothes and to organise educational pursuits. The British state saw an opportunity to provoke the threatened hunger strike. It not only refused to listen to the demands, calling Bobby Sands and the others “common criminals” but began reneging on earlier agreements. Thatcher looked on gleefully as Bobby Sands, aged 27, and the others suffered slow, painful deaths.

At the height of the hunger strike, Sands was elected to the House of Commons and, fellow hunger striker, Kieran Doherty to the Dáil [Irish Parliament] as part of mass protests against the system slowly killing them. Both the British and Irish states quickly introduced new laws banning prisoners from running for election—making it clear to all that bourgeois “democracy” is nothing more than a veneer. A veneer that the likes of the Socialist Party hold in the highest of regard.

Because reformists hold that the capitalist state can change its spots and that socialism can be achieved without any

decades been proud to refuse to call for British troops out! They defend the “right to march” of the Orange Order, whose annual “marching season” consists of months of anti-Catholic provocations. In 1995, the Socialist Party infamously hosted Loyalist UVF killer Billy Hutchinson, who had been convicted of the murder of two innocent Catholics.

Of course, the Socialist Party is not so “touchy-feely” when it comes to the Catholic minority and Republicans in the North. [Socialist Party leader] Joe Higgins, ex-TD (MP) in Dublin, regularly used the Irish Dáil to denounce Republicans and anybody standing up to Loyalist terror. Higgins seized on the brutal killing of a young Catholic father, Robert McCartney, by members of the IRA, to compare the IRA to Hitler’s SS (see *Workers Hammer* No. 190, Spring 2005)! And when working-class youth and Republicans bravely fought off riot cops for hours to prevent a Loyalist mob marching through the streets of Dublin,

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AUSTRALASIAN SPARTACIST

# Reactionary Ban on Same-Sex Marriage Passes in California

## Full Democratic Rights for Gays!

The following article is reprinted from Workers Vanguard (No. 925, 21 November 2008), newspaper of the Spartacist League/U.S.

OAKLAND, November 15—Tens of thousands took to the streets in cities across the country today to protest the passage of Proposition 8, which overturned the legalization of same-sex marriage in California. The Spartacist League and Spartacus Youth Clubs joined in these and other protests with placards demanding: “Down with Prop 8! For the Right of Gay Marriage...and Divorce!”, “State, Church and Family: Holy Trinity of Women’s Oppression!” and “Don’t Crawl for the Democrats—Build a Workers Party!” As fighters for the socialist liberation of humanity, we are committed to full democratic rights for gays, lesbians and transgenders and support any legal advances that can be wrested from this cruelly bigoted society, including the right to marry. Since the November 4 elections, there have already been several legal challenges filed against Proposition 8, but the question still remains if the 18,000 same-sex marriages in California carried out in the last few months will be nullified.

Ballot initiatives banning same-sex marriage were also passed in Florida and Arizona on November 4, and more than 40 states now have bans on same-sex marriage. But California, where the state Supreme Court had legalized gay marriage last May, and which is seen as a modern-day Sodom and Gomorrah by anti-gay bigots, was the central target in this offensive against gay rights. An unholy alliance of the Mormons, the Catholic church and evangelical Christians went on a rampage to get Proposition 8 passed.

An article in the *Salt Lake Tribune* (26 October) reported that Mormon church leaders “tapped every resource, including the church’s built-in phone trees, e-mail lists and members’ willingness to volunteer and donate money. Many California members consider it a directive from God and have pressured others to participate.” Millions of dollars were poured into television and radio ads proclaiming that if Prop. 8 failed, homosexuality would be taught in schools, and churches would be forced to carry out gay marriages. Recognizing that with Barack Obama’s candidacy black voters would turn out at the polls in record numbers, a big push was



Oakland: Spartacists at 15 November protest against anti-gay Proposition 8. Sign at centre reads: “Barack Obama—Next Commander in Chief of U.S. Imperialism, Enemy of World’s Working People!”

made to find allies among conservative black Baptist preachers. A full-page ad in the *Los Angeles Sentinel*, the city’s major black newspaper, urged a yes vote on Proposition 8 to restore “the sanctity of marriage.”

But perhaps the most effective campaign tool to boost Proposition 8 was making “robocalls” to people’s cell phones with recordings of Obama addressing a crowd with the declaration: “I believe marriage is a union between a man and a woman. Now, for me as a Christian, it is also a sacred union.” While proclaiming that he did not support Proposition 8 because it was “unnecessary,” Obama’s opposition to gay marriage is a direct echo of Bush and other fundamentalist Republican yahoos. This is hardly a first for the Democrats. Bill Clinton signed the 1996 Defense of Marriage Act that pronounced, “The word ‘marriage’ means only a legal union between one man and one woman as husband and wife.” In the same year, he signed the “Personal Responsibility and Work Opportunity Reconciliation Act,”

part of his ending “welfare as we know it” and consigning millions of impoverished women to the scrap heap.

Bigotry against gays flows from the repressive institution of the family, the root of the patriarchal subjugation of women that ensures both the “rightful” inheritance of property for the bourgeoisie and the raising of the next generation of wage slaves. The family is a key prop for the maintenance of capitalist rule, instilling conservative obedience to the “values” of bourgeois morality. Homosexuality is deemed “sinful” because it challenges the strictures of the monogamous, heterosexual family.

As communists, we fight for every possible democratic right, every form of social and political equality, including the right of gays to marry. At the same time, we recognize that gay marriage will not end the deadly prejudice and violence against gays, lesbians, bisexuals and transgenders in this deeply homophobic and bigoted society. We fight for a society in which no one is forced into a legal straitjacket in order to get medical benefits, visitation rights, custody of children, immigration rights or any of the other privileges this capitalist society grants to those who are embedded in the traditional “one man on one woman for life” legal mold.

While organizers of the protests against Proposition 8 spoke of a revival of the 1969 Stonewall Rebellion, that generation’s calls for “free love” have now been replaced by Democratic and Republican Party fund-raisers, PTA meetings and weddings. This shift toward “holy matrimony” doesn’t sit well with everybody. As the great American writer Gore Vidal commented, “Since heterosexual marriage is such a disaster, why on earth would anybody want to imitate it?”

In the quest for bourgeois “respectability,” Gay Pride Day organizers have welcomed contingents of gay cops who spend a good part of their time busting “sex offenders.” These organizers have banned the North American Man/Boy Love Association (NAMBLA) from their

marches, helping to promote the “anti-pedophilia” hysteria that targets all gays (as well as anyone else who engages in intergenerational sex). Today the protests against Proposition 8 came wrapped in red-white-and-blue appeals to “family values,” presenting same-sex marriage as just another take on such inane and insipid Americana as *Leave It to Beaver* or *The Donna Reed Show*.

We oppose all laws that enable the bourgeois state to regulate consensual sexual activity, including those that allow the government to exercise social control under the guise of “protecting children.” We are against reactionary “age of consent” laws that conflate consensual sex with violent crimes. We advocate the concept of effective consent, which means that as long as both parties consent to the act, nobody, least of all the state, has any right to tell them they can’t do it. We fight for free abortion on demand; if you can get pregnant then you should be able to get an abortion without parental consent, waiting periods or any other restrictions. (It’s a good thing that Proposition 4 in California, which would have restricted access to abortion for minors, was defeated.)

Placards at a November 12 New York City protest attacked Mormons for polygamy with slogans reading, “I Don’t Need 5 Wives, Just 1 Husband.” This plays directly into the hands of the reactionary witchhunters. Mormons should be left alone to practice their religion and live their private lives however they see fit. Our position for the right of gay marriage, like the rights of Mormon polygamists, stems from our opposition to government interference with the right of individuals to effect whatever consensual relations they see fit (see “Mormon Polygamists—Leave Them Alone!” WV No. 916, 6 June).

### Racism and Anti-Gay Bigotry

With exit polls showing that some 70 percent of blacks in California voted in favor of Proposition 8, the media has been saturated with discussions over a “gay-black divide.” Blacks have been accused of turning their backs on “civil rights,” while one black lesbian in a column in the *Los Angeles Times* (8 November) opined that “white gays could afford to be singularly focused, raising millions of dollars to fight for the luxury of same-sex marriage.” Such vicious sectoralism—pitting oppressed sectors against one another—plays right into the hands of the capitalist rulers, who use morality and religion to perpetrate the oppression of black people and gays. According to one report, the “N” word was obscenely hurled against blacks who joined a protest against Prop. 8 in Los Angeles.

Blacks in general have the fewest illusions in American “democracy,” and black workers are historically among the most militant in the proletariat. However, religiosity among blacks and the strong influence of the church also promote extremely backward and reactionary views on issues like abortion and gay marriage. In our article “For the Right to Gay Marriage!” (WV No. 821, 5 March 2004), we noted: “In its extreme, one gets the phenomenon of a black Baptist minister, the Rev. Gregory Daniels, who declared, ‘If the K.K.K. opposes gay marriage, I would ride with them.’” That would indeed be a short ride; in the U.S. black people are always a central target of the very same

*continued on page 11*



Los Angeles: Demonstrators against Proposition 8 march down Westwood Boulevard, 6 November.

# Crisis...

(continued from page 1)

contradiction in capitalism identified by Karl Marx and Friedrich Engels: Under capitalism production is *socialised*, that is, concentrated and organised in vast corporations, but the means of production—and the appropriated, socially produced wealth—remain the *private property* of a few. In his 1916 study *Imperialism, the Highest Stage of Capitalism*, V.I. Lenin, leader of the 1917 Russian Revolution, described how imperialism, the system of modern, decaying capitalism, “leads directly to the most comprehensive socialisation of production” under capitalism. Lenin emphasised that the monopolisation of production and the dominant role of finance capital impels the imperialist powers to divide and redivide the world as they strive for markets and spheres of exploitation in more backward capitalist countries. He explained:

“The development of capitalism has arrived at a stage when, although commodity production still ‘reigns’ and continues to be regarded as the basis of economic life, it has in reality been undermined and the bulk of the profits go to the ‘geniuses’ of financial manipulation. At the basis of these manipulations and swindles lies socialised production; but the immense progress of mankind, which achieved this socialisation, goes to benefit...the speculators.”

The current financial crisis is a compelling argument for a thoroughgoing socialist revolution to seize the banks, the factories, mines, mills and other means of production from the hands of the capitalists who have appropriated and squandered the wealth produced by the working class. Socialised production must be extended to socialised ownership through the producers taking control of society. The way out of the endless cycle of capitalist economic crises and imperialist wars was shown by the Bolshevik Revolution, when the Russian workers took power in their own hands, expropriating the bourgeoisie and establishing a workers state. We fight for international socialist revolution, for the collectivisation of the means of production and for economic planning on an international scale.

## The Shackles of Class-Collaboration

Since the counterrevolutionary destruction of the Soviet Union in 1991-92, the American rulers, along with their Australian junior partners, have revelled in the supposed “death of communism” as they increasingly savaged the unions, drove up the rate of exploitation of the working class and made life miserable for the poor. Now the tax dollars of working people around the world are going to line the pockets of those responsible for their ruin.

With its hands on the means of production, the working class uniquely has the social power and interest in sweeping away this deeply inhumane system. However there is a huge disproportion between this necessary perspective and the present consciousness of the working class. It is commonplace for workers in Australia to think that they have a common “national” interest with their exploiters. Such false consciousness is transmitted to the workers by the pro-capitalist trade-union bureaucracy and the ALP social democrats.

In a 1 October speech to the National Press Club, ACTU President Sharan Burrow argued that the economic crisis made clear the need for an industrial relations system that “delivers better job security” while also benefiting “business and the economy.” She continued that any bailouts of the financial sector must include “measures that can rebuild confidence in the system.” In an attempt to do just that, Prime Minister Rudd denounced the excesses of “extreme capitalism,” attributing responsibility for the crisis to bad policy



Financial Review

**Millionaires' club: PM Kevin Rudd greets media mogul Rupert Murdoch, mining magnate Andrew Forrest at Kirribilli House. Rudd's ALP rules on behalf of Australian capitalist class.**

and a few greedy financiers. Rudd has repeatedly used the financial crash to whip up the bosses' national unity fraud. Addressing “Business and unions, employers, employees, Government and business,” Rudd declared in a 7 December speech in Geelong, “if we as a country stick together, and recognise the fact that we are all in this together, then we will see Australia through” ([www.pm.gov.au](http://www.pm.gov.au)).

“Rebuild confidence in the system,” “as a country stick together”: such is the wretched bourgeois perspective pushed by the industrial and parliamentary wings of Laborism. Their program of a partnership between labour and capital in the “national” interest has long served to sap the fighting power of the working class by shackling it to the capitalist class enemy. During the 13 years of the Hawke/Keating Labor government from 1983 to 1996, their union-busting national Accord delivered massive job slashing, wage cutting and dismantling hard-won union gains in the service of dramatically increasing corporate profits. Unions that did not toe the line, including the Builders Labourers Federation and the airline pilots union, were smashed.

The ALP is a bourgeois workers party, thoroughly bourgeois in its program and outlook while based on the trade unions. It has historically been the party of Australian nationalism par excellence, looked to by the bourgeoisie in times of war and crisis. Its ongoing links to the trade unions and influence among the working class make the ALP tops particularly useful to the capitalists for selling to workers the need to make sacrifices in the interests of the “nation” (read: bosses profits). The bourgeoisie are already wielding the economic crisis as a club against worker struggles arguing that such struggles will sabotage the national economy. This will be combined with “divide-and-rule” racist scapegoating of immigrants as affordable housing and jobs evaporate. The ruling class have a loyal servant in the current Labor government. As early as October Rudd flagged possible cutbacks

to immigration while the ALP's new anti-strike legislation is about to become law.

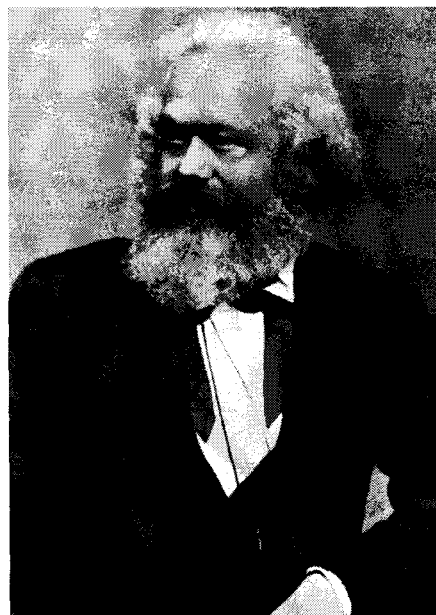
**Enough!** The situation desperately cries out for class struggle against the capitalist rulers' onslaughts. The multiracial proletariat needs a fighting leadership that will unleash its power in struggle not only for its own interests but for all the oppressed. First and foremost that means breaking the chains forged by the present trade-union misleaders, which have tied the working class to its exploiters. A revolutionary workers party would give conscious leadership to the struggles of the working class not only to defend and improve its present conditions but to do away with the entire system of capitalist wage slavery. **Break with Laborism! For a class-struggle leadership of the unions! Those who labour must rule!**

## Capitalism: Crumbling Infrastructure, Deindustrialisation

Shunning investment to expand and modernise industrial capacity and to repair crumbling infrastructure, such as bridges, roads and power grids, capitalist rulers from the U.S. to Australia have expended the economic surplus they appropriate through the exploitation of labour on a succession of speculative binges. In the U.S. first came the stock market boom driven by the supposed “revolution” in information technology (the IT/dot-com hoopla) in the mid-late 1990s. This was followed by the housing bubble—subprime mortgages and all that—in the early-mid 2000s.

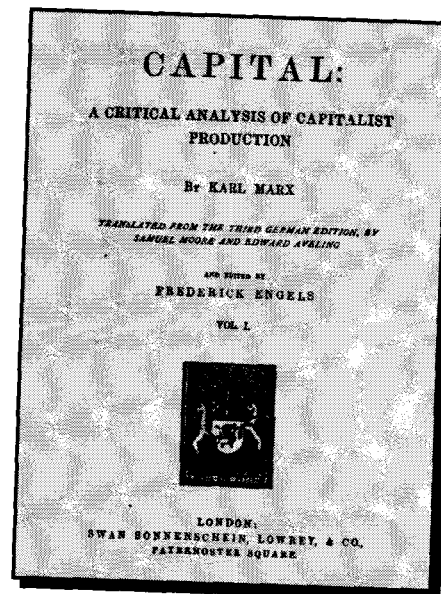
Today, we are witnessing a classic financial crisis such as described by Marx in *Capital* (Volume III):

“This confusion and stagnation paralyses the function of money as a medium of payment, whose development is geared to the development of capital and is based on those presupposed price relations. The chain of payment obligations due at specific dates is broken in a hundred places. The confusion is augmented by the attendant collapse of the credit system, which develops simultaneously with capital, and leads to violent and acute crises,



Mayall/Progress

**Karl Marx, London 1872. Marx's *Capital* laid the foundations for scientific socialist understanding of capitalist system.**



to sudden and forcible depreciations, to the actual stagnation and disruption of the process of reproduction, and thus to a real falling off in reproduction.”

The current crisis was conditioned by a broad transformation of the U.S. financial industry since the late 1980s that was exemplified by the repeal, under the Clinton administration, of the Glass-Steagall Act, a Depression-era law that sought to limit speculation by commercial banks. A component of that transformation was the explosive development of derivatives and other forms of “financial engineering.” A major attraction of entering into derivatives contracts for the purpose of speculation is that often very little money needs to be spent up front. In such highly “leveraged” investments, both the risks and the possible payout can be astronomical. “Financial engineering” also allows large banks to offload risk onto others. For example, when a bank issues bonds using mortgages as collateral, the buyers of those bonds take on the risk that the mortgages will default. A 2006 paper from the Reserve Bank stated that Australian mortgage-backed securities went from \$3 billion in 1996 to \$126 billion in December 2005.

The enormous expansion in the volume of mortgage-backed securities is what Marx called *fictitious capital*. This is an increase in *paper wealth* that is *not* based on an increase in productive capacity (e.g., in factories, electric-power plants, transport systems, communications networks) or in this case even by an increase in the quantity and quality of consumer goods.

The deterioration in the condition of the working class is directly related to the *deindustrialisation* of the U.S. and other capitalist countries. Since 1979 the share of the labour force employed in the goods-producing sector in the U.S. has fallen steadily from almost 28 percent to under 15 percent. In Australia more than 100,000 jobs have been lost in manufacturing since 1996. While massive profits have continued to flow to the bourgeoisie, successive Labor and Coalition governments have systematically run down transport and communication infrastructure while slashing education, healthcare and other services.

The U.S. trade deficit, which is equal to more than 5 percent of the gross domestic product, is now far higher, in absolute terms and in proportion to GDP, than in any other major capitalist country. The result is an historical anomaly in which the world's most powerful capitalist country is also the world's leading debtor. Consequently, Asian countries and the Persian Gulf states are accumulating an ever-larger stock of U.S. Treasury bonds and bills as a major component of their foreign-exchange reserves. This state of affairs is a potential source of enormous instability for the world economy. Should central banks change their minds about parking their capital in U.S. government debt and begin to diversify quickly out of dollars, it could trigger a quantum leap in interest rates and precipitate an even more profound world economic downturn.

## The Myth of “Regulation”

It has now become conventional wisdom to blame the meltdown on Wall Street on inadequate government regulation and then to blame inadequate regulation on the U.S. Republicans' supposed belief in “free market fundamentalism.” In reality, speculative binges that inevitably crash are endemic to capitalism. An example is the 1720 South Sea Bubble in England, where rampant speculation in the stocks of the South Sea Company led to a financial collapse whose impact was felt internationally. (David Liss's 2000 novel, *A Conspiracy of Paper*, is a good read on the subject.) One need only look back to the last major financial crisis, the collapse of the dot-com stock market boom in

**AUSTRALASIAN SPARTACIST**

2000-2001. In that case, the preceding speculative bubble took place under the Democratic Clinton administration, not a Republican White House. The wild inflation of financial assets was centred on corporate shares rather than new-fangled, exotic securities like CDOs (collateralised debt obligations) and CDSs (credit default swaps).

In the U.S., stock market transactions were and are highly regulated by the Securities and Exchange Commission. Nonetheless, at the height of the bubble in 2000, the shares of companies listed on the S&P 500 Index were trading at **36 times** their average earnings over the previous five years. The so-called price-earnings ratio was at the highest level in over a century. When the crash came, it wiped out **more than a third** of the stock market's paper wealth. And then came a recession as corporate spending on new plants and equipment plunged and employment fell for three straight years.

In all modern capitalist countries, the overall supply of money and availability of credit is regulated through the operations of the central bank. No sustained speculative bubble, whether centring on corporate shares or mortgage-backed securities, can occur behind the back of the central bank. And the Federal Reserve, the U.S. central bank, helped fuel first the stock market boom and then the housing-price bubble through its "easy money" policy. When the former went bust, the Fed flooded financial markets with money. It cut the interest charged on short-term loans to member banks from 6.5 to 1 percent by 2003, the lowest rate in half a century. During most of this period, the so-called federal funds rate was **less than the going rate of inflation**. In effect, the government was giving away money for free—and as much as they wanted—to Wall Street financiers. No wonder the latter then spent with reckless abandon.

In late 2004, the London *Economist* warned that America's "easy money policy has spilled beyond its borders" and "has flowed into share prices and houses around the world, inflating a series of asset-price bubbles." Almost all European countries were infected with speculative bubbles regardless of the political and ideological character of their governments or the particular laws and practices regulating their financial markets. Countries like Spain, which have been governed by social-democratic parties, experienced an even more extreme inflation of housing prices than did the U.S.

Now these and other European countries are also facing the day of reckoning. British banks including the Royal Bank of Scotland and Northern Rock, which specialised in mortgage loans, went bust and had to be taken over by the government. The French, Belgian and Dutch governments have been involved in "rescue" operations for two major banks, Dexia and Fortis. The Union Bank of Switzerland—one of the largest in the world—has been hit by heavy losses and there is now talk of a bailout for this global titan. The German government has announced that it will guarantee all private savings, to the tune of more than U.S. \$700 billion, after a group of banks pulled out of a deal to provide more than \$48 billion to rescue the large German mortgage lender, Hypo Real Estate. Thomas Mayer, chief economist for Germany's Deutsche Bank, bemoaned: "In this day and age, a bank run spreads around the world, not around the block." To maintain that the current international financial crisis could have been prevented by more regulation and better oversight by Washington is like arguing that the destruction caused by a 100-foot-high tidal wave could have been prevented by adding a few feet to a six-foot-high jetty.

At the political level, the West European imperialist ruling classes are conflicted between worrying about the fallout

from the Wall Street crash and gloating over the sudden weakening of their American imperialist rival. A recent study by the German economics ministry points to a "noticeably worsened external economic environment." On the gloating side (which didn't last too long) is a lengthy piece in the leading German bourgeois journal *Der Spiegel* online (30 September) titled, "The End of Arrogance: America Loses Its Dominant Economic Role":

"With its rule of three of cheap money, free markets and double-digit profit margins, American turbo-capitalism has set economic standards worldwide for the past quarter century. Now it is proving to be nothing but a giant snowball system, upsetting the US's global political status as it comes crashing down."

### End of the "Globalisation" Myth

The current economic meltdown demolishes the notion peddled by various liberal and radical ideologues of a new era of "globalisation," positing that capitalist rule had transcended the nation state and that agencies like the World Bank

**An estimated 100,000 people are homeless in Australia. Economic crash endangers lives of millions of working people internationally.**



Laura Friezer

and the International Monetary Fund had become some kind of world capitalist government. Currently the national bourgeoisies of various countries, including those in the European Union consortium, are scrambling to shore up their own economic interests. The move by Ireland to guarantee the debts and deposits of its six largest banks provoked the ire of the British New Labour government, which feared a loss of depositors in its banks as people headed for greener pastures.

Noting that the "lack of a unified regulatory structure and a co-ordinated European response has led some governments to act unilaterally to protect their banks, even at the risk of infuriating their neighbours," an article on the Web site of the *Financial Times* (3 October) quoted Willem Buiters, a professor at the London School of Economics, writing in his *Financial Times* blog: "The Irish guarantee is the most 'in-your-face' beggar-thy-neighbour provocation since medieval armies catapulted bubonic-plague-ridden corpses into the cities they were besieging."

Meanwhile, the Dutch government ripped up its part of the deal with Belgium to bail out Fortis, declaring that it would now spend this money to take full control of the bank's operations in the Netherlands alone. And here, the Rudd government quickly moved to guarantee saving deposits in Australian banks in order to defend its own banking capital—in the process bleeding hundreds of millions of dollars from local branches of foreign banks and other non-banking financial institutions. Every bourgeois state acts to defend the interests of its own capitalist class.

The "globalisation" myth was premised on the liberal-pacifist notion that the capitalists don't need state power—i.e., armed bodies of men—to defend their interests both against the exploited at home and against rival capitalists in other countries. As the world today is once again riven by an economic crisis, rivalries among

competing imperialist powers that have led to two world conflagrations are once again heating up.

The union bureaucrats' calls to "defend Australian (or American or German...) jobs" against foreign competition amount to a chauvinist defence of the interests of their "own" imperialist rulers against the working class, both at home and abroad. The leadership of the manufacturing union (AMWU), one of the most vociferous advocates of such protectionism, have long joined with the vehicle bosses in begging for government subsidy of the vehicle industry. Opposing a proposal to cut tariffs, AMWU National Secretary Dave Oliver railed in August that "the proposals to further slash tariffs would put Australia out on a limb" and that "It makes no sense at all to cut tariffs given the collapse of world trade talks, the global financial crisis and the issue of climate change. China, India, Malaysia are not doing it and neither are Canada or the European Union." Such protectionist poison, combined with endless cap-in-hand lobbying of capitalist

governments for subsidies, has been a disaster for car workers leading to the loss of thousands of jobs over the years as the bosses continue to rake in profits.

Rather than grovelling to the government to bail out the auto bosses what is needed is a fight to defend jobs and conditions independent of and against the bosses and their state. This poses the need for a political fight to oust the sell-out Laborite union tops and replace them with a class-struggle leadership. Such a leadership, linked to a revolutionary party, would fight to organise the unorganised demanding equal pay for equal work, including for women, youth and minorities. As childcare providers like CFK Childcare group and ABC Learning go to the wall, a class-struggle leadership would take up the fight for fully paid maternity and paternity leave and for free 24-hour childcare and free quality healthcare for all. But providing even the basic necessities—decent jobs, free quality education, healthcare and public transport

for all—requires a workers state where production is organised for the needs of society not the needs of capitalist profit. We need an internationalist revolutionary party committed to leading the working class to sweep away the capitalist system of wage slavery and exploitation.

Opposition to the protectionism of imperialist countries such as Australia does not mean we are partisans of capitalist "free trade." The superexploitation of cheap labour abroad and privileged access to markets for the distribution of their goods is intrinsic to the workings of the imperialist system. Promoting nationalist protectionism, as the union bureaucrats do, only serves to tie workers to the exploitative capitalist rulers while pitting them against their international class brothers and sisters abroad. It is the capitalist system at home, not overseas workers, that causes unemployment! The bureaucrats' nationalist "defence of Australian jobs" poisons the possibility for genuine international working-class solidarity. Serving to scapegoat foreign workers, protectionism also directly fuels the capitalist rulers' war on immigrants and refugees at home. We say: Down with racist protectionist poison! No deportations! Full citizenship rights for all! A class-struggle fight to win jobs for all, including the heavily exploited immigrant outworkers, would strengthen and unify the working class against the bosses' attacks. Fight unemployment through reducing the working week with no loss in pay—make the bosses pay!

As the economic crisis escalates there will be increased calls for chauvinist protectionism most particularly against China. In targeting China, the union tops combine anti-Communism with White Australia nationalist xenophobia towards the Asian worker and peasant masses. They serve to line workers up behind the capitalist rulers' counterrevolutionary crusade against China. The People's Republic of China is not a capitalist state but a workers state, albeit bureaucratically deformed from its inception. The 1949 Chinese Revolution was a victory against the Chinese capitalists and their imperialist overlords. It resulted in a collectivised economy, which brought enormous social progress for the Chinese worker and peasant masses and represented a historic gain for the international working class. Despite the inroads of "market reforms," the core of China's economy remains collectivised.

The aim of the U.S., Australian and other imperialists is to destroy the Chinese workers state and restore bourgeois rule in order to turn the Chinese mainland into one gigantic sweatshop for the generation of capitalist profits. It is in the interests of the international working class to stand for the unconditional military defence of China against imperialist

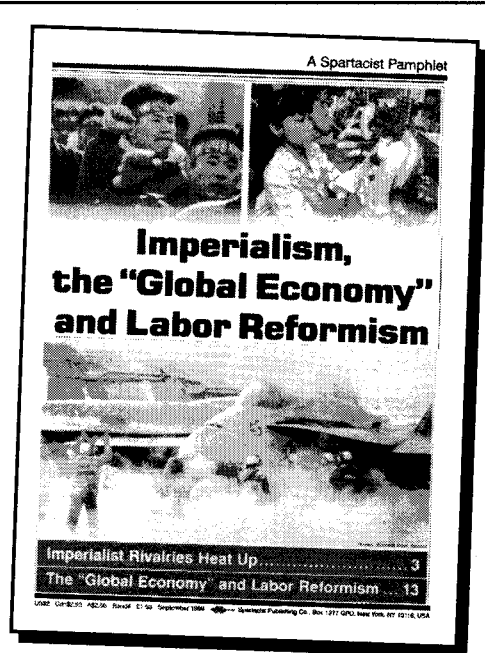
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This pamphlet assesses changes in the world economy in a historical perspective, from the origins of modern imperialism in the late 19th century through the capitalist counterrevolution in East Europe and the former USSR and its aftermath. Reformist ideologues of "globalisation" seek to obscure the role of the capitalist nation-state and the danger of inter-imperialist war inherent in capitalism, while amnestying the refusal of the labour bureaucracies to wage class struggle against their respective bourgeoisies.

Exploitation, poverty and social degradation can be eliminated only through proletarian revolutions in the imperialist centres as well as the neo-colonial countries, laying the basis for an international planned socialist economy.

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# Crisis...

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attack and internal capitalist counterrevolution. At the same time, we call for proletarian political revolution to oust the parasitic and nationalist Stalinist bureaucratic caste and to establish a regime based on workers democracy and revolutionary internationalism.

## Reform vs. Revolution

The defence of the class interests of the proletariat must be imbued with the program of international solidarity and struggle that Karl Marx and Friedrich Engels inscribed on the banner of the communist movement more than 160 years ago: "Workers of the world, unite." In sharp contrast the "leftist" opponents of revolutionary Marxism who tail the nationalist Laborite union misleaders have reacted to the financial crisis by seeking to advise their capitalist rulers about how to best patch up their decaying system.

The Democratic Socialist Perspective (DSP) and Socialist Alternative (SAI), among other fake socialists, have raised the demand to nationalise the banks. For reformist groups, such calls are based on the social-democratic myth of the superiority of state-owned property *under capitalism*. In the mouths of mass reformist parties like the ALP in days gone by and the old Labour Party in Britain, calls for "socialisation" or nationalisation were nothing other than a prescription for bailing out bankrupt enterprises and financial institutions. This is what is known as socialising losses while profits remain privatised.

As active opponents of revolutionary Marxism, long-time leaders of SAI were virulently hostile to the collectivised economy of the Soviet degenerated *workers state*. Along with DSP cadre they took their side with imperialist-backed counterrevolutionary forces in the Soviet Union and Eastern European bloc, just as today they treacherously take up the cudgels for counterrevolutionary forces against the Chinese deformed workers state. These fake socialists are for state-owned enterprises as long as the state is capitalist and preferably administered by a Labor government.

The DSP were quick to counsel the capitalist Rudd government to "nationalise the banks (for a start) and run them in the community interest; give pensioners and the unemployed a living wage now; and immediately invest the \$64.18 billion 'Future Fund' and the entire forecasted \$22 billion budget surplus (and borrow at least the equivalent again into

renewable energy conversion, public transport, public health, public education and public housing." The DSP consistently push the delusion that, with sufficient pressure from the "people," the capitalist state can be made to serve the interests of the working class and oppressed.

Having for years sung the praises of Latin American bourgeois-nationalist populism, the DSP are elated that "the idea of nationalisation is getting an airing again in the West" ("Nationalisation—a key demand in the socialist program," *Green Left Weekly*, 3 December). Writing of the need to bring "the 'commanding heights' of the economy under state ownership and control," DSP cadre Dave Holmes bemoans the failure of the attempts by ALP prime minister, Ben Chifley, to nationalise the banks in the late 1940s. In doing so, he disappears Chifley's use of the army to break the 1949 coal miners' strike and defend the capitalist order.

Holmes tries to give his talk of nationalisations a left gloss by citing a 1930s call by Russian Revolutionary leader Leon

particularly wretched example of such abject defence of the capitalist order can be seen in the Communist Party of Australia's 19 October CC executive resolution on the financial crisis. It includes a list of demands beginning with the call to nationalise the banks and ending with the demand for an "immediate ten percent cut in the current \$60 million a day military budget"! In counterposition, genuine communists stand in principled opposition to their "own" capitalist rulers to demand: not one person, not one cent for the imperialist military!

V.I. Lenin, leader of the 1917 Bolshevik Revolution, wrote nearly a century ago: the working people "*never decide* important questions under bourgeois democracy, which are decided by the stock exchange and the banks." For the working class and the poor to get their hands on the money that will provide jobs, education and healthcare requires *breaking the power* of the bourgeoisie. Capitalism cannot be defeated short of the proletarian seizure of state power, which will abolish the private ownership of the means of production and institute a

Today's financial crisis has exposed the bankruptcy of the capitalist mode of production for all who would wish to see. But the capitalist system cannot be defeated and overthrown without proletarian revolutionary consciousness and leadership. Speaking in July 1920 at the Second Congress of the Communist International, which took place during revolutionary upheavals in capitalist Europe as well as a global economic crisis, Lenin stressed that "There is no such thing as an absolutely hopeless situation" for the capitalists:

"The bourgeoisie are behaving like barefaced plunderers who have lost their heads; they are committing folly after folly, thus aggravating the situation and hastening their doom. All that is true. But nobody can 'prove' that it is absolutely impossible for them to pacify a minority of the exploited with some petty concessions, and suppress some movement or uprising of some section of the oppressed and exploited. To try to 'prove' in advance that there is 'absolutely' no way out of the situation would be sheer pedantry, or playing with concepts and catchwords."

—"Report on the International Situation and the Fundamental Tasks of the Communist International"

The destruction of the Soviet Union in 1991-92 has led to a profound, though uneven, regression in political consciousness internationally, with most advanced workers no longer identifying their struggles with socialism. Unlike when Lenin spoke in 1920, there is today a vast disproportion between the rottenness of the imperialist system and the atomisation, disorganisation and false consciousness of the proletariat, which is at a level not seen since the formation of the mass workers parties in Europe in the 1880s, many of them nominally socialist and in some cases Marxist. Thus working people today are at a particularly difficult pass.

In the *Transitional Program*, the founding document of the Fourth International, written on the eve of World War II, Bolshevik leader Leon Trotsky put forward a series of demands aimed at bridging the struggles of the working class to the understanding of the need to overthrow the decaying and anarchic capitalist profit system. To unmask the exploitation, robbery and fraud of the capitalist owners and the swindles of the banks, he argued that the workers should demand that the capitalists open their books "to reveal to all members of society that unconscionable squandering of human labor which is the result of capitalist anarchy and the naked pursuit of profit." In the face of mass unemployment, he called for working-class struggle for a shorter workweek with no loss in pay to spread the available work, for a massive program of public works and for wages to rise with prices to guard against the ravages of inflation.

In opposition to the capitalists and their reformist agents, Trotsky argued:

"Property owners and their lawyers will prove the 'unrealizability' of these demands. Smaller, especially ruined capitalists, in addition will refer to their account ledgers. The workers categorically denounce such conclusions and references. The question is not one of a 'normal' collision between opposing material interests. The question is one of guarding the proletariat from decay, demoralization and ruin. The question is one of life or death of the only creative and progressive class, and by that token of the future of mankind. If capitalism is incapable of satisfying the demands inevitably arising from the calamities generated by itself, then let it perish. 'Realizability' or 'unrealizability' is in the given instance a question of the relationship of forces, which can be decided only by the struggle. By means of this struggle, no matter what its immediate practical successes may be, the workers will best come to understand the necessity of liquidating capitalist slavery."

Adapted from *Workers Vanguard* Nos. 921 and 922, 26 September and 10 October.



Depression-era bread line in Louisville, Kentucky, U.S., 1937.

Trotsky to "merge all the banks into a single national institution" and "create a unified system of investments and credits, along a rational plan corresponding to the interests of the entire people." Holmes's slimy attempt to misuse Trotsky in the service of the DSP's banal reformism is easily exposed.

Pointing out that "imperialism means the domination of *finance capital*," Trotsky did indeed call for *expropriation* of the banks but, unlike the DSP, he argued that this would produce "favourable results only if the state power itself passes completely from the hands of the exploiters into the hands of the toilers" (*Transitional Program*). Needless to say, this is not what the DSP and the other fake-socialist proponents of nationalisation have in mind.

While Holmes writes that "ultimately, only the installation of a workers' government based on the mobilisation of the working class and its allies can solve the problems of society," nowhere in his screed does he so much as mention the need to overthrow the capitalist state through workers revolution. Instead, Holmes poses the need for a "full-blooded attempt by a radical-minded government to nationalise the banks" under capitalism and presents a pot-pourri of demands crowned by the call for a "revitalised and massively expanded public sector."

Reformist calls for "public ownership" divorced from demands for the overturn of capitalist property relations through workers revolution, amount to recommendations on how to improve the running of the bosses' profit system. A

planned socialist economy. Only then will the wealth and productive capacity of society be used to serve the needs of the majority, not the profits of the few.

## The Necessity of Revolutionary Leadership

The discrediting of neo-liberalism in the wake of financial crisis by no means indicates the demise of bourgeois ideology. We can now expect a return to the "left" wing of the bourgeois political spectrum, including at least lip service to the program of deficit spending associated with the British liberal bourgeois economist John Maynard Keynes. Indeed overnight we have seen the conversion of the ALP government from self-declared fiscal conservatives to Keynesian-style spenders. But Keynesian fiscal policies never did, and never could, stop the cyclical crises of overproduction which are inherent in the capitalist system.

It is a liberal myth that Franklin Delano Roosevelt's (FDR) "New Deal" with its Keynesian fiscal policies pulled the U.S. out of the 1930s Depression. The American economy did not recover its pre-1929 level until the imperialist slaughter of World War II set the war industries running in high gear. The New Deal was, however, successful in heading off a proletarian socialist movement. During the 1930s, American workers waged hard-fought class battles to organise for the first time in mass industrial unions. However, thanks in large part to the Stalinists and social democrats at the head of these unions, the incipient radicalisation of labour was diverted into FDR's Democratic Party.

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# Fourth International...

(continued from page 2)

Workers Party: An Obituary).

Comrade Trotsky insisted that revolutionaries must swim against the stream, as indeed he did and as we strive to do in order to *reforge a Fourth International that Trotsky would recognize as his own.*

\* \* \*

When these lines appear in the press, the conference of the Fourth International will probably have concluded its labors. The calling of this conference is a major achievement. The irreconcilable revolutionary tendency, subjected to persecutions as no other political tendency in world history has in all likelihood suffered, has again given proof of its power. Surmounting all obstacles, it has under the blows of its mighty enemies convened its International Conference. This fact constitutes unimpeachable evidence of the profound viability and unwavering perseverance of the international Bolshevik-Leninists. The very possibility of a successful conference was first of all assured by the spirit of revolutionary internationalism which imbues all our sections. As a matter of fact, it is necessary to place extremely great value upon the international ties of the proletarian vanguard in order to gather together the international revolutionary staff at the present time, when Europe and the entire world live in the expectation of the approaching war. The fumes of national hatreds and racial persecutions today compose the political atmosphere of our planet. Fascism and racism are merely the most extreme expressions of the bacchanalia of chauvinism which seeks to overcome or stifle the intolerable class contradictions. The resurgence of social patriotism in France and other countries, or, rather, its new open and shameless manifestation, pertains to the same category as fascism, but with an adaptation to democratic ideology or its vestiges.

Also pertaining to the same circle of events is the open fostering of nationalism in the USSR at meetings, in the press, and in the schools. It is not at all a question of the so-called "socialist patriotism," i.e., defense of the conquests of the October Revolution against imperialism. No, it is a question of restoring pre-eminence to the patriotic traditions of old Russia. And here the task is likewise one of creating suprasocial, supra-class values, so as thereby more successfully to discipline the toilers and subject them to the greedy bureaucratic vermin. The official ideology of the present Kremlin appeals to the exploits of Prince Alexander Nevsky, to the heroism of the army of Suvorov-Rymniksky or Kutuzov-Smolensky, while it shuts its eyes to the fact that this "heroism" was based on the enslavement and benightedness of the popular masses, and that for this very reason the old Russian army was victorious only in struggles against the still more backward Asiatic peoples, or the weak and disintegrating states on the Western border. On the other hand, in conflicts with advanced countries of Europe the valiant czarist soldiery always proved bankrupt. Obviously, the experience of the last imperialist war has already been buried in the Kremlin, just as it has forgotten the not unimportant fact that the October Revolution grew directly from defeatism. What do Thermidorians and Bonapartists care about all this? They require nationalistic fetishes. Alexander Nevsky must come to the aid of Nikolai Yezhov.

The theory of socialism in one country, which liquidated the program of the international revolutionary struggle of the proletariat, could not fail to terminate in a



28 August 1940 memorial meeting in New York for Leon Trotsky after his assassination in Mexico at the hands of a Stalinist agent. Meeting reaffirmed Fourth International's commitment to lead world socialist revolution.

wave of nationalism in the USSR and could not but engender a responsive wave of the same nature in the "Communist" parties of other countries. Only two or three years ago it was maintained that the sections of the Comintern were obliged to support their governments only in the so-called "democratic" states that were prepared to support the USSR in the struggle against fascism. The task of defending the workers' state was intended to serve as a justification for social patriotism. Today, Browder, who has been no more and no less prostituted than other "leaders" of the Stalintern, declares before a Congressional investigating committee that in the event of a war between the U.S. and the USSR, he, Browder, and his party will be on the side of their own democratic fatherland. In all probability this answer was prompted by Stalin. But the case is not altered thereby. Betrayal has a logic of its own. Entering the path of social patriotism, the Third International is now being clearly torn from the hands of the Kremlin clique. "Communists" have become social imperialists and they differ from their "Social Democratic" allies and competitors only in that their cynicism is greater.

Betrayal has a logic of its own. The Third International following the Second has completely perished as an International. It is no longer capable of displaying any kind of initiative in the sphere of world proletarian politics. It is, of course, no accident that after 15 years of progressive demoralization, the Comintern revealed its complete internal rotteness at the moment of the approaching world war, i.e., precisely at a time when the proletariat is most urgently in need of its international revolutionary unification.

History has piled up monstrous obstacles before the Fourth International. Moribund tradition is being aimed against the living revolution. For a century and a half, the radiations of the Great French Revolution have served the bourgeoisie and its petty bourgeois agency—the Second International—as a means of shattering and paralyzing the revolutionary will of the proletariat. The Third International is now exploiting the incomparably more fresh and more powerful traditions of the October Revolution to the same end. The memory of the first victorious uprising of the proletariat against bourgeois democracy serves the usurpers to save bourgeois democracy from the proletarian uprising. Confronted with the approach of the new imperialist war, the social patriotic organizations have joined forces with the left wing of the bourgeoisie under the label of the People's Front, which represents nothing else but an attempt on the part of

the bourgeoisie, in its death agony, once again to subject the proletariat to its rule just as the revolutionary bourgeoisie had subjected it at the dawn of capitalism. What was once a progressive historical manifestation now appears before us as a revolting reactionary farce. But while the "People's Fronts" are impotent to cure a capitalism that is rotten to the core, while they are incapable of even checking the military aggression of fascism—the example of Spain is full of symbolic meaning!—they nevertheless still prove sufficiently powerful to sow illusions among the ranks of the toilers, to paralyze and shatter their will to fight, and thereby create the greatest difficulties in the path of the Fourth International.

The working class, especially in Europe, is still in retreat, or at best, in a state of hesitation. Defeats are still too fresh, and their number far from exhausted. They have assumed their sharpest form in Spain. Such are the conditions in which the Fourth International is developing. Is it any wonder that its growth proceeds more slowly than we should like? Dilettantes, charlatans, or blockheads, incapable of probing into the dialectic of historic ebbs and flows, have more than once brought in their verdict: "The ideas of the Bolshevik-Leninists may perhaps be correct but they are incapable of building a mass organization." As if a mass organization can be built under any and all conditions! As if a revolutionary program does not render it obligatory for us to remain in the minority and swim against the stream in an epoch of reaction! The revolutionist who uses his own impatience as a measuring stick for the tempo of an epoch is worthless. Never before has the path of the world revolutionary movement been blocked with such monstrous obstacles as today, on the eve of a new epoch of greatest revolutionary convulsions. A correct Marxist appraisal of the situation prompts the conclusion that we have achieved

inestimable successes in recent years, despite everything.

The Russian "Left Opposition" originated 15 years ago. Correct work on the international arena does not add up as yet even to a complete decade. The prehistory of the Fourth International properly falls into three stages. In the course of the first period, the "Left Opposition" still placed hopes on the possibility of regenerating the Comintern, and viewed itself as its Marxist faction. The revolting capitulation of the Comintern in Germany, tacitly accepted by all its sections, posed openly the question of the necessity of building the Fourth International. However, our small organizations, which grew through individual selection in the process of theoretical criticism practically outside of the labor movement itself, proved as yet unprepared for independent activity. The second period is characterized by the efforts to find a real political milieu for these isolated propagandist groups, even if at the price of a temporary renunciation of formal independence. Entry into the Socialist parties immediately increased our ranks, although in respect to quantity the gains were not as great as they could have been. But this entry signified an extremely important stage in the political education of our sections, which tested themselves and their ideas for the first time face to face with the realities of the political struggle and its living requirements. As a result of the experience acquired our cadres grew a head taller. A not unimportant conquest was also the fact that we parted company with incorrigible sectarians, muddlers, and tricksters who are wont to join every new movement in the beginning only to do everything in their power to compromise and paralyze it.

The stages of development of our sections in various countries cannot of course coincide chronologically. Nevertheless, the creation of the American Socialist Workers Party can be recognized as the termination of the second period. Henceforth the Fourth International stands face to face with the tasks of the mass movement. The transitional program is a reflection of this important turn. Its significance lies in this, that instead of providing an a priori theoretical plan, it draws the balance of the already accumulated experience of our national sections and on the basis of this experience opens up broader international perspectives.

The acceptance of this program, prepared and assured by a lengthy previous discussion—or rather, a whole series of discussions—represents our most important conquest. The Fourth International is now the only international organization which not only takes clearly into account the driving forces of the imperialist epoch, but is armed with a system of transitional demands capable of uniting the masses for a revolutionary struggle for power. We do not need any self-deceptions. The discrepancy between our forces today and the tasks on the morrow is much more clearly perceived by us than by our critics. But the harsh and tragic dialectic of our epoch is working in our favor. Brought to the extreme pitch of exasperation and indignation, the masses will find no other leadership than that offered them by the Fourth International. ■

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# Obama...

(continued from page 3)

Change to Win union federations promotes Democratic Party “lesser evilism” and spent some \$450 million of union members’ dues money on the 2008 elections, rather than building up a war chest for the struggle needed to defend the workers’ interests. Instead of class struggle and international working-class solidarity, the union tops push chauvinist “America first” patriotism and protectionism, promoting the lie that working people abroad, as opposed to the U.S. capitalist rulers, are the enemies of the American proletariat.

## Class and Race in Capitalist America

The U.S. is a country historically defined by chattel slavery, an institution that was smashed only through the blood and iron of the Civil War. It is a country that required a massive civil rights movement, claiming many black and white martyrs, before Southern Jim Crow segregation was finally defeated. The pride among black people over Obama’s election is, whatever his actual policies, a legacy of this history of oppression and enforced exclusion from the “process.”

However, the condition today of the black masses, particularly those in the ghettos, is one of desperate poverty, police violence, massive incarceration. The “end of racism” myth of Obama’s campaign is a cruel hoax, as is Obama’s statement that the civil rights movement brought America “90 percent of the way” toward racial equality. As we pointed out in our first article on Obama’s candidacy almost a year ago, “The Obama Campaign and the ‘End of Racism’ Myth” (WV No. 906, 18 January):

“Black oppression continues to be the central defining feature of U.S. society. It is *materially rooted* in and central to

American capitalism. As against both liberal integrationists and black nationalists, our struggle for black liberation is based on the program of *revolutionary integrationism*. While opposing every manifestation of racist oppression, fighting in particular to mobilize the social power of the multiracial labor movement, we underline that full equality for the black masses requires that the working class rip the economy out of the hands of the capitalist rulers and reorganize it on a socialist basis. Only then will it be possible to eliminate the material roots of black oppression through the integration of black people into an egalitarian socialist society based on a collectivized economy with jobs and quality housing, health care and education for all.”

As the examples of Colin Powell and Condoleezza Rice also show, there is now a huge class gulf between the petty-bourgeois black professionals who were the main beneficiaries of the liberal-led civil rights movement and the masses of black workers and ghetto poor. But black president or not, America is America—racist, brutal, violent. As Obama’s Grant Park election night celebration was going on, Chicago cops harassed black residents cheering his victory. That same night in Staten Island, New York, a 17-year-old black youth was chased and beaten by racists who screamed “Obama!” at him. Four days after the election, Ecuadorian immigrant Marcello Lucero was fatally stabbed near the Patchogue, Long Island train station by a gang of racist teens who reportedly drove around searching for a Latino to attack.

Under the guise of being a post-“culture wars” unifier, Obama’s positions on many issues are only a hair’s breadth away from such stalwart reactionaries as Joe Lieberman (and we’re not sure about the hair). Obama opposes gay marriage. He is a supporter of the racist death penalty, a legacy of chattel slavery in the U.S. This past July, Obama stated his opposition to mental health exceptions for “late-term” abortion bans with the paternalistic

statement that a woman’s rationale for an abortion cannot be “just a matter of feeling blue.”

## Reformists’ Obamamania

The “Anybody but Bush” reformist left is head-over-heels over Obama’s election. In opposition to working-class political independence from the capitalist rulers, they promote collaboration with the bourgeois enemy as the way forward. *Workers World* (14 November) stated: “The election victory of Barack Obama will go down in history as a triumphant step forward in the struggle against racism and national oppression in the U.S.” This was preceded by a 6 November piece in which Workers World Party leader Larry Holmes babbled on about the “elation” and “feeling of liberation” unleashed by Obama’s win, not bothering to even mention their endorsement of capitalist Green Party candidate Cynthia McKinney (whose campaign was, as we said, a stalking horse for the Democrats). According to Holmes, “The feeling on the streets of cities large and small across the U.S. on election night was that now, anything is possible, and it is.” So, it is “yes we can”—under capitalism.

The International Socialist Organization (ISO) threw an election night party in Harlem to “celebrate the end of far too many years of republican rule” and to discuss “what can activists do to press their demands on the next administration?” The ISO’s *Socialist Worker* (7 November), aping liberal buzzwords, gushed that Obama’s victory was “transformative.” While acknowledging that many of Obama’s positions point “to a big gap between the hopes and expectations of Obama voters and the cautious, moderate program he has put forward,” the ISO intones: “None of this is to say that no change is possible. Tens of millions of people want a new direction. The question is whether they

can be organized to fight for it.”

For its part, the eccentric Stalinist-reformist Progressive Labor Party (PL) wrote in its newspaper *Challenge* (10 November) that Obama is a capitalist politician, noting that PL’s “exposing and opposing Obama and the ruling class he serves may not be ‘popular’ at first.” But actions speak louder than words: As we earlier reported, PL openly declared that it would “actively participate in Obama’s campaign” (*Challenge*, 26 March). One “Red Registrar” even boasted in a letter to *Challenge* (4 October), printed without comment, “I helped out at a voter registration drive in my neighborhood that I found out about through BarackObama.com”! These reformists perpetuate deadly illusions that this government of the capitalists, by the capitalists and for the capitalists can be made to serve “the people.”

All of our activity is directed toward forging, training and steeling the proletarian vanguard party necessary for the seizure of state power. In contrast, the politics of the reformists consist of oppositional activity completely defined by the framework of bourgeois society. This was sharply characterized by Bolshevik leader Leon Trotsky in his 1924 work, *Lessons of October*, as “the actual training of the masses to become imbued with the inviolability of the bourgeois state.”

We stand on what Trotsky wrote in *The Death Agony of Capitalism and the Tasks of the Fourth International* (also known as the Transitional Program), the basic programmatic document adopted at the 1938 founding conference of the Fourth International, world party of socialist revolution. As Trotsky put it, the Fourth International “uncompromisingly gives battle to all political groupings tied to the apron-strings of the bourgeoisie. Its task—the abolition of capitalism’s domination. Its aim—socialism. Its method—the proletarian revolution.” ■

# Northern Ireland...

(continued from page 4)

Higgins was quick to join every bourgeois politician in the Dáil to denounce the anti-Loyalist protest as a “sectarian riot” (see *Workers Vanguard* No. 866, 17 March 2006).

The Socialist Party is the antithesis of the revolutionary workers party, that is a Bolshevik party, that the Spartacist League is fighting to build. We demand the immediate, unconditional withdrawal of the 5,000 British troops in Northern Ireland. We stand for the defence of the viciously oppressed Catholic community in Northern Ireland against Loyalist/state terror. At the same time, we oppose Sinn Féin’s nationalist perspective of a capitalist united Ireland in which Protestants would become an oppressed minority, a prospect that only serves to consolidate the Protestants behind Loyalist bigots, laying the basis for communalist terror, which is antithetical to a polarisation along class lines. In this situation of interpenetrated peoples and fratricidal nationalism, there can be no equitable solution short of the destruction of capitalism and the institution of workers rule. Our perspective is proletarian and internationalist: for the revolutionary overthrow of British imperialism and the clericalist state in the South—which is hideously oppressive of women, Travellers and workers—and the sectarian Orange state.

At a recent Socialist Party meeting in Dublin hosting Peter Taaffe, a speaker for the ICL laid out our perspective while

**Spartacist contingent in June 1981 London protest demands: “Smash Britain’s Torture Camps—Troops Out Now!”**



exposing the anti-revolutionary programme of their international, the Committee for a Workers’ International, from their support for “workers in uniform”—including an ex-H-Block prison warden—to their scabbing on the Chinese deformed workers state (see *Workers Hammer* No. 202, Spring 2008). Many Socialist Party members in the audience, including one who was a security guard, vented their fury at our insensitivity to the plight of these thugs, in particular the lowly security guard, and our call to oust them from the unions. Taaffe’s summary, in particular in response to the ICL, was a ten-minute lesson in just how dirty a business reformism is. After explaining that, as a result of the betrayals of New Labour, it is the task of the Socialist Party to build a “new mass workers party” which is explicitly not revolutionary (i.e., Old Labour), he went into a long rant on the glorious struggles of the British prison officers. He painted a picture of

the Socialist Party’s new mass workers party: column after column of uniformed prison officers at the head of the working class! The Socialist Party actually dreams of building a “workers party” based on the brutally racist, BNP [fascist]-ridden, thugs from Wormwood Scrubs and the Metropolitan Police!

Such a reactionary, Labourite perspective, and such deadly illusions in the capitalist state need to be vigorously combated within the workers movement! **Cops, prison wardens and security guards out of the unions!** The Spartacist League seeks to build a multiethnic revolutionary workers party, a party that will act as a tribune of the people, fighting to mobilise the working class against every manifestation of injustice, racist oppression and state tyranny: **Down with the racist war on terror! Full citizenship rights for all immigrants! For free abortion on demand!** What is necessary is a revolutionary party that fights for the under-

standing that, as Lenin explained, “the working class cannot simply lay hold of the ready-made state machinery, and wield it for its own purposes”; that the liberation of the working class cannot come about “without the destruction of the apparatus of state power which was created by the ruling class” (*The State and Revolution*). These words were written on the eve of the Russian Revolution, the first, and to date, only successful proletarian revolution. Under the leadership of the Bolshevik vanguard party, the working class smashed the capitalist state and established a workers state, consisting of the “special bodies of armed men” necessary to defend the revolution against the deposed ruling class. That revolution makes clear the kind of party the working class needs to once-and-for-all throw off their chains. And it is our task to build this vanguard party!

Comradely,  
Derek M.

AUSTRALASIAN SPARTACIST

## Lex Wotton...

(continued from page 12)

**Defend all victimised unionists! For hard class struggle to defend the unions!**

### There Is No Justice in the Capitalist Courts!

While we support pursuing all legal avenues to defend Lex Wotton and others facing state repression, we put no faith whatsoever in the capitalist courts but instead look to the social power of the organised working class, mobilised independently of the capitalist state and its parties. We seek to win the multiracial working class to championing the rights of Aboriginal people and all the oppressed, from those Muslims framed on "terrorism" charges to African immigrants targeted by racist violence.

The bosses, having no solution to the inherent boom-and-bust cycles of capitalism, will step up their attacks on workers and the oppressed in the current economic crisis. Facing looming mass layoffs and grinding debt, it is in the direct, immediate interests of the organised working class to take up the fight for all victims of capitalist state repression, including the fight for Wotton's freedom. Only by taking up the struggle against the common enemy will the working class be able to defend itself and achieve the unity and consciousness necessary to fulfil its historic role as the gravedigger of the capitalist class. As Karl Marx declared in writing about the American Civil War in 1867, "Labour cannot emancipate itself in the white skin, where in the black it is branded."

To their credit the Sydney branch of the Maritime Union of Australia (MUA) have stated support for Wotton, himself a plumber, and recently stopped work for one minute's silence to mourn the killing of Mulrunji and in support of Wotton. However, this token gesture falls qualitatively short of the broad-based union

action needed to free Wotton. Unleashing the social power of the organised working class, for example, through closing down the ports for a day and mass proletarian-led protests, would make the bosses think twice about Wotton's imprisonment. In a powerful action in 1989, Sydney building workers walked off their construction site and formed a protective perimeter around a protest outside police headquarters against the cop killing of Aboriginal worker, David Gundy. **For union/black/minority actions against racist state injustice and terror! For a class-struggle fight for Aboriginal rights! An injury to one is an injury to all!**

The key obstacle to mobilising workers in a class-struggle fight is the stranglehold of the Laborite trade-union tops who foster nationalism and reliance on the capitalist state. In denouncing Aboriginal deaths in custody as a "national disgrace," MUA Sydney Branch Secretary Warren Smith declared that the branch "urges Governments at all levels to put in place policies to stop this occurring again" (mua.org.au, 7 November). Such appeals to capitalist governments only breed illusions in the very state that is persecuting Wotton and targeting the unions. Tailing the union misleaders are the reformist opponents of revolutionary Marxism. The Communist Party of Australia (CPA) has led the way in groveling before the capitalist state following Wotton's conviction. Their declaration that they are "not prepared to let the matter rest" amounts to "contacting the Human Rights and Equal Opportunity Commission [a state body] to ask that they investigate this case as well as Attorney-Generals of Queensland and Federal governments" (Guardian, 12 November).

The CPA joins other dyed-in-the-wool reformists, such as Socialist Alliance/Democratic Socialist Perspective (SA/DSP), in appealing for a government Royal Commission into the death of Mulrunji and subsequent events. In the mid-1980s, the forerunners of these groups

helped to channel growing anger over Aboriginal deaths in custody into a campaign for a Royal Commission, which was duly established by the federal Hawke Labor government in 1987. Like all such government enquiries, its findings *whitewashed* the crimes of the capitalist state, endorsing the police and coroner verdicts in *all* 99 deaths it "reviewed." Since then the incarceration rate of Aboriginal people has doubled, accompanied by more deaths in custody! Government commissions also serve to ratchet up the bosses' anti-union attacks, with the 2001 Cole Royal Commission spearheading the witchhunt against the CFMEU construction union, including the formation of the hated ABCC.

The very idea of appealing for a Royal Commission ought to be repellent to anyone aspiring to fight for the rights of workers and the oppressed. Since Australia's formation as a white settler outpost in Asia, racist state terror against Aborigines has been written in blood and systematically covered over through police terror and government obfuscation and lies. In despicably petitioning for yet more Royal Commissions, calling to implement their recommendations or raising the demand, promoted by the Freedom Socialist Party, to "jail the killer cops," the reformists once again seek to refurbish the image of the brutal exploitative capitalist order.

### Break With Laborism, Build a Revolutionary Workers Party!

In the last federal elections SA/DSP, Socialist Alternative and the International Socialist Organisation (now part of Solidarity) all treacherously called for a vote to the *capitalist* Greens in order to pressure the Rudd Labor Party, which they above all wanted elected to office regardless of its commitment to the occupation of NT Aboriginal communities, more anti-union attacks, strong state repression and imperialist militarism. These reformists deeply believe that the capitalist state,

particularly when administered by a Labor government, can be pressured to serve the interests of the working class and oppressed. In reality, the bourgeois state is a repressive apparatus consisting at its core of the cops, army, courts and prisons. It exists to defend the profits, property and rule of the capitalist class against the workers and oppressed. It cannot be reformed but must be smashed through socialist revolution and replaced by a workers state. The cops, prison screws and security guards are in no way "workers in uniform," as the Socialist Party claims, but part of the armed fist of the state, the front-line enforcers of capitalist rule. They should be expelled from the trade unions.

In contrast to the Labor-loyal reformists, we Trotskyists fight to forge a multiracial revolutionary workers party through a political fight to split the working-class base of the ALP from the pro-capitalist leadership. This will require a struggle in the unions to win the most advanced layers of the proletariat away from the politics of Laborite reformism, promoted by the current union misleaders, to a revolutionary perspective. A Leninist-Trotskyist party will act as a tribune of the people, seeking to mobilise the working class against every manifestation of capitalist tyranny in an uncompromising fight for international socialist revolution. As the Spartacist speaker concluded his speech at a 7 November Sydney protest, one of a series of rallies held in support of Wotton:

"It'll take a socialist revolution to end police brutality and achieve justice and equality for Aborigines and all the oppressed. We look to the example of the Russian Revolution which happened 91 years ago today. That's our model for overturning racist Australian capitalism, which will give Aboriginal people the right to justice and equality, and voluntary integration or autonomy as they choose it."

**Free Lex Wotton now! For a class-struggle fight for Aboriginal rights! For a workers republic of Australia, part of a socialist Asia! ■**

## Gay Rights...

(continued from page 5)

forces that mobilize in opposition to abortion rights, gay marriage and any expression of social liberation.

As it is with just about everything else in America, marriage law is deeply entwined with racism. For black slaves, legal marriage was out of the question, and even after the victorious Civil War freed the slaves, many states still banned black-white marriage. In 1958, Mildred Loving, a black woman, and her white

husband, Richard, were sentenced to a year in prison in Virginia for the "crime" of "miscegenation." On the 40th anniversary of the 1967 Supreme Court decision striking down Virginia's ban on interracial marriage, Mildred Loving made a powerful statement in defense of racial and sexual equality for all:

"I believe all Americans, no matter their race, no matter their sex, no matter their sexual orientation, should have that same freedom to marry. Government has no business imposing some people's religious beliefs over others. Especially if it denies people's civil rights."

The reactionary "family values" crusade behind Proposition 8, pushed from the pulpits of white and black churches, as well as by the Catholic church among Latinos, is aimed not only against gays. On the contrary, it has long been a code-word for anti-black racism among Democrats and Republicans alike, blaming "welfare mothers" and "deadbeat dads" for the horrific conditions of life for blacks in the inner cities. This was echoed by Obama in his Father's Day speech this year, which reviled black men as absentee fathers who have undermined the family. Small wonder that so many are "missing in action" when one in three black men are either in prison, on probation or parole on any given day, many of them rounded up under the racist "war on drugs."


Of course, there are many, and qualitative, differences between black oppression and gay oppression in this society. As we wrote in "Marriage and the Capitalist State" (WV No. 824, 16 April 2004), racial oppression, the bedrock of American capitalism, has been:

"the great fault line in American politics

since the founding of the nation on the backs of black slaves. The ruling class consciously manipulates racism to weaken the proletariat. The fight for black freedom will be central to the proletarian revolution in the U.S. For that revolution to succeed, the working class, including its strategic black component, must understand its historic task is to abolish class society in order to open the road to human freedom for *everyone*. And that most certainly includes gays—and everyone else who, however self-defined, rebels against the straitjacket social roles imposed by the capitalist ruling class."

Sexuality is not in itself a political question. It is the bourgeoisie which politicizes this issue, victimizing those who do not fit

the norms as established by the family, church and state. We carry forward the program of Lenin and Trotsky's Bolshevik Party, which led the working class to power in the 1917 Russian Revolution. The early Bolshevik regime did all it could to implement the promise of women's emancipation, taking measures toward socializing the functions of the family. Among its first acts was the legalization of abortion and homosexuality. To create genuinely free and equal relations among people in all spheres, including sex, requires nothing less than the destruction of capitalist class rule and the creation of a communist world. ■



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## Palm Island Community Leader Jailed:

# Free Lex Wotton Now!

## For a Class-Struggle Fight for Aboriginal Rights!

The following SL leaflet was issued on 30 November.

On 7 November, Palm Island Aboriginal community leader, Lex Wotton, was despicably sentenced to six years in prison. This followed his conviction in the Brisbane District Court on charges of "rioting with destruction" over the November 2004 Palm Island protest that erupted in response to a coroner's whitewash report into the brutal death of local Aboriginal man, Mulrunji Doomadgee, in the police lockup. Wotton was convicted by an all-white jury in a trial that saw key evidence disallowed and witnesses intimidated. He will not be eligible for parole

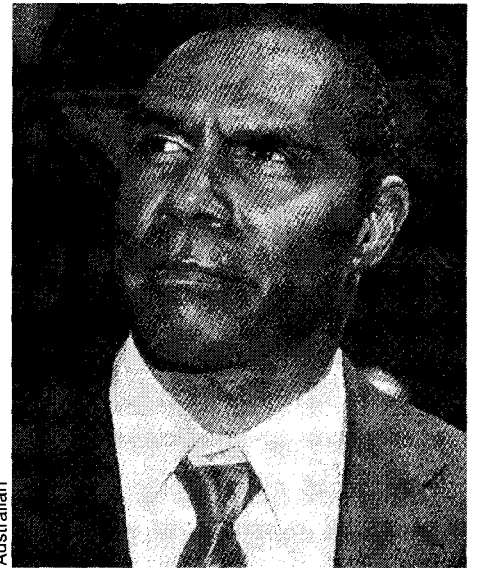
until July 2010, having already spent 110 days in custody. Lex Wotton's conviction and jailing is an outrage that must be fought by all opponents of capitalist injustice and racist oppression! He should not have spent a moment in prison! We demand: **Overturn the conviction! Free Lex Wotton now!**

The Queensland state Labor government has aggressively targeted Wotton as a "ringleader" of the 2004 protest against the racist state killing of Mulrunji Doomadgee not least because Wotton is an articulate and resolute Aboriginal man. Mulrunji died less than an hour after being taken into custody early on 19 Nov-

ember 2004. He suffered massive internal injuries including a ruptured spleen, a torn portal vein, four broken ribs and his liver had been almost cleaved in two. The initial coroner's report claiming his death was "an accident" was met with justified outrage by Palm Islanders. During the ensuing protest the police station, watchhouse and other buildings were razed. In response, the state carried out terrifying police raids against Aboriginal residents across the island. Wotton, whose home was surrounded by more than 50 police with dogs, was tasered with 50,000 volts as his partner and children watched in horror.

Wotton's arrest, trial and conviction stand in sharp contrast to the treatment of the Palm Island cop, Chris Hurley, who admitted in court that he must have caused Mulrunji Doomadgee's fatal injuries. In a whitewash trial in Townsville, in 2007, Hurley was acquitted of manslaughter, also by an all-white jury, and later secretly awarded a \$100,000 payout for the alleged loss of belongings as a result of the fires. Then, following Wotton's conviction, bravery awards were provocatively announced for the cops stationed on Palm Island at the time of the protest. This is "justice" in capitalist Australia where police are exonerated over the killing of an Aboriginal man while Aborigines are imprisoned for protesting this atrocity!

Brutal racist oppression in Australia is starkly illustrated from Palm Island to the Northern Territory (NT). Since its election in 2007, the federal Rudd ALP government has strengthened the police and



Australian

military-enforced government takeover of some seventy NT Aboriginal communities. This occupation, which targets all Aboriginal people, exposes the lie of Rudd's February apology to the Stolen Generations. Rudd's Labor has also escalated the former Howard government's attacks on welfare and enforced repressive "anti-terror" legislation that has shredded the democratic rights of all while particularly targeting immigrant minorities for racist scapegoating. They also maintain Australian imperialist occupation forces, from East Timor to the Solomons to Afghanistan. **Australian imperialist troops/cops out now! Cops/military get out of NT Aboriginal communities! Down with racist "war on terror" repression!**

In targeting the more vulnerable, such as Aborigines and immigrants, the bourgeoisie aims to make it easier to further their attacks on the working class as a whole. Rudd's Labor government has retained the core of Howard's widely hated anti-union *WorkChoices* legislation. This includes the draconian Australian Building and Construction Commission (ABCC), which has accelerated its activities against construction unions since the election of the Labor government, threatening unionists with imprisonment, including charges now dropped against Victorian construction official, Noel Washington. **Down with the ABCC!**

*continued on page 11*



Asp photo

Sydney, 7 November: Spartacists protest alongside Aboriginal activists, unionists and others on the day of Lex Wotton's sentencing.

# Philadelphia D.A. Seeks Death for Mumia Abu-Jamal

The following article is reprinted from *Workers Vanguard* (No. 923, 24 October 2008), newspaper of the *Spartacist League/U.S.*

There is an ominous new development in the case of Mumia Abu-Jamal, an innocent man who has been on Pennsylvania's death row for 26 years, framed up for the killing of a Philadelphia police officer in 1981. Since his youth in the Black Panthers, Mumia, a MOVE supporter and eloquent journalist, has been targeted by the racist rulers because of his courageous defense of the oppressed. Now the Philadelphia district attorney's office has advised the Supreme Court that it is seeking the execution of Mumia. The D.A.'s petition, which must be filed by November 19, opposes the federal Third Circuit Court's affirmation this past spring of a 2001 decision by Judge Yohn striking down Mumia's death sentence while upholding his frame-up conviction.

The remaining possibilities for Mumia within the court system are: 1) The Supreme Court could agree with the D.A.'s petition, in which case Mumia's death sentence would be reimposed, with no new trial. In this

## There Is No Justice in the Capitalist Courts! Free Mumia Now!

event, the case would be sent back to Judge Yohn, who in his 2001 decision deferred ruling on additional challenges to the death sentence raised by Mumia. 2) The Supreme Court could refuse to hear both the D.A.'s petition as well as Mumia's attorney Robert Bryan's upcoming appeal, which is centered on racism in the jury selection, of the Third Circuit Court's decision (see "Third Circuit Court Turns Down Appeal," *WV* No. 918, 1 August). This would let stand the current situation: a new sentencing hearing, with the only possibilities being either continued life imprisonment for Mumia or a new death sentence. 3) The Supreme Court could agree with Bryan's appeal, thus putting Mumia back into the racist Philadelphia court system to be tried again. This could result in an acquittal; however, we have no faith in the

capitalist courts, which over the decades have refused to hear the mountains of evidence of Mumia's innocence, including the confession of Arnold Beverly that he killed Police Officer Daniel Faulkner.

We have always advocated pursuing all possible legal proceedings. However, the Supreme Court has refused to hear four previous petitions by Mumia's attorneys. The Supreme Court is the highest court of America's capitalist rulers, the class enemy of workers, black people and all the oppressed. Our fight to free Mumia Abu-Jamal is based on a strategy of mass protest centered on the multiracial working class, which has the power to make the courts yield. As the Partisan Defense Committee has always stated, "We place all our faith in the power of the masses and no faith whatever in the 'justice' of the courts."

To contribute to Mumia's legal defense, make checks payable to "National Lawyers Guild Foundation" (earmarked "Mumia" on bottom left) and mail to: Committee to Save Mumia Abu-Jamal, P.O. Box 2012, New York, NY 10159-2012. ■