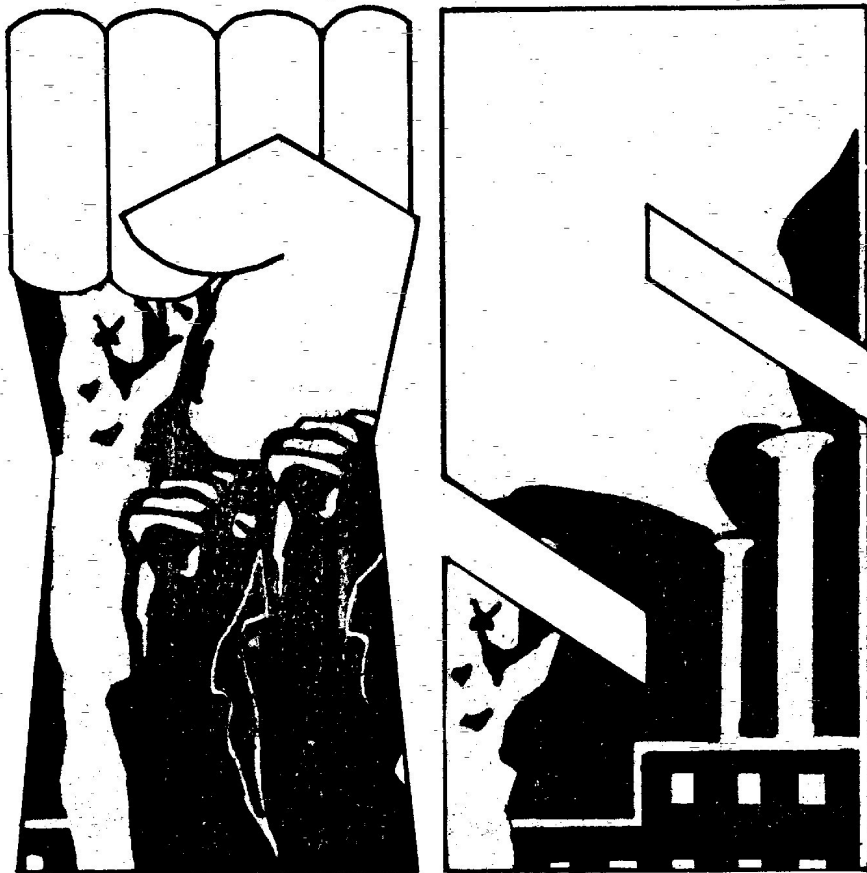


# I.S. BULLETIN



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**EXTREMELY IMPORTANT NOTICE!!! THIS BULLETIN CONTAINS DOCUMENTS OF  
THE LABOR DAY 1973 I.S. CONVENTION. YOU MUST BRING IT WITH YOU TO  
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BLACK LIBERATION PERSPECTIVES FOR THE I.S.  
By Dave F. for the Labor Action Tendency

INTRODUCTION

This document does not represent a new point of view on the black liberation question for the I.S. It represents the position adopted by the 1972 I.S. Convention, and is put forward in defense of that viewpoint. Much of this document, especially the main points of the analysis, are taken directly from the 1972 resolution and the discussion documents written in its defense.

The position adopted in 1972 was based on the document "Black Liberation" by Sy Landy, with a substantial set of amendments (put forward by Coleman and Finkel). This represented a change from the position held by the I.S. since 1970, which argued for the progressive character of black nationalism. The latter position was not put forward or defended at the 1972 convention, although there are leading comrades who adhere to it. Put forward in its place was a new point of view ("A Perspective for Black Liberation", by Jack T.)

The Trautman document argued that blacks in the U.S. constitute a nationality, or national minority, essentially in the classical Leninist sense, with the exception of a lack of territory. Thus the black question is presented as a national question to which the "Leninist methodology of the right of nations to self-determination" is applied. This position, unlike the previous (1970) one, argues that black nationalism as an ideology is not progressive and that revolutionaries must work to break black workers from their nationalism-- sometimes this is even expressed as "break black workers from their own bourgeoisie" --by means of "proletarian internationalism". Supporters of the previous (1970) position supported this document, despite the fact that they do not regard blacks as a nationality in the "orthodox" sense and for that reason consider black nationalism to be progressive as a general expression of black consciousness.

The faction fight and split in the I.S. has forced a re-discussion of the black question for this convention, although there are no new ideas, arguments or viewpoints being put forward. On the one hand, the rapid evolution and degeneration of the politics of the "Revolutionary Tendency" revealed grave defects and ambiguities in the Landy Black Liberation perspective. Many of the formulations in that document must be re-examined and is discarded, as was done partially by the Coleman-Finkel amendments last year. On the other hand, as a result of the faction fight there is a verious danger of a major theoretical and political setback for the I.S. on the black question--namely, a return to the conception of this question as a "national" one. This conception, because of its own contradictions--the lack of precision in the use of the terms "nation", "National minority", and "nationalism", the lack of agreement even among its supporters on the meanings of these ideas, and its failure to put forward a clear strategic direction for black militants in the unions, the community, etc. -- will add to the difficulties facing the I.S. in attempting to attract and recruit a black cadre to the organization.

Since this is the general context in which this document must be written, it will attempt to put forward the main outlines of a Marxist approach to the black question and to state clear points of view on the central issues that have been controversial. It will not attempt to be complete, or to go over all questions on which positions have been taken in the past. Where a given question is not discussed, we stand on the existing I.S. position, i.e., the amended Landy document.

Finally, a few further introductory remarks on the Landy document itself are needed. The ambiguity in the Landy document, from our point of view, lies in a contradiction between its analytical starting point and some of its political conclusions. The concept that a "third alternative" was needed, to replace both the national and "super exploited worker" theories of black oppression, marked a step forward which we defend. Landy stressed, correctly, we do not know whether he would still do so-- the central and unique importance of black self-organization to the history and struggles of black people.

On the other hand, many of Landy's political conclusions--his approach to community struggles, his view of the special demands of the black masses as "bourgeois - democratic", his equivocal attitude toward certain special demands such as preferential hiring--accommodated to the theory of the "super-exploited" worker", i.e. the subordination of the special demands of blacks as an oppressed people / ,icj pf the political thrust of the Coleman-Finkel amendments was directed toward correcting these conclusions. For Landy and his supporters, the contradiction has now been resolved in a reactionary direction: i.e. a theory almost indistinguishable from that of the "super-exploited worker" and the sectarian and often backward attitude toward the independent struggle of black people which generally flows from that view. For us, the current problem is to re-state the fundamental ideas of the viewpoint adopted in 1972, and modest outlines of an I.S. perspective toward implementing it, in a manner that is not open to confusion over the attitude of socialists toward that independent black struggle.

#### BLACK LIBERATION PERSPECTIVE

The coming period offers to the I.S. the opportunity for a modest, but real and crucially important, recruitment of a black revolutionary socialist cadre. The small cadre of black workers and political activists whom we can win today -- both to our political perspective and to our organization -- are crucial to the growth of the I.S. as a political tendency into a serious force, inside the working class and in the left.

It is not our intention to deceive our selves, or the advanced layers of the black movement, by proposing a grandiose or overly ambitious picture of what can be accomplished. The I.S. cannot, immediately or by itself, overcome the current weakness and stagnation of the Black movement; the low level of class struggle which has seriously dampened the activities of black workers and the formation of black workers' organizations; or the historic failures of the American left to overcome its isolation from the black masses--especially from the independent struggles and upsurges of black people. Nonetheless, the nature of the developing crisis in American society will lead to new expressions of the black movement, new protest movements, upsurges and rebellions, and open the way to the growth of revolutionary socialist politics especially among black workers.

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The winning of a black cadre to the I.S. depends upon two fundamental tasks facing us. The first is to present our ideas -- that is, our theory, our political method and perspective for black liberation, and our general program and strategy for rebuilding the black movement. This program includes both the democratic demands (equality) and the special demands of the black movement, and the broader transitional demands which can link the black struggle to the labor movement on a revolutionary basis. As we have always recognized, the latter demands are of crucial importance in building a black revolutionary movement, because they attack the central problems of the capitalist economy--inflation, unemployment, and social decay--which affect the black community most brutally and which make black equality, freedom and liberation impossible under this system. As capitalist instability deepens, these same issues will be posed more and more sharply both to black and to white workers. While black and white workers do not necessarily respond to these issues at the same time, or even in the same way, the possibility both for class organization and for black self-organization around these issues becomes greater. When the issues of black oppression merge with the general offensive against the working class, the results can be explosive as the Jefferson events show. Because the composition and small size of the I.S. generally preclude mass agitation or large-scale campaigns in the black community on the long period, the presentation of our ideas and analysis in the most precise possible fashion will be instrumental in winning and recruiting a black periphery.

The second task in this regard is, of course, solidifying our presence in the working class, our participation in industrial struggles, and integrating our black liberation perspective into our participation in order to deepen the struggle and to attract black workers to our politics. Not only WORKERS POWER, but also our rank and file agitational bulletins must as a matter of conscious policy raise the issues of special importance to black workers in the shops. In general, our bulletins will and should be the organs of broad and integrated groupings fighting in the unions on a broad range of issues, but not on the "lowest common denominator." Demands which champion the needs of black workers are crucial in winning black workers to the caucus, to creating classwide unity, and to building a black leadership for the class struggle.

We look toward the rebuilding of the black movement--not toward "subsuming" its special character in a non-existent "class-wide struggle" both because the dynamic of the independent black struggle is profoundly revolutionary and because the renewed struggle of the black masses around their own demands and organizations is crucial if our ideas are to gain respect and influence. Black revolutionaries will not, in general, be developed on the basis of isolation and defeat but on the basis of struggle and victory. In this sense, above all, revolutionary socialism is not counterposed to the black struggle--rather, it requires that black struggle for its own fruition and for

the construction of a genuine workers vanguard party,

As a political tendency, then, what we seek to do here is to present our analysis of the black struggle and our program in capsule form, and to present specific steps for the I.S. toward the development of a presence in the black movement and a black cadre.

#### ANALYSIS

Blacks differ from most other minorities by virtue of their unique position in American society. Placed at the bottom of society by history, they are kept there by racism--deriving partly from a group self-interest conception on the part of whites--and more fundamentally by the history and present structure of American society and its economy.

The basic relationship of black people to American social structure was defined before there was a bourgeois society on the North American continent. That is, the emergence of exclusively black chattel slavery in the 17th century British colonial America. For most of this time there existed no real social structure. Among the white colonists there was little more than a scattering of farm communities, a few plantations, and a handful of artisans and even fewer merchants. Not until the 18th century did a different social structure emerge. The only exception of any significance was, of course, the social position of blacks. By 1700, blacks were probably the only group with a clearly defined class position. This position, and the attitudes of the whites toward blacks had been forged over the decades of the seventeenth century. Indeed, the black slaves brought to America were brought on the same terms as the white indentured servants. For this reason most of the slaves before 1660 received their freedom after a set term of service. Opposition in England to the forced importation of Britons as indentured slaves created a labor shortage that led the colonists to turn increasingly toward the forced importation of Africans as slaves. At the same time, the slave owners, themselves becoming a more distinct class, pressed for longer terms of indenture for the more easily obtained black slaves. By the end of the 17th century out and out chattel slavery had replaced indenture and blacks became the sole source of the slave labor force (excepting only a few whites who came as personal servants under indenture.) In this process, the attitude of whites changed toward the blacks. This occurred on a world scale as Europeans, particularly British and French (the Spanish are a somewhat different case), rationalized the rape of African humanity by increasingly defining Africans as inherently inferior--not just culturally backward in relation to Europe. It was in this process that modern racism was born. In the 18th and 19th centuries it was filled in with various pseudo-scientific theories and molded into a full blown ideology. But modern racism, as opposed to parochialism, cultural chauvinism, and the many other backward forms of consciousness that have affected various people at various times, grew out of slavery. Put simply, it became necessary to define all blacks in the same way the slaves were defined. Thus, the Freedmen had to be defined in the same way as the slaves to prevent the undermining of both the ideology and the system itself. The argument was painfully simple -- you cannot give the rights of freemen to people who are by nature slaves. The denial of bourgeois democratic rights is derivative from the permanent positioning of blacks at the bottom of the labor system.

The class structure of America has changed drastically, of course, over time. Through each change, as old classes disappear and new ones arise and become dominant, the position of blacks toward the entire class system, not just each class, has remained consistent. That is, they must fill the bottom rungs. Those who climb to higher classes must still be defined by the majority who are forced to fill the bottom rungs. Of course, the denial of democratic rights plays a role in keeping blacks at the bottom of the social structure. One can even say that slavery is the denial of democratic rights, which it certainly is. Nonetheless, this misses the social depth of the issue. It makes it appear simply as a matter of "discrimination," whereas it is in fact something that is bound up with the very development of the particular nature of the class structure in the US. Someone must always be at the bottom of society, but if a particular group can be defined that way -- institutionally as well as ideologically -- so much the better for the ruling class. The counter-revolution which occurred after the garroting of Reconstruction, not only thwarted the bourgeois revolution, depriving blacks of the land, but it also forced them in enormous numbers out of class positions they had previously held: in particular, out of the skilled sections of the working class and in some cases out of the class altogether. The actual thrusting by conscious action, of a people from one class position to another, can hardly be conveyed by speaking solely of democratic rights.

The failure of Reconstruction left blacks tied to the land, but without owning it. American capitalism still needed cotton, and blacks remained at the bottom of the class structure. The black-white alliance of Populism was in fact an alliance of different strata of the rural population. The Colored Farmers Alliance was composed primarily of tenant farmers and agricultural laborers, neither of whom owned land, while the white Farmers Alliance was composed primarily of small and middle-sized landowning farmers. The first meeting of these two Alliances was not a united front, but a fight over a series of strikes by agricultural workers. The Colored Alliance supported the farm workers, but the white Alliance opposed it. Once again racism was based, or rather reinforced by, actual social differences.

As the needs of capitalism changed so did the basic class position of blacks. Their relative social position remained the same, however. The need for a "peasantry" tied to the land was eliminated by the same process that created the need for a vast unskilled labor force, and a reserve army of unemployed. As the immigrant groups left these positions, the blacks filled them. From near serfs the Black farmers of the South became free labor -- free labor. For free labor has never meant as Landy implies, the freedom to choose which jobs or employers to sell your labor to. It has only meant the right to sell that labor. Blacks were ripped from the land just as ruthlessly as they had been forced on it, and with the same resulting poverty and dislocation. Indeed, just like the British yeomanry of the past, the blacks of twentieth century America were ruthlessly forced to become free labor. In Wage-Labor and Capital, Marx described the differences between slavery, serfdom, and free labor. The slave was owned by another person, and could not sell himself or his labor-power. The serf was owned by the owner of the land -- "he belongs to the soil, and to the lord of the soil he brings its fruit."

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"The free laborer, on the other hand, sells himself, and that by fractions. He auctions off eight, ten, twelve, fifteen hours of his life, one day like the next, to the highest bidder, to the capitalist. The laborer belongs neither to an owner nor to the soil, but eight, ten, twelve, fifteen hours of his daily life belong to whomsoever buys them."

Thus the historical position of blacks in America is that of a slave class before the Civil War, and an uprooted slave class in the period immediately following. The failure to solve the "Negro question" in the latter part of the nineteenth century derives partly from racism, including that of the nascent labor organizations, but more fundamentally from the immense social cost which would have been involved in any attempt to solve the land question in the South. Faced with plentiful cheap labor through immigration, and on the other hand with the difficulties of military government, later the need to make peace with the Southern bourgeoisie, and still later the threat of plebian unrest, American capitalism preferred to leave Negroes as they were -- poor farmers and sharecroppers in a declining Southern economy. Later periods of economic expansion (combined with the drafting of white males in wartime) opened the doors of industry to blacks to a limited degree, but only insofar as there was space at the bottom. Even as blacks penetrated new job areas in the expansion of the 1960's (municipal employment, many job categories in auto, etc.), the same basic pattern remained.

To summarize, the actual class position of the vast majority of black people in America has changed as the class structure -- i.e., the specific weight of the various classes -- has changed. But at each point, blacks have been forced into the bottom rungs of the total social structure. Those elements of the black people who manage to climb to higher classes -- even when there is no objective need in terms of the middle class itself. Blacks not only form the bottom strata of the working class, but a disproportionate number of the unemployed and lumpen. From this it follows that there is a difference in the nature and degree of the oppression of different strata of blacks and in the way they struggle against their oppression.

The victory of the bourgeoisie did not mean the extension of bourgeois-democratic rights to the former slaves, but just the opposite. Land ownership was never granted, voting rights were granted and later withdrawn, the right to education was granted only in a discriminatory fashion, and the right to public accommodation was granted and then curtailed.

When blacks migrated North, they were initially faced with similar conditions, though in much lesser degree. Voting rights existed. Access to jobs, housing, and education, however, were denied by massive discrimination.

Hence both in the South and in the North, the most obvious sources of black inequality were the denial of bourgeois-democratic rights, and the struggle to achieve them was the focus both of early liberal efforts at legal reform, and of the early direct action civil rights movement (not only in the South but even earlier in the North, where CORE held its first demonstrations in the 1940's).



Essentially these were efforts to secure for blacks as individuals or as a group (Through education, for example) the ability to rise in society or to influence the political process without restriction.

As the legal battles were partially won, however, the fact that the position of blacks was backed up by the economic structure came into focus. Because the conditions of blacks in the Northern ghettos centered around unemployment, social decay, and the condition of being trapped in the poorest jobs, the strategy of both moderate and militant civil-rights groups -- securing the denied bourgeois-democratic rights -- had little appeal and led to expectations unfulfillable by the existing leaderships, and therefore to the rebellions of the later 1960's.

Though racism and the denial of bourgeois-democratic rights continue to play an important part in the oppression of blacks, of underlying importance is the fact that the black position at the bottom of the economy is locked in by the inability of the economy to expand massively or to develop its backward sectors. To have wrenched the black from the bottom of society would have required as a necessary precondition (in an earlier period, but still to a considerable degree today) a reconstruction of the South; today, it would further require as a precondition a massive reconstruction of the stagnant ghettos created in Northern cities by internal migration; even to upgrade employed blacks in a massive fashion would require either a huge expansion of the economy, or a willingness on the part of the bourgeoisie to champion blacks in competition with whites on a mass scale for the limited number of jobs available in an economy not expanding massively. The economic wherewithal for such an effort is lacking because of the stagnation of capital formation and the profit priorities of the economy; the political wherewithal is lacking because of the massive struggles which would be engendered. (The capitalists have, however, funded feeble efforts of this type, in addition particular segments of labor -- such as in the construction industry). Here, as generally in capitalism the coexistence of developed and underdeveloped sections of the economy is no paradox, but a function of the manner in which capitalism "develops" itself; the underdevelopment results from the anarchy and profit-based nature of capitalist production, and within limits (which the US scene now threatens to pass) is highly useful to the system.

We have outlined the economic and historical factors which shaped the modern black community. What is the social dynamic of this community? For the black members of the middle class and petit-bourgeoisie the oppression they face as blacks is primarily a deprivation of bourgeois democratic rights. Thus, it is inevitable that when they move against their oppression it is largely in terms of discrimination and democratic rights. As a slender strata, however, they must always seek to pull into the movement some sections of the black masses. The black masses are not simply discriminated against, they are socially and economically oppressed in a way that the black middle class is not. This is not simply because they are in the working class, but because being forced to the bottom of that class and into mass unemployment is a qualitatively different experience than being held back in the middle class. Thus when the black masses move a depth of social motivation is released that is both massive and volatile -- as the riots of the mid-1960's showed. When the working class sections of the black masses take the lead of those masses, the profound drive of the black masses finds organ-

izational forms and skills and class political sophistication that transforms the movement of black people and, simultaneously, the working class movement. The working class led movement will fight for the democratic rights of black people generally. But it is not simply the struggle for democratic rights that impels black workers to lead that working class movement, it is above all their particular historic social position which gives them, in the context of the US, the dynamic to break through the decades of bourgeois ideology and reformist illusion and practice that characterize the American labor movement, from top to bottom. It is this social position that is the drive behind the dynamic described by C.L.R. James. Let's turn to that dynamic for a moment.

James saw in the Black people of the US a totally unique situation. Unlike Africa or the West Indies, the American blacks were a minority with little hope of nationhood. (The opinion of James and Trotsky on this question are accurately discussed by Landy.) Yet, though a minority they were as fully oppressed as the black slaves of the West Indies or the colonized peoples of Africa. In addition, to an even greater degree than was the case for the Europeans the labor of blacks in the US created a disproportionate amount of the capital that financed the rise of the bourgeoisie. Because they were not a nation, because they were an integral part of the American class structure, and because they were specially oppressed vis a vis the entire social structure the blacks played a leading role in the bourgeois revolution -- the War for Independence, the struggle against slavery, the Civil War, Reconstruction. They were always the left wing of this revolution. That movement was finally crushed. Once outside of slavery, the independent movement of blacks continues, more often than not under the banner of democratic rights, because it is the middle class elements that maintain leadership. Insofar as the masses enter the struggle, however, it goes beyond these. Populism, though not a working class movement, not only put forth democratic demands for blacks -- and poor whites -- but went beyond this into "radical" economic program. Though the history of populism is generally written from the vantage point of the whites, it is true that the black farmers took the lead in fostering this movement and were its left wing. James sees a pattern in American history. Speaking of the late 1940's, James said:

"So that the independent Negro movement that we see today and which we see growing before our eyes -- is nothing strange. It is nothing new. It is something that has always appeared in the American movement at the first sign of social crisis."

Speaking of the period of the rise of the CIO, the first period in which masses of blacks were in the working class, James notes that the black movement must, and has, moved toward the labor movement, and that black workers are now becoming the most aggressive section of the class. James' 1947 document was written before the majority of blacks were working class. But he saw in essence the volatile effect of the black masses, when they went beyond their middle class leaders, whom he regarded as largely "reactionary, reformist types." Today it is a thousand times clearer that the volatile independent movement of blacks will come under the leadership of black workers and, as James predicted, move toward the labor movement and play a leading role in pushing the working class

movement, as a whole, in a revolutionary direction. James saw the dual role of black workers clearly:

"...they act as leaders not only in the labor movement as a whole but in the Negro community. It is what they say that is decisive there. Which is very sad for Henry (Ford). And the Negro petite bourgeois have followed the proletariat. They are now going along with the labor movement: they have left Ford too."

Today, of course, black workers have enormous strength in the most strategic positions of the working class: auto, steel, public employment, etc. Thus, their ability to play this dual leadership role, and to carry out the dynamic described by James is greater than ever. Not only will the fight of black workers for genuine democratic demands of black people be a thousand times more forceful than any fight waged by the middle classes, but the particular social position of black workers leading the black masses makes possible the fusion of the black and working class movements around transitional program and the fight for socialism.

#### STRATEGY

In the context of the analysis we have just sketched, it is possible to establish a correct orientation toward the basic political issues which are debated inside the black movement, among revolutionaries, and which often play a central role in American politics: the issues of white racism, black nationalism and the right to self-determination, "community control", and a program for black self-organization and struggle.

The single most obvious general aspect of American political and social life, running from top to bottom throughout every social class, every geographic region and every institution, is the all-pervasive influence of white racism. What maintains the racist character of American society is not any one single factor, but an entire matrix of causes. Of these, three in particular may be singled out: (i) the development and structure of the economy, already outlined briefly above; (ii) the continued (if not deepening) physical segregation of the races, always to the material disadvantage of black people who suffer the worst conditions of housing, education, etc.; (iii) the two-party capitalist political system in the U.S., which through political allegiance of blacks to the Democratic Party binds them to the most extreme racist forces and prevents their struggles from taking an independent political direction.

The revolutionary socialist program for black liberation is based on the necessity of attacking all these factors together, as interrelated aspects of a unified structure of exploitation and oppression which has its roots ultimately in the class structure of American society. The basic ideas we have raised and continue to champion -- anti-discrimination and special black demands; defense of the black community against racist terror, including support for all struggles for black rights against white resistance in Canarsie, Gage Park, etc.; black self-organization in the community and inside the labor movement; indepen-

dent political action to break from the Democratic Party -- flow from this conception. In addition, we emphasize that the last few years have brought to the forefront, in limited but extremely significant situations, militant black workers leading struggles in heavy industry against murderous working conditions which affect all workers. In certain cases these workers have some experience in either the ghetto rebellions or the revolutionary black workers' organizations which sprang up in their wake. To advance and politically generalize this process, we attach special importance to the educational slogan "Black Workers Take the Lead" -- both in the struggles of the black community and in the working class movement.

The issues of black nationalism and community control derive from the unique character of the black community, as shaped by the history of blacks as a people and by the continuation of white racism in all its forms. As we stated in our 1972 Black Liberation document: "The black ghettos in big American cities are not historically evolved from communities in any traditional sense. They represent a sharp break from them. The Southern Black Belt which once contained the overwhelming majority of blacks was a series of communities in this traditional sense. The migration of this overwhelming majority to urban areas constituted the break from this largely agrarian community, which consisted of semi-peasants and tenants with a thin veneer of miscellaneous petty-bourgeois elements.

The black urban ghettos today constitute a community of a different and highly contradictory nature. On one hand, the ghetto is an atomizing and alienating form of social organization in which many historical so-called "natural" relationships between people and classes do not exist as they did in the traditional community. The absence of traditional relationships gives rise to organizations, frequently authoritarian and built around a charismatic personality, formed to do what family and community did of tradition in the way of services in the old communities. At the same time, the social composition of the ghetto is overwhelmingly proletarian, which creates the possibilities for explosive forms of struggle. Thus we see a community which cannot itself be organized along class lines, but because of its composition contains the potential for responding to a class appeal posed by class organizations.

From there we went on to say: "American society not only denied most bourgeois democratic rights to blacks; discriminated against them, subjugated them, enslaved them, murdered them, etc., but weaved a mythology to justify it. It created an ideology -- a false consciousness -- because terror by itself is always insufficient to maintain oppression. As we stated in "In Defense of Black Power" in 1965:

'Much more important than explicit theories of Negro inferiority has been the conscious and unconscious racism that permeates the lives of whites living in a society built on the stopped backs of black people. Even more tragic, a great many Negroes themselves accepted the racist concept of their own inferiority. Deliberately deprived of their African heritage, virtually denied the history of their own past rebellions, forced into patterns of deference by the

need to survive, forced into the most menial jobs, forced into filthy slums and dirt road shacks, many American Negroes found it easy to accept the myth of their inferiority.

"The barrier against democratic rights, and the physical and ideological commitments, has provided a major touchstone that partially configures the culture and psychology of the American black. It reveals itself whether in accommodation, rebellion, or escape -- it is pervasive. Therefore, when profound mass struggles broke out, it is important to see that they not only fought against the material barriers themselves but emphasized self-worth, self-dignity, self-respect. Further, they emphasized self-organization. If you have been told all your life that you are inferior -- what you do and get are the results of others -- it is inevitable that in rebellion you "do it for yourself" in an attempt to disprove the idea both to yourself and the others.

"This, the "theory of super-exploited section of the working class" cannot and does not account for. By itself it can explain little but as far as it goes it has aspects of reality as does the nationalist theory. Blacks are a super-exploited section of the working class, if not in the most precise sense, in the sense that all blacks, regardless of class, make less money, have less advantages, less chance to upgrade, less chance at education, etc., than do their equivalent white "classmates."

"Not only psychology, but also the objective position of blacks in America creates the basis and the need for self-organization. The racism found in varying degrees in both bourgeois and working class organizations has meant that blacks cannot rely on even progressive organizations to achieve their betterment, without the need to organize themselves. The concentration of blacks in the proletariat (and in its most exploited and insecure sections) combined with discrimination creates a unique position differentiating blacks as a community from whites in general and from their class sisters and brothers in particular, who experience somewhat better conditions combined with greater chances for mobility. Finally, and of particular importance at present, this unique position tends to create a unique consciousness. Remaining a minority, more advanced in consciousness than the bulk of white workers yet open to victimization by them, blacks remain in need of their own organizations, although the need varies and may sometimes be superseded by circumstances."

Out of these circumstances has developed the racial-ethnic group identity and consciousness of black people. This consciousness, because it powerfully contributes to the social militancy and self-confidence of black people, is supported and defended by revolutionary socialists -- even when it conflicts with the liberal conception of "black-white unity," "brotherhood," and "progress," all of which are predicated on maintaining the basic capitalist framework of the racist status quo.

One distinguishable current within the general development of black consciousness is that of black nationalism. This current derived historically from the demand for political separation and independence for black people, raised by various black leaders going back at least to Delaney. Today, despite var-

ous internal contradictions and differentiations, the distinguishing feature of black nationalism is (directly or indirectly) the demand for political and/or territorial separation.

The I.S. supports the right of black people in the U.S. to self-determination -- i.e. political separation -- either now or following the socialist revolution. This position is dictated by the centrality of the race question in American society: if the demand by black people for separation would be retrograde and utopian, it would be a thousand times more retrograde and reactionary for white society to prohibit it. Nor do we exclude as a historic possibility the development of black people into a national entity. We demand the removal of all restrictions on the right of black people to freely choose and shape their own destiny.

Nonetheless, it is our contention that the demand for separation, and the nationalist conception on which it is based, represents false consciousness and a retrograde, utopian direction for the black liberation struggle. It represents, subjective intentions (sometimes) to the contrary, a sharp retreat from the militant struggle for full equality, black rights and the participation of black workers in the class struggle. It is, in practice, repudiated by the actions of the black masses whenever they launch their independent struggles for freedom and equality within this society, to which they rightly consider themselves entitled, not within some new, non-existent separate nation.

To come to grips adequately with the issue of black nationalism requires a clarification of our analysis. What is fundamentally utopian and misleading about the nationalist program is the material reality that black people in the U.S. are not a nation, or a national minority, in any rigorous sense of these terms.

There are, of course, parallels and political analogies which can be made between the black struggle and certain important aspects of national struggles. Similarly, as has been debated within the I.S. in the past, a political analogy can be made between the black struggle and the dynamic of Permanent Revolution. In both cases, the analogies apply especially to the role of the working class, (and of the revolutionary socialists) in the struggle for democracy. Thus we call for black workers to lead the struggles of all black people (paralleling the Permanent Revolution perspective for colonial and semi-colonialized countries) while carrying beyond them to socialist revolution; and we demand that the labor movement support these struggles and special demands of black people (paralleling the Leninist internationalist perspective applied to national liberation struggles). Nonetheless, just as we have rejected the Permanent Revolution viewpoint on black liberation as analytically incorrect, the "nationality" or "national minority" theory of the black struggle is incorrect as well.

Indeed, the reasons are largely the same in each case: what is at stake is in no sense a "bourgeois-democratic revolution for blacks", either to complete the bourgeois revolution in the U.S. or to remove barriers to the free development of a separate black economy. It is here that the utopianism of nationalism, and the

confusion of the "national minority" concept, emerge. What is involved is not a rigid set of categories -- even the fact that black people have no historical territory, while important, is not necessarily decisive -- but rather that no basis exists for creating a separate black economy or bourgeoisie. (This is why, in large part, serious black nationalists who attempt to pose an actual perspective for the black movement find themselves in a schizophrenic position in which they are forced to separate "cultural," "political" and "economic" nationalism into distinct fragments). (NOTE: A separate discussion piece will be written, hopefully before the Convention, on the new features of Jack T.'s black liberation perspective for this Convention, which embodies the "national minority" outlook. The two main new ideas, as opposed to a fleshing out of old ones, are the "right to self-determination strategy" and the "workers' and oppressed people's party". What I will argue is that Jack, while opposed to the separatism of the nationalists, exhibits almost as much confusion as they do, and along similar lines. The W.O.P.P. slogan, if comrades will excuse the term, is politically incomprehensible. The "right to self-determination strategy", as a careful reading will show, has almost nothing to do with the right of self-determination at all! In fact, it is only a "strategy" insofar as it is counterposed to "self-determination").

...Nationalism, occurring at various stages has had an essentially contradictory character.

Black Nationalism, although a false consciousness, had an immense progressive significance when it originally posed itself in counterposition to bourgeois integrationism. As a manifestation of striving for independence and dignity, it has been strongly progressive. But all nationalist programs, whether for separation of or for partial control of some segment of the society, are in essence utopian; therefore nationalism has inherently been politically unstable. In the sense used here, no viable and stable nationalist program is possible (this would change, however, in situations of catastrophe). Therefore, nationalism has transcended itself not in one, but in two directions, corresponding to its contradictory impulses for "a piece of" or on the other hand the rejection of the existing society. One direction is backward, in the negation of nationalist independence through black capitalism schemes which inevitably mean dependence on the white economy and often on specific figures in the white power structure; the other is forward, in the negation of the specifically nationalist (standing alone) elements through the recognition of common interests and the desirability of common struggle (and eventually, alliance or common organization) with white workers. This new consciousness can no longer be called "nationalist" in any strict sense -- starting from nationalism, it goes beyond its postulates.

The issue of "community control", of course, overlaps with nationalism but has its own distinct history and content. A full discussion of this general question is unnecessary here, since it is adequately treated in previous I.S. documents. Our general approach, to re-state briefly, is to support community control demands and struggles -- despite their all too glaring limitations -- wherever and whenever these struggles represent the attempt of the black masses to destroy the racist content and functioning of various institutions (e.g. the

racist education in the schools). We support, for example, genuine black control (in the form of teacher-parent-student control) of schools in the black community, where black children are especially oppressed and exposed to all sorts of open and subtle racist brutalization -- as well as inferior education generally. Such struggles can represent a potential springboard for struggles around quality education with adequate funding as well -- even though no form of community control can actually solve these problems, so that the struggle would have to be transcended and transformed at that point.

Of course, we expose and oppose any "community control" schemes which, as in Newark in 1971, actually represent union-busting political plans. Furthermore, we do not support demands for "community control of police", which represent pure illusion and are equivalent to "community control of the repressive state apparatus". The utopian or even reactionary character of such demands shows the sharp limitations of "community control" as a perspective, although we support and seek to broaden the democratic content of all such demands whenever raised.

Our program for black caucuses in the labor movement, which we energetically advocate, is contained in the labor section of the Tasks and Perspectives document.

In addition to this program for black caucuses in industry, we advance a general program for blacks, both within such caucuses as appropriate, and in our general propaganda. Such a program must address both the conditions of blacks in industry and their condition in the community. It will include:

- I. Full employment
  - a. Jobs for blacks -- jobs for all
  - b. 30 hours' work for 40 hours' pay (sliding scales of wages and hours) -- no layoffs
  - c. Organize the unorganized -- increase minimum wage scales -- no welfare cuts or forced-work schemes
  - d. Open all jobs to blacks -- equal work and equal pay for blacks
- II. Rebuild the cities
  - a. Decent low-cost housing for all -- decent schools for all -- free child care and medical care -- cheap mass transit
  - b. End neighborhood and school segregation
  - c. Finance the rebuilding of the cities through reconversion of the arms economy
- III. For an independent party of the working class
  - a. No support for the Democratic or Republican parties -- black independent political action -- for a workers' program and the formation of a working-class party
  - b. Black workers take the lead to form a working-class party

It will be critical in the politicization of black workers to raise the con-



ception of a working-class party as the vehicle for the fight for the needs of black people. Given the racism of the union bureaucracies, the loose formulation "independent party of the working class" is most capable of conveying both our advocacy of participation by broad layers of the oppressed and our stress on a vanguard role of blacks.

Finally, a special note is required on the issue of special black demands. As stated in previous Convention documents, we support such demands as preferential hiring as legitimate and necessary extensions of the democratic struggle for full equality. In the coming period, other crucial issues will emerge as a recession begins to produce the spectre of (possibly massive) layoffs. In response to this threat, we put forward the transitional demand (in fact, the key to any transitional program) that the effects of the crisis created by capitalist decay not be the burden of the working class. Thus we fight for: no layoffs, 30 for 40, full employment at capitalist expense. At the same time, we put forward the democratic demand that the burden of this crisis, especially insofar as the labor movement fails to take up the struggle against layoffs, must not be allowed to fall on the specially oppressed sectors (blacks, women, etc.). Thus we will raise, when necessary, special protection against layoffs for black workers (and women), if this is needed to guarantee that they will not be forced out of a given industry, or craft, or factory, or department as the case may be.

These demands are raised together, in connection with one another, to champion the needs of the oppressed while fighting for a class-wide program of action. We do not at any time subordinate either of these demands to the other, or allow one to be substituted for the other -- whether by opportunists in the labor movement or by the trade union bureaucracy.

## I. The Nature of the Period

The Economy

The crisis in capitalism is reemerging after 20 years of relative stability. The capitalist world faces increased monetary crises, growing inflation and unemployment that are all symptoms of increased instability. Increased competition raises the threat of trade barriers and trade wars, and a major depression or a third imperialist war cannot be ruled out as the historic contradictions in the capitalist system reappear.

The Permanent Arms Economy, an outgrowth of the war economy, is no longer able to lay the basis for the earlier relative stability. The introduction of the Permanent Arms Economy had the effect of postponing the reemergence of crisis after World War II. During the Cold War period, increased military spending, on a scale as yet unwitnessed in world history, made possible a 20 year period that was one of the highest growth periods in the history of capitalism. The Permanent Arms Economy laid the basis for this growth through increased government spending, enabling the use of productive resources, capital and labor, that would have lain idle without this direct stimulation. The impact of arms spending directly stimulated the capital goods industries and made possible a high rate of profit which laid the basis for continued investment. Moreover, the arms spending by the state meant increased concentration of capital since the large corporations were the only ones that had the technological and capital resources necessary for the development of the arms industries. Because the production was for waste, not for commodities that re-enter the cycle of production, the Permanent Arms Economy was able to increase production without the immediate threat of a crisis of over production.

The impact of the arms spending stimulated the economy in general both in the technological "spin-off" leading to the development of industries not primarily concerned with arms production, and in general on such industries as machine tools, communications and electrical equipment, the airplane industry and other capital goods sectors.

One important effect of the Permanent Arms Economy is that it places a floor under the economy so that the cycle of recession and boom is flattened out. It makes the economy more stable. This is accomplished partly through government purchases which account for one-fourth of wages. The state becomes a prop on demand. Even during a recession, the existence of government programs such as unemployment insurance, social security and welfare payments helps keep demand up. In addition, since military equipment rapidly becomes obsolete, continual investment for the development of new equipment means that the level of production in the capital goods sector remains relatively stable; and the technological sophistication and the intensive international competition in arms leads to fast growth in this sector of the economy.

But the Permanent Arms Economy only postpones the basic contradictions of capitalism, and additionally introduces its own contradictions into the system. Because investment goes into non-productive uses rather than productive ones, a tendency toward stagnation develops. Secondly, when there is an accelerating rate of arms production as in the Korean and Vietnam wars, demand is augmented, particularly through the wages of workers involved in arms production. There is a relative lack of consumer goods which gives rise to rapid inflation. Further, instead of prices falling with rises in productivity, which was typical of capitalism in the 19th century, the giant monopolies and arms economy keep prices at an artificially high level, thus there is the tendency toward permanent inflation. Moreover, since the arms industries become increasingly capital intensive, the ability to use labor resources declines, and the increasing technological specialization has meant that the spin-off to the productive sectors of the economy has also declined, and will continue to do so at a faster rate as military weapons become more sophisticated.

Another problem directly related to the Permanent Arms Economy is the huge tax burden concomitant with high government spending. This tax burden increasingly falls on those least able to pay: the middle classes and the working class, and a tax-payers revolt develops. The increasing tax burden resulting from arms spending means that government spending for social services is either not available, or is an unacceptable added tax burden. This leads directly to the cutback in the social services, which first showed up in the area of education. In addition in order to combat inflation, state spending in these areas is the first to go. The arms economy contributes directly to the decay in the social services.

The dominant role of the US in world capitalism both in industrial and monetary terms has meant that as stagnation begins to develop in the US, the concomitant inflation is exported to other capitalist countries. Today, although the position of US capitalism is still dominant, competition internationally especially from Germany and Japan is a serious problem for the US.

Following World War II the US as the only major capitalist country untouched by the devastation of war, was assured international domination. But the needs of US capitalism meant that the US had to rebuild those economies, both as political protection and to provide markets for its goods. The US as the creditor nation dominated world trade. An unparalleled export boom ensued as American goods went to rebuild these economies. By 1950 Europe was at its pre-war peak and Japan reached this level by 1954. These economies continued to grow rapidly and to spread into neighboring areas. In Europe this laid the basis for the Common Market, and in Asia, Japan began to penetrate the markets of South Korea, Taiwan, and Southeast Asia. While Japan replaced the US in these areas, the Common Market began to compete with the US for the European markets. By the late 1960's Japan and Germany were

massively moving into the world market, and threatening the US in a series of important industries. For Japan these were steel, auto, electronics, opticals, textiles and ship building. Not only did Japan begin to take markets previously controlled by the US, but Japanese and European penetration began to take place on an increasing scale into the US market. This was partly due to the combined and uneven development in these countries which meant that the modern plants and technology rebuilt since 1945 had a higher productivity, and also to the relative lower labor costs in these countries, especially Japan. Thus, Japan, and to a lesser extent, Germany were able to sell their goods at lower prices abroad, including in the US, forcing layoffs and idle productive forces here.

This changing relationship in world capitalism has been reflected in the recurring international monetary crises which have come with increasing frequency since the late 1960's. Since 1950 the US has suffered a balance of payments deficit. This deficit was directly caused by US military expenditures in the form of military bases abroad, high foreign investment and speculative capital outflows. But the deficit was not a serious problem as long as a favorable balance of trade continued. But the Vietnam war generated higher inflation and the resultant trade deficit the US experienced in August 1971 for the first time in 70 years meant that the problems of the US economy could no longer be taken calmly. US goods were priced too high and had become non-competitive. The US was less able to compete with the growing efficiency of German and Japanese capitalism. This trade deficit will continue to grow sporadically.

In December 1971 the changes that had taken place described above resulted in a monetary crisis directly in response to the relative decline of US capitalism and the stability of the dollar. The Smithsonian Agreement made at that time formalized the abolition of the exchangeability of the dollar for gold. (This exchangeability was abolished in August 1971 with the beginning of the New Economic Policy.) The dollar became more central to the world monetary system. The Agreement also set up fixed exchange rates between currencies which were to vary only within a narrow range and devalued the dollar in order to raise US competitive position by lowering the prices of US exports and raising the prices of imported goods. But the high rate of inflation in the US at the beginning of 1973 further eroded the value of the dollar. This was exacerbated by international speculation, a continued trade deficit, and the weakening of wage controls in Phase III of the New Economic Policy. Those holding the seventy billion dollars in foreign banks, multinational corporations and government treasuries rushed to transfer the dollars into other currencies that were more stable. This speculation further reduced the value of the dollar, which meant that the official exchange rates had to be brought into line with the new reality. The dollar was then further

devalued at fixed rates against the European currencies, while the rate of the yen was left unsettled with a joint float of the major European currencies. The yen would then tend to rise in relation to the dollar more than the European currencies. These floating rates are inherently unstable and only exacerbate the problems. Speculation between gold and the dollar continues to be a serious problem for international monetary stability. Devaluation of the dollar also has the effect of increasing inflation in the US by allowing the domestic corporations to raise their prices while still remaining competitive with prices of imports which become more expensive due to devaluation.

The effects of the dollar devaluation has been to place the US capitalists in a better competitive position. But it is only a matter of time before the German and Japanese capitalists will no longer allow the US to push its problems off onto them, and instead will demand that the US capitalist come to grips with their own working class. The fact that the "economic miracles" of the German and Japanese capitalists are coming to an end, means that this will not be long in coming.

Thus while the devaluation will temporarily put US capitalism in an improved competitive position, the fact that the dollar is the reserve currency of the world, together with the fact that it is much less attractive to hold because of the possibility of future devaluations related to rising inflation, leads to increased uncertainty. On the one hand American goods are less attractive because of the high prices, and on the other hand, the American dollar is no longer stable and the possibility of further devaluations exists. Thus, these dollars continue to float abroad leading to increased speculation, and to further shifts in the real exchange rates. This floating currency threatens to slow down world trade through these uncertainties, and regularly threatens to disrupt it. An expansion of trade is a must for healthy capitalism. Serious disruptions of trade brought on by a severe international monetary crisis could lead to a world depression.

Competition is not only on the increase within the advanced capitalist world. The detent that ended a decade of cold war when the threat of nuclear war hung menacingly over the world is changing in nature. The alliances between the capitalist countries and the Bureaucratic Communist countries are in a state of flux; the new detente between the US and China is an example of this.

In the Middle East, war threatens again to embroil the major powers. The Soviet Union, already in economic crisis demonstrated most clearly by the severe agricultural problems, continues to penetrate into Libya, Egypt and Yemen, while China is involved in South Yemen. The US is involved in Saudi Arabia and Kuwait, not to mention Israel. The Middle East is of important strategic significance because of the waterways and oil. Oil especially is becoming more important as witnessed by the developing energy shortages.



These circumstances do not herald the immediate collapse of the capitalist system. It is not the end of capitalist expansion. We are not faced yet with the absolute stagnation such as existed in the inter-war period, but with slower and increasingly fitful expansion. It is a period in which the stability of the system will be increasingly harder to maintain, in which the parameters of the system are closing, in which the tendency toward stagnation increases, but in which there is still room for the capitalist classes to maneuver, in which absolute growth continues to take place. Gains or reforms can still be won, especially by the politically most important, best organized sectors of the working class. Nonetheless, it is becoming increasingly difficult to win real gains by bureaucratic or class collaborationist means. Those gains already won will be harder to maintain.

Because the parameters of the system are narrowing, and the contradictions are being heightened, the situation is one in which the tendencies towards trade wars and the breakdown of the international monetary system are being increased. Such events as these would herald a new world-wide depression. As the crises continues, these tendencies will be strengthened, increasingly the likelihood of a new depression.

#### World Capitalist Economy: the Course of Destabilization

##### THE PRESENT COURSE OF DESTABILIZATION

For some time now the IS has pointed to the growing destabilization outlined in the analysis above. On the basis of our analysis of the permanent arms economy, the 1972 Tasks and Perspectives document of the IS concluded:

"The outlook for the present period is for a much slower rate of growth and higher levels of unemployment than in the past decade -- a period of slow stagnation punctuated by a series of crises and recoveries. The low average rate of profit prevents any significant upturn, and the arms economy at its present level ~~possibly~~ higher can prevent a cataclysm."

The picture is one of uneven decline, but without the possibility of "significant upturns." Yet, even before that document passed the July, 1972 convention, the world economy was entering, by all accounts, a very significant upturn. The growing rates in industrial production and GNP, in 1972-1973, have been spectacular in nearly all the advanced industrial nations. Unemployment has dropped dramatically in Europe and Japan and significantly in the U.S., Canada and Britain. For the first time in memory the U.S. economy is operating at near capacity. Similarly, the rate of investment throughout the industrial nations is high. The recovery of late 1971, turned into the galloping boom of 1972-73, on a world scale. While, it is obvious that we can't exclude significant upturns anymore, the real question is whether or not the current boom undermines the past analysis of the I.S., i.e., the analysis that world capitalism is in a period of destabilization and growing crisis.

First of all, the present boom bears many of the characteristics of the crisis as generally described by the I.S. That is, while growth rates are up and unemployment down, inflation is even worse than before; the monetary system continues to

need regular, unwelcomed adjustment; and whatever capital is generated is not sufficient to even dent the decline of social and public services around the world. Most important, however, because it originates in the system of production itself and not simply on the market, is the seemingly uncontrollable inflation. By the first Quarter of 1973, inflation had reached record proportions in practically every industrial capitalist nation, except the U.S. In Europe and the U.S., government officials and business leaders have begun to express alarm about the boom-caused inflation. Tentative steps have been taken both here and abroad to slow down the boom. Given the possible failure of government action, particularly in the U.S. -- due to Nixon's paralysis over Watergate, a recession is widely expected for some time in 1974 in the U.S. This would, of course, set off a world-wide decline of one degree or another. Most leaders of the capitalist world are afraid, in other words, that rampant inflation will eat their boom alive.

From our analysis of the destabilization and of the effects of the arms economy generally, it would follow that certain conditions could produce a temporary boom. These would have been an expansion of productivity sufficient to raise profit rates; some subsidy of investment through an increase in arms spending; a resulting increase of production in the capital-producing sphere (full capacity production of the current variety is very unlikely on the basis of consumer goods production alone). The international capitalist class, of course, has been aware of its own crisis in productivity for some time. In most industrial countries they have attempted to improve labor productivity through various forms of work re-organization, speedup, etc. Labor productivity is generally more efficient in Japan and Europe than in the U.S. Any breakthrough in the situation caused by productivity increases would have to originate in the U.S. This, in fact, happened in 1971. A rather dramatic increase in productivity in 1971, did not produce a large increase in production, but in profits. Production of materials and equipment, i.e., capital goods, had been down in 1970 and did not rise at all in 1971, but profits reached the highest level in years in 1971. These profits laid the basis for the rapid expansion, particularly in capital goods, in 1972-73. They were produced not by technological improvements, to any significant extent, but by the speed-up and longer work hours. Unit labor costs fell dramatically in 1971, unit profits rose dramatically. Nixon, added fuel to the recovery by significantly expanding arms expenditure in 1972 at the close of the war. The arms increase seems to have been in the heavy production sphere. Further, by actually holding down inflation during 1972, he gave U.S. business a breathing space on the world market. Re-evaluations adversely effect the U.S. but the relatively slower inflation rate in the U.S. than in Europe or Japan for 1972, opened opportunities for U.S. producers. In spite of competition, the international nature of the economy meant that the U.S. recovery helped to generate a similar recovery in Europe and Japan. By mid-1973 most industrial capitalist economies are running at full heat, with inflation gone mad.

In general, while the prediction made in the 1972 T & P document was somewhat off, the analysis of the destabilization of the world capitalist economy remains valid. What needs adjusting is the general description of the period, in economic terms. Rather than one of slow stagnation punctuated by minor ups and downs, it is likely that the world economy will see a constant short-term repeating cycle of booms and recessions. The likelihood of spectacular booms is not great, however,



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that the coming recession will be used to rationalize considerable inefficient capital and that, as bourgeois economists are already predicting, the recession of 1974-1975, will be followed by a recovery of 1975-1976.

This new "business cycle" reflects two facts. First, it is increasingly the government that attempts to induce booms and recessions. That is, the economy now requires constant attention, rather than episodic intervention. But the tools at hand are still rather crude, at least in most capitalist countries. This means "push-pull" tactics in an attempt to keep things on a smooth course. Rather than a smooth course, however, "pushes" tend to get out of control before the "pull" can work, and *vis-versa*. In effect, the capitalists and their governments are simply trying to solve the various instabilities now emergent in world capitalism by playing one contradiction off against another. From a solely economic standpoint, they can go on doing this for some time. Secondly, the period of obsolescence of new capital is much shorter than in the past. Thus, the continuing period of destabilization will be characterized by short-term cycles in production and employment, continuing inflation of varying degrees, and expanding and increasingly ruthless state intervention in the economy and labor relations.

The period of the next year or two is far easier to predict. The boom of 1972-1973 has probably already peaked, and a decline will begin to show in some sectors of the US economy sometime in the fall. Cutbacks on government spending, hikes in the prime interest rates and federal discount rates are the latest attempts to cool off the boom but will not forestall a recession. A recession, therefore, can be expected for 1974, probably lasting through most of 1975. All of this will occur first in the US but will inevitably spread throughout the advanced capitalist world. The degree of the recession will depend in some measure on arms spending and to a lesser degree on the success of current attempts to exploit "new" markets such as Russia and China. While we do not expect this recession to reach depression conditions, unemployment will be significantly greater, starting from a base this time of five percent. Furthermore, contrary to the hopes of the capitalist planners, the recession is not likely to reduce inflation by much.

Indeed, inflation has gotten worse with each new phase in Nixon's control program. Phase 4 will do little to reverse that trend, especially given that there are virtually no controls at all on food prices. Some analysts now expect inflation to get worse in the US than in Europe. The coming recession, while it might slow the rise in prices, allowing Nixon to remove all controls will continue to be necessary in the future. In any event, the productivity drive against the working class will continue in one form or another, with or without official controls.

Moreover, it is becoming increasingly clear who is to blame for inflation, as the rise in wages does not even begin to approach the recent rise in prices. As the working class begins to fight back to defend their interests, the threat of state intervention into collective bargaining will be increased in order to force the labor bureaucracy to discipline the work force so that the capitalist class can raise the rate of exploitation.



The Contours of NEP

The contours of NEP fit the crisis well. Markets were to be protected from foreign competition, capital investment encouraged by a 10% tax credit, the rate of inflation slowed down (but not frozen), and wages tied to productivity. The ratio of capital, labor costs and profits was to be changed, in fact, reversed. Those, like George Meany, who accepted the essentials of NEP but demanded controls on profits to make things "equitable" either do not understand, or are lying about their understanding of, the real purpose of NEP. Secretary of the Treasury Connally replied to Meany that controls on profits were "not practical." Nixon went even farther and said that profits shouldn't be controlled because it was growing profits that would expand production and create more jobs. Whether or not it will create jobs in the long run, it is true that profits are required to expand production. That is capitalism! That is what planning, wage controls and NEP are all about. Mild restraints on dividend payments could be allowed because they actually encourage investment by forcing the retention of dividends as internal profits. The Democrats who sponsored the Economic Stabilization Act of 1970, which is the legislative basis of NEP, also understood this. The Act stated that the President was to have the authority to "issue such orders as he may deem appropriate to stabilize prices, rents, wages and salaries." Profits were purposefully and conspicuously excluded.

In the bourgeois press and no doubt in the minds of most workers, NEP was seen simply as "wage-price controls." It is in fact, more than this even in its purely domestic aspects. Even as "wage-price controls", however, the class bias of NEP is apparent. Phase III was the give-away in this regard, when prices began to rise faster than at any time in recent history. Even the mass outrage of working and middle class consumers, as expressed in the meat boycott, could wring little more than remedial action from Nixon. Basically, wage-price controls are always wage controls. This was the experience under the War Labor Board and Price Commission during World War II. Prices were allowed to increase faster than wages. From January, 1941 to September, 1945, basic wage rates increased 24% (most of this before controls in 1942.) During the same period prices rose 33%. The actual increase in average weekly earnings was 49.9%, but most of this was due to the enormous amount of overtime worked during the war and the increase in piece-rate work. A similar pattern emerged in NEP as a whole.

The average wage settlement in 1972 was well below that of 1971. The Pay Board began cutting back settlements in January, 1972. The drop for first year increases was from an average of 11.6% in 1971 to 7.2% in 1972, in private industry. For the entire life of the contract, the annual increase fell from 8.1% in 1971 to 6.6% in 1972. Prices rose 3.5% in 1972, but by the first quarter of 1973, consumer prices were rising at an adjusted annual rate of 9.6%, indicating a pattern similar to WW II.

As during WW II real income moved ahead of prices, at least in 1972. According to the 1973 Economic Report of the President, real average spendable weekly earnings

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(adjusted for taxes and inflation) grew by 4.1% in 1972. But in the same year, manufacturing workers worked an average of nearly one hour longer than in 1971 (.3 hours) Almost all of this was overtime (.7 hours), at time and a half. This means that for manufacturing workers, and undoubtedly for others as well, a large part of the increase in weekly earnings (over half in fact, i.e., 2.4% out of 4.1%) was due to nothing but working overtime.

The fact that NEP is essentially a system of wage controls and productivity bargaining is further revealed by the actual movement of wages under NEP's various Phases. The year before NEP saw an adjusted annual rate of increase in wages (including second and third year increases under existing contracts) of 6.9%. Under Phase I this adjusted annual rate dropped to 3.1%--most of which must have been increases under existing contracts) of 6.9%. Under Phase I this adjusted annual rate dropped to 3.1%--most of which must have been increases for exempted jobs and industries. In the first three months of Phase II, known as the "bulge", wage increase shot up 9.5% (at the adjusted annual rate). This was due to the settlement of several major disputes which were regarded as the end of the last, pro-NEP, bargaining round. This included the east and west coast longshore settlements, the miners' settlement and, as a result of a court suit, the aerospace settlement. These were, however, the last contracts allowed with increases in the 10-15% area. Even here the increases allowed were justified by major concessions on productivity and working conditions by the unions. The Pay Board only began rejecting and modifying contracts in January, 1972. From February, to December, 1972, the adjusted annual increase rate for wages fell to 5.6%, i.e., nearly to the Cost of Living Council's 5.5% guidelines. Thus, even a large portion of the average increase in real wages for 1972 (the 4.1%) was due to atypical settlements made in January.

Equally important under NEP as the question of wages in productivity. As already noted, it is productivity that is the central problem in the current crisis of world capitalism. It is low productivity of labor that allows the rate of profit to fall, in spite of attempts to off-set that decline by such methods as the arms budget. Productivity rates and profit rates declined together from 1966 to 1970. Naturally, by tying wages to productivity the government hoped to encourage the acceptance of speedup by the workers. Additionally, the Productivity Council set up by Nixon in 1970 and beefed-up under Phase II, was set to work on publicity campaigns to convince workers to work harder. But the cutting edge of the government's side of the productivity drive is the use of wage controls to weaken the incentive to strike.

For several years before NEP, workers in various industries have been able to use national contract strikes, or even strike threats, to back up local resistance to speedup and deteriorating working conditions. The bureaucracy of the unions have consistently refused to fight speedup either through the use of the national contract or by direct action. But in a period of intense inflation, and, therefore, enormous pressures to strike for wages, they were often forced to lead strikes. Workers were able to use contract expirations and strikes as a focus around which to hold the line on local working conditions. They did this in many ways, of which contract rejections and wildcats following the "official" strike are well-known examples. With rigid wage controls and, in effect, the statement by the government

that even if you force the company to grant a sizable increase we will reverse it, much of the incentive to strike is removed, even for the ranks. Given already stiff employer resistance, it was clear that as far as strikes went the government would back the employers. Finally, it was becoming clear that wildcats, particularly isolated ones were not getting results, since the union leaders had the final say over the contract or local settlement and could in the end usually have their way. Thus, with NEP, it appeared that the chances of winning anything by striking were even more uncertain than before. In fact, strike activity in 1972 dropped to the lowest level in over a decade.

The impact of NEP and the employer productivity drive of 1971 were immediate and spectacular. They produced not only a "recovery," but a reversal in the relationship of wages to profits. Unit profit increases leapt up, while unit labor cost increases dropped. That is what NEP is all about!

This phenomenon laid the basis for expanded production, employment and, above all, profits in 1972. While profits had stagnated or even fallen through 1970, in 1971 after-tax profits rose from \$40.2 Billion to \$45.9 Billion, a 14% jump. In 1972, they rose to \$53.1 Billion, that is, by nearly 16%. As we have seen, the increase in wage rates decreased in this period, while productivity rose abruptly. All of this is to say that the "recovery" was financed from the sweat and paychecks of the working class.

It is worth noting that the expanded employment and lower unemployment rates produced by the "recovery" are of a very particular kind. The number of employed workers rose for all racial, sexual and age groups, and the unemployment rate fell for all. But the number of unemployed workers actually rose for blacks, women and youth in 1970. The only group which experienced a drop in the number of unemployed was white males. So far as employment in manufacturing goes, the 1971-1972 recovery did not even make up one-third of the jobs lost in 1970. As the point of NEP is to expand profits and production with the minimum amount of labor, the future looks bleak for black, latin and women workers, in the long run. The profits now being made are destined for technological improvements meant to replace labor.

Employment has grown and unemployment dropped for all groups, though blacks and women still have the highest unemployment rates, of course. What most characterized Phase III, however, was the reappearance of rampant inflation. Prices rose at the highest rate in a decade during Phase III. This inflation threatened the relative gains made by the U.S. on the world market under Phases I and II, and also threatened to hasten the coming recession. Thus Nixon surprised many by pulling a price freeze in the middle of the Watergate scandal. Interestingly, Nixon did not freeze wages. He stated that, at that time, wages were not responsible for the inflation, and he was correct about that. What he didn't say, but was certainly counting on, was that the labor bureaucracy was expected to hold the up-coming settlements to the 6 to 8% level--a level that has been acceptable to Nixon for some time, even though the formal 5.5% limit remained in effect.

Clearly, Nixon had good reason to believe that the labor leaders would come through for him. The bureaucracies of most unions are pushing 6% settlements. Settlements closer to 8% will be heralded as great victories, but in fact will barely keep wages at par with prices. Phase 4 has continued the current wage guidelines of 5.5%. After all, why tamper with a good thing.

In terms of the class struggle, N.E.P. to date must be regarded as a victory for capital against labor. Until April, 1973, the employers and the government had the complete cooperation of the labor bureaucracy and the relatively passive acceptance of the workers themselves. Indeed, the 1973, Economic Report of the President, reported that contrary to their expectations of rank and file resistance, 1972 had been "a year of unusual industrial peace." The first quarter of 1973 appeared quite similar. More importantly, for the ruling class, however, was that they had achieved their major economic goals; i.e., holding down of wages, speeding up of productivity increases, the growth of profits, and the advancement of investment in capital equipment. The only goal that was not achieved, of course, was price stabilization. Even here, however, Phases I & II provided a temporary slowing of inflation which was enough to encourage investment. Phase III represented the destabilizing of N.E.P. both in that prices ran away and that rank and file resistance reemerged. In the spring of 1973, the workers opposition to N.E.P. commenced, first in the Rubber wildcats and strikes then in local walkouts in auto. This indicated that the industrial workers had regained some of the confidence they seemed to have lost with the advent of NEP and that rank and file leaders had emerged once again. Before discussing the possibilities of rank and file action in the immediate future, we need to examine the state of the labor movement as a whole, as it emerged from Phases I & II,

## PART II

### The Political Effects of Destabilization

The destabilization of the world capitalist economy, accompanied by stagnation in the Stalinist countries, has of course shaken the stability of class relations throughout the world. Both capitalist and Stalinist industrial countries have seen significant mass upheavals. Even in large areas of the "Third World" the years of peasant revolt have given way to working class action, though this has seldom taken an independent proletarian course yet. While the mass strike movements in Europe represent a clearer step toward the revival of a working class revolutionary consciousness, the events in countries like Bolivia, Quebec, Chile and even Argentina represent the potential for working class intervention toward the road of permanent revolution in the less developed, or colonial, nations.

The post war boom was experienced unevenly in the underdeveloped 3rd world. In some countries stagnation was reinforced by the decline of raw commodities in relationship to industrial goods on the world market, locking these countries into poverty. In other countries foreign capital developed labor intensive industries to exploit the low wage market, producing relatively rapid growth in places like South Korea, Taiwan, and Brazil. In the latter countries new and fresh divisions

of the international working class were created. These workers in the best of times live on the margins of extreme poverty with incredible rates of exploitation and unemployment.

The instability and crisis of world capitalism will hit these countries, and their working classes, with added ferocity and brutality. When the current boom in world commodity prices breaks, we can expect to see renewed crisis and class struggles in many 3rd world countries. The growth of the working class, both numerically and strategically, in these countries will once again open the perspectives of permanent revolution. Brazil, South Korea, Argentina, and black South Africa may prove to be the weak links in the world capitalist chain as they feel the fluctuations of destabilization even more sharply than the advanced industrial countries which still have accumulated layers of fat.

In general, the bourgeoisie and their military-bureaucratic allies in these countries have not and are not capable of carrying through an agrarian revolution. They are too tied to the old landlord classes, and too fearful of the mass upheaval from below that is required to carry through the agrarian revolution. Such a revolution is the only basis which can allow for the internal development of these countries free from the neo-imperialist yoke. It is the working class which still must carry these tasks through as they have not been accomplished when formal political independence was gained. The working class can take the lead of the peasantry and the nation by carrying through the agrarian revolution and free the country from the exploitation of foreign capital.

The heart of new developments, however, is centered in the advanced industrial nations of Europe, North America and Japan. Not only are economic developments in these countries determinant for the rest of the world, but it is here that instability in class relationships must develop to open up the perspective of world revolution.

The end of the post war boom and the destabilization affects the entire international capitalist system. While it is felt unevenly in different capitalist countries, in general it has opened up internationally a period of class struggle more intense than that of the last quarter of a century. In every country the capitalists' attempt to improve their position vis-a vis their own working classes is the prerequisite to compete with other national capitals on the world market.

The period of more intense class struggle finds the working class unprepared organizationally. Its unions are bureaucratized, its traditional parties, the social democratic and Stalinist parties, who long ago abandoned and betrayed any revolutionary socialist perspective, are increasingly unwilling and incapable of even a militant reformist fight within capitalism. As a result, starting with the May '68 French general strike, there has grown up a layer of workers, who today are numbered in the tens of thousands, to the left of the social democratic and Stalinist parties. For the first time the hold that these counter-revolutionary parties have on the working class has been shaken for a significant, if minority layer.

This layer, sympathetic to the cause of socialist revolution, provides the objective basis for the formation of independent revolutionary parties in France, Italy, Britain, Chile and a few other countries. If properly grasped by the revolutionary Marxists, it opens the perspectives for the development of revolutionary parties for the first time since the Stalinist counter-revolution destroyed the revolutionary communist parties of the 1920's.

The openness of these workers to the revolutionary socialist alternative can only be actualized if the revolutionary Marxists learn to overcome the propaganda circle milieu and sectarian mentality created by decades of counter-revolution and isolation from mass working class struggle, and are capable of organizing a credible revolutionary alternative firmly based in the working class and its struggles as its revolutionary vanguard.

In general this is being achieved through independent revolutionary groups, and not through entry. While the revolutionary Marxist may once again have to use the tactic of entry into reformist or centrist parties, in general this is no longer a long term strategy. The developing revolutionary parties are today being created by previously independent propaganda groups, and not through splits in mass organization given the atrophy of participation in the traditional working class parties.

The fact that the traditional SPs and CPs are increasingly unwilling to launch militant struggles for the daily needs of the working class gives the revolutionaries enormous possibility to prove in practice the superiority of the revolutionaries, their methods of struggle, devotion to the working class, and political program.

The process of course remains highly uneven. The loss of authority of the SPs and CPs, while no where complete, their failure to lead, even poorly when coupled with the still small size of the revolutionary groups has meant that renewed class struggle has still not found a political channel (except episodically in explosions). Without political expression, the workers struggle and consciousness develops very slowly indeed. On the other hand it also sends small layers of workers quickly over to the revolutionary movement without any way stations in the SPs or CPs. It also means that increasingly the trade union are, however bureaucratized, and conservatized, the only organized instruments of workers struggles, even though for limited aims.

In this sense the development of revolutionary organization in Europe, although more advanced than in the US, is not all that dissimilar. The revolutionaries today are being tested, and will develop revolutionary parties, primarily through the leadership that they are capable of providing in the existing class struggle.

The destabilization of class relationships flows from both the problems of the world economy and even more particularly, from the measures taken by the ruling classes to alleviate or counter-act these problems. In particular the universal growth of direct state intervention in labor relations is an attempt to increase productivity and hold down wage increases. World inflation, for the past several years, sparked an international offensive by the working class to regain real wages lost to price increases. The politically explosive events of France in 1968 and



Italy in 1969-70 were both preceded by widespread strike waves, beginning around 1967, for higher wages. In virtually every nation, economic strike waves have become a major political issue. This is certainly the case throughout Europe and in the U.S. and Canada. Already, in some cases, the political nature of these strike waves have produced political crises, in particular in France, Italy, and Quebec. While this is not yet a general phenomenon, it does point to what the future holds in store. For the present, it is an indication of a relative loss of confidence on the part of the capitalist classes of most industrial nations, and a growth in the combativity of the world proletariat.

The decline of self-confidence among political elements of the ruling class proceeds from the increasing difficulty in adjusting, let alone repairing, important aspects of the business system, above all the world monetary system; their inability, in most countries, to gain the cooperation of the rank and file of labor for their economic programs; and the general defeat faced by European and American imperialism in the past several years. As was pointed out in the 1972 T & P, this relative lack of confidence expresses itself in the U.S. by the lackluster character of liberalism today. In Britain it can be seen by the defeat of the Labour Party, the inability of the Labour Party to defeat entrance to the Common Market, and by the inability of the Tories to prevent the dislocations produced by entry.

In general, the program of reforming capitalism grows less tenable for the capitalists. With the sole exception of the U.S., the capitalist rulers of the industrial nations were not able to restrain the workers' fight for higher wages.

While these confrontations, in the past couple of years and recently, have not generally turned to open political battles, they have been small defeats for the capitalists. Only this year were the capitalists able to win partial victories in the recent bargaining rounds in Britain, Italy and Denmark. Finally, the almost universal tradition among the capitalist ruling classes about the current production boom indicates a genuine loss of confidence in their own ability to control things.

At the same time, this loss of confidence is a relative one, not an absolute one. Pompidou, pale reflection of De Gaulle that he is, was able to defeat the CP-SP electoral coalition. The government of Italy changed after the 1970 mass strike, but it remained a government not significantly effected by the "working class" parties--much less by the working class. In general, the ruling class is not yet so worried that it is turning to drastic solutions: e.g., Bonapartism or Fascism. The growing intervention of the state is on the basis of the wishes and program of the industrial and financial bourgeoisie, not over and above its desires.

In response to destabilization and the policies of the ruling class, the working class of the advanced industrial countries has continued to fight aggressively. Only in the U.S. was the government able to restrain, temporarily, the activity of the workers in defense of their living standards. In Europe and Japan, the workers have broken most wage restraints and managed, by militant struggle, to keep wages ahead of prices. A brief period of retreat in Europe in the early Spring has been followed by more aggressive action by the workers following continued inflation.

To accomplish even this, however, strikes have often had to be massive actions by large sections of the class. In most cases, however, the strike movements of recent times have not been political in character. Further, although generally partial victories in which the traditional leadership has been forced into action, these strike movements have shown that the reformist and Stalinist leaders still have hegemony.

The period of the post-war boom laid the material basis for a reformist consciousness among the workers of the industrial nations. This consciousness has been deeply engrained and scarcely challenged for a generation on a world scale. This meant that for over twenty years, the masses of workers, even the most politically active, followed reformist leaderships, not simply because they were deceived, but because they came to share many of the reformist assumptions of those leaders.

The current response to the destabilization of capitalism reflects how deep this consciousness is. The world economy has, itself, undermined to a growing degree the material basis of this consciousness and forced a militant response by the workers of almost all nations. At the same time, the workers even though more militant and aggressive, continue to follow their reformist leaders and to share many of their assumptions. Thus, even in an upheaval such as France of 1968, the mass of workers continued to follow their traditional leaders. The persistence of this consciousness means that the problem facing revolutionaries is not, as in the days of the early Comintern, a crisis of revolutionary leadership. The workers are not now revolutionary in sentiment. Today's is a crisis in the consciousness of the world working class. The period of destabilization has produced

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however, growing numbers of workers who have moved to the left of the CPs and SPs. To a lesser degree, numbers of these workers have even moved toward various revolutionary organizations. The development of this, as yet small, but still significant layer of revolutionary workers in Europe, Japan, and Canada (at least Quebec) signifies, for us, the end of political stability and the beginning of the decline of reformist consciousness. The revolutionaries, and advanced militants, must intervene in struggles in such a way as to raise that consciousness so that a break with reformist leaders will become possible on a large scale.

The 1972 T&P defined this period as one "entering a pre-revolutionary period". By itself this formulation is too vague. What must be said is that this is a period of destabilization moving toward a pre-revolutionary period in so far as the reformist consciousness of the most militant layers of the working class, on a world scale, is transcended through mass upheaval on a general scale; and in so far as this is reflected in the development of an organized revolutionary leadership, firmly rooted in the working class and capable of contending for leadership of the class against the social-democracy, bourgeois reformist parties, and Stalinist parties.

By "organized revolutionary leadership" we mean, simply, revolutionary workers' organizations on a scale significantly larger than the political sects and groupings now on the left wing of the labor movement. The period to come is pre-revolutionary, as opposed to revolutionary, because we do not expect the revolutionary layers of the class to be massive enough to pose situations of dual power. To put it another way, the subjective desire for the conquest of power among masses of workers will be prepared by a pre-revolutionary period of general (which does not mean constant, or universal) mass upheaval. Today is not a pre-revolutionary period because the mass-upheaval, depth of political instability, and level of workers' revolutionary organization that would characterize such a period is, as yet, lacking.

Nonetheless, the destabilization is the process that lays the basis for the development of such a pre-revolutionary period. When that will happen, how fast, these are questions that can hardly be predicted with accuracy. What we are certain of, and what informs the tasks of this period, is that it will happen, i.e., that a longterm stallization of the system is very unlikely.

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U.S. Politics

The reemergence of crisis in the capitalist system has begun to effect political developments in the US. The weakening of US world hegemony, the changing face of liberalism reflected in the shifting constituencies of the Democratic and Republican Parties and the growing strength of conservatism and the right are some of these important developments. There is a growing convergence in American politics as possible solutions to the problems narrow. The increasingly dominant role of the state will further remove the government from the people. But while recent events have shaken the stability and confidence of the government, its ability to rule and control society are still clear.

At the same time, the clear destabilization of the economy has produced changes in the mood of the ruling class. While currently in the height of a two year boom, many leading spokespeople for the bourgeoisie have predicted the recession that is clearly coming. Much of the capitalist class has made clear its agreement with these fears by their actions in regard to production. This pessimism has been further increased by the lack of confidence in the Nixon regime on the part of an increasingly larger section of the bourgeoisie, generated by the total inability of the government to intervene effectively in the economy.

The failure of the old liberal ideology of the 50's and 60's can be seen in changes in both foreign and domestic policy. American foreign policy which aimed at furthering US imperialism through limited wars against national liberation movements has collapsed with the US defeat in Vietnam. This defeat signaled to the world, ally and enemy alike, that US imperialism is not all powerful. The costly defeat politically and economically has led to a breakdown of military alliances the US set up in the early years of the Cold War to "contain Communism." France withdrew from NATO, and the US is no longer interested in maintaining SEATO because of the recent rapprochement with China. The ability of the US to intervene here, pull back there, etc. has been greatly weakened. No longer is the American empire viewed as invincible, and this together with rising competition within advanced capitalism has brought to the fore again the centrifugal tendencies of world capitalism and the rise of nationalism.

At home the social movements of the 60's exposed the bankruptcy of the old liberalism. As these movements moved to the left and began to demand changes that were incompatible with the system, most of the representatives of this liberalism moved to the right. The liberal ideology of the 50's and 60's has been transformed. While the liberals of this period are now conservative, or corporate liberals, a new generation of liberals has come into being. The dividing line in this change was the reaction to the Vietnam war and the student and radical movements of the late 60's. These were the watershed mark in the changes in liberal ideology. The old bastions of liberalism such as the Americans for Democratic Action, the Democratic Clubs of California went into a state of demise, while individuals such as Hubert Humphery, Hugh Scott, and Daniel P. Moynihan have moved to the right. At the same time others have taken up the banner of liberalism. This new generation of liberals tend to think of themselves as radicals -- but they are tied to the system.

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Their politics are the politics of consumerism, ecology and peace, but their program is middle class. Ralph Nadar best represents these new liberals. His program is basically to solve the problems of capitalism with more capitalism, i.e. to remove government regulations to allow for more competition. This new liberalism has some adherents and appeal inside the working class.

At the same time, the right oriented racist ideology of George Wallace has put forward solutions to the problems of the society, and also has appeal inside the working class. In the primaries in the summer of 1972, before an attempted assassination put him out of commission, Wallace received the support of significant sections of the working class, including support from the Catholic, eastern European ethnic groups in the midwest. The appeal of this ideology inside the working class reflects the contradictory consciousness of workers and their alienation from the established parties and cynicism about the possibilities of change. It also reflects racism within the working class.

The growth of support for Wallace also indicates the growing self-confidence and credibility of the right. The failure of established liberalism and the growing awareness of instability today make real the possibility of even more dangerous developments of the right. This right wing will gain credibility as long as the working class is not able to politically pose as a pole of attraction in the emerging crisis.

These shifts and developments in American politics are reflected in the changing constituencies of the two political parties. For the Democratic Party this is most clearly seen in recent shifts in the traditional base of the Party: the old liberal-labor-black coalition. This is seen most clearly in the changes in liberalism itself and the response of the labor bureaucracy to these changes. The two wings of liberal ideology, i.e. the corporate liberals who see the stratification of the economy as progressive, who oppose mass action because of the threat to stability it represents, and whose methodology is permeation; and the new liberals who are anti-labor, sympathetic to welfare rights and the struggles of the specially oppressed, but who advocate pressure group tactics and legislative reform within the system to solve the problems, form the two competing political poles in the Democratic Party today. The southern conservative, racist pole in the Party has been weakened by Republican inroads into that geographical base of the Party.

The capture of the Democratic Party last fall by the new liberals in the person of George McGovern represented its rise to power and the disenchantment with corporate liberalism by some sections of the society. McGovern tried to reform the Party by changing laws, and the New Politics forces took over the Party machinery driving out the AFL-CIO bureaucracy. This development led to a split in the bureaucracy, one of the traditional mainstays of the Democratic Party. The AFL-CIO refused to endorse McGovern and remained technically neutral, allowing for unofficial support to Nixon, and the IUT and Building Trades unions supported Nixon and the Republican Party. Liberal bureaucrats on the other hand like Woodcock (UAW), and Wurf (AFSCME) supported McGovern. The fact that many of the rank and file workers supported Nixon reflects the passive support that Meany, Abel and Shanker still

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have in the labor movement. But the low turnout on election day indicates a growing recognition that none of the candidates have even partially progressive solutions to the problems facing society. Overall the elections reflected the deep apathy and cynicism that exists in the working class. This is a reflection of the apolitical discontent of most workers.

Blacks overwhelmingly supported McGovern, although recent polls indicate that Blacks are quite disillusioned with the Democratic Party. This support was more a rejection of Nixon and the Republican Party, than support for the Democrats. At present, however, we expect this support to continue because of the lack of any real alternative for blacks and other oppressed peoples to the Democratic Party.

The opposition forces in the Democratic Party, the Coalition for a Democratic Majority representing the Meany, Abel, Shanker wing of the Bureaucracy, and corporate liberals have now recaptured the Party machinery. The overwhelming defeat of McGovern in the election made this possible. In this period we can expect these forces to continue to vie for power in the Democratic Party with Henry Jackson best representing the conservative forces, and Vance Hartke, Ted Kennedy and Joseph Raugh representing the "left" liberals.

The Republican Party is also changing in response to these developments. Nixon's southern strategy which was by and large successful is a reflection of a major change in US politics. The South is no longer a Democratic Party monopoly -- Nixon carried every southern state, and significant local Republican organizations exist throughout the South. Nixon was also successful in winning significant labor support for the Republican Party. His victory is a consequence of both the temporary capture of the Democratic Party by the McGovern New Politics wing of the Party, the current economic boom, the strengthening of alliances with the Soviet Union and China, and also of the growing conservatism on the part of sections of the labor bureaucracy. But Nixon's attempts to build up local patronage machines through his revenue sharing and non-federal programs had a contradictory effect due to his refusal to campaign for local Republican candidates. Whatever success Nixon was able to achieve in rebuilding the Republican Party will be at least temporarily undercut by the effect of Watergate on the Party.

The conclusions to be drawn from analyzing these developments in American politics are two-fold. In the first place there is a tendency toward convergence in the solutions put forward to deal with the growing problems in American society. The basic support of all capitalist political tendencies for the New Economic Policy, for "law and order" and for welfare reform as solutions to their current problems are signs of this. Thus the liberal strategy of electing lesser evil candidates will mean less and less because all politicians are committed to similar politics. Therefore, the efforts to "realign" the Democratic Party, the efforts to develop new leadership for it will produce not new direction for the party but rather more of the same old crap. But while there is a growing convergence in political solutions, there are still divisions within the capitalist class on a broad range of questions. We will begin to see a really united capitalist response only when this class is faced with a united political working class opposition. Until that level of the class struggle is reached, social movements will continue to win lip service from

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the more liberal sections of the capitalist class in order that these can be in the position to coopt those movements.

The other important conclusion to be drawn from looking at recent political developments is the growing instability in political alignment reflected in the recent elections. This is especially reflected in the response of the labor bureaucracy to the two political parties. The lack of rejection of the Democratic Party by the labor bureaucracy indicates the general political bankruptcy of the labor movement today. Official labor used to make a big point of calling for the repeal of Taft-Hartly, today this is not even raised. Moreover, they had difficulty in making a united stand vis-a vis wage controls; while all wings of the bureaucracy gave lip service to the need for controls, different tendencies could be observed in the general response. Woodcock representing the liberal wing was the first to criticize the specific application of controls, while at the other end, the IBT and Building Trades bureaucracy were the staunch supporters of Nixon's economic game plan.

But despite the sell-outs labor has received at the hands of all liberal Democrats, most of the bureaucracy still continues to champion these politicians even though they continue to blame the working class for the failure of American capitalism to compete internationally. Today liberal politicians of all stripes are in the forefront of calling for more stringent wage controls and in appealing to jingoistic prejudices through protectionist arguments and policies like the Burke-Hartke tariff legislation. The rank and file meanwhile have begun to search for alternatives, and have found a partial one in the past in George Wallace, while the Building Trades and the Teamsters have begun to champion Nixon and the Republicans. But despite this divergency in the political leanings of the labor movement, we can expect temporarily at least an increase in support for the Democratic Party as it can put forward a more progressive face to the workers and oppressed while it is not responsible for the government.

Similarly, the struggles of blacks and other oppressed groups which have suffered a sharp decline paralleling that of the rank and file movement continue to be tied to the bourgeois parties. Despite Nixon's action in budget cuts, despite the failure of the Democrats to provide meaningful reforms, black allegiance to the Democratic Party is still high.

The absence of the movements for liberation, the student movement, the anti-war movement etc., from the scene of American politics has produced a superficially conservative atmosphere. By and large the reason for the existence of these movements in the past is still present today, US presence in southeast Asia continues, racial and sexual discrimination continue, etc. Nonetheless, the mass social movements of the 60's have dissolved under the impact of their petit-bourgeois leadership into liberalism, reformism, and terrorism. Still, these movements have had an impact on the consciousness of workers today. This together with the fact that many of the social movements helped to re-legitimize certain forms of mass struggle have in some cases heightened the level of the class struggle as the instability of the economy takes its toll on the "industrial peace." As destabilization increases, the working class as a clear social force will begin to increasingly occupy a position on center stage of the U.S. political scene and the social movements of the future will have

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to look to the working class for leadership much more quickly than in the past or face a more rapid death in capitulating to the bourgeoisie.

Within the formal governmental structure, other developments are taking place: the growing predominance of the executive branch over the congressional and judicial branches is a response on the part of the capitalist class to "tighten-up." This always happens in the context of any developing crisis as a cursory look at American history will indicate. A recent example of this trend is the fact that Congress played little role in policy over the Vietnam war, all of its complaints notwithstanding. More recently, however, this trend has become clearer with Nixon's attempted extension of "executive privilege" to prevent congressional interference in his ability to make decisions more independently. The strong congressional role in the Watergate affair is an attempt to reverse this trend; but in the long run the trend is in the other direction, as increased instability in the system demonstrates the need for quick, strong action, which is by and large inconsistent with a strong congress. The Permanent Arms Economy and the importance of state intervention into the economy increases this tendency toward centralization of power. The "military-industrial-complex" will continue to play an increasingly important role as the monopolization and militarization of capital increases. This means that the government will become less democratic and further removed from the people.

Clearly one of the most important developments in US politics in general has been the shaken confidence in the government, both in its self-confidence and in the confidence of the people in it. The defeat in Vietnam, the continuing monetary crises, the trade deficits, permanent inflation, unemployment and the inability of the New Economic Policy to alleviate the growing economic instability all have had the effect of shaking people's confidence in the ability of the government to solve the growing problems in the society. The recent and spectacular development in this area is the Watergate scandal.

The break-in at Watergate has burst into a general government crisis overshadowing even the infamous Teapot Dome scandal of the mid 1920's. Poles indicate that over half of the population believe Nixon to be involved in at least the cover-up, his popularity has reached an all-time low, and the possibility of his resignation or impeachment have been raised by a few. So far Nixon has not been able to stem the tide against him. Moreover, the realization that the criminal activities were not limited to spying on the opposition, but reach into practically every part of the federal bureaucracy has made many wonder where it will all end.

The Democratic Party and the liberal press establishment are still making hay of these continued revelations. In fact, Watergate is clearly part of a liberal political tendency to try to turn the national focus to this type of conspiracy as the primary cause of the ills of the society.

But what is important is the long term effects of the Watergate affair on the political situation. The most important aspect of this scandal is the paralyzation of the government at a time when strong action is required to deal with the growing economic problems. Runaway inflation and an overheated economy require such action,



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but the government's catatonic state means that it is essentially unable to respond effectively to these problems. Hence Nixon's response has been both sluggish and dramatic. Against the advice of his economic advisors he announced the 30 day price freeze in response to the political situation, not the economic problems. With the growing demand for price controls to deal with inflation, Nixon did not feel strong enough to buck the political pressure, and he also felt the need for dramatic action. But, as stated earlier, this is no solution from even the capitalist point of view to this problem.

Secondly, strong decisive leadership and international confidence in that leadership is required to restore faith in the American dollar. But the weakened role of the presidency has had the opposite effect. Speculation between gold and the dollar continues to be a problem; this is in part due to the effect of Watergate and the lack of confidence internationally in the American government.

Finally Watergate will play a role in undermining the general faith of people at home and abroad in the US. The immensity of this corruption will tend to make the American people more cynical about the system, and less open to the vision of the "American Dream". This developing consciousness is significant, and will have the effect of undercutting the general confidence of the people in the government's ability to solve the growing problems of the system. This consciousness will become more important as the government is forced to take on the working class more and more and increase the exploitation and oppression of the system in an attempt to solve its problems. However, the weakness of the left -- perhaps best shown by the failure to capitalize on the Watergate scandal -- has enabled the Nixon government to go on longer. The inability to mount a real drive around the Watergate incident on the part of any section of the left today means that the left as a whole is unable to provide an alternative to the cynicism and pessimism that is so widespread today. It is in these ways that the Watergate affair will prove to be significant.

The crisis in confidence is not limited to domestic problems. As mentioned earlier, internationally, the US has suffered a loss of esteem in the eyes of friend and foe alike. The defeat in Vietnam and continuing economic instability are mainly responsible for this, but Watergate has added its impact. The weakened position of the presidency clearly raises questions about Nixon's ability to carry out his foreign policy decisions, and has brought about new monetary problems. Less and less can the international capitalist class look to the US as the leader of the "free world". At the same time this loss of credibility will effect relations with the Bureaucratic Communist countries. This increased international instability will mean more go it alone strategies, contributing to the nationalist tendencies alluded to earlier.

In general then while the confidence of the capitalist class has been shaken, it has not been defeated. While the American Dream no longer has the ability to soothe the growing frustration of workers, poor and oppressed, credibility and faith in the American system still exists. In fact, we can predict that the problems of the Republican government will lead directly to increased support for the Democratic

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Party in the 1974 off year elections both locally and nationally. Not in the position of having to take responsibility for the increasing attacks on workers and the specially oppressed, and without the Watergate scandal like an albatross around their necks, the Democrats will be able to appear progressive, and with false promises of reform, be able to win substantial support from these groups. Nonetheless, the American political scene will continue to be unstable and the bases of the two major parties will continue to shift in response to the developing problems in the capitalist system. The key factor increasingly will be the working class, which will begin to re-emerge as a central political and social force in the U.S. and world politics.

## The General Tasks of Revolutionaries

### The Tasks of a Sect

"Sects are justified (historically) so long as the working class is not yet ripe for an independent historical movement. As soon as it has attained this maturity, all sects are essentially reactionary." (Marx, in Marx & Engels, Selected Correspondence, p. 326.)

The IS is a sect. As a sect we have two major goals. All our immediate tasks flow from these goals: The creation of a revolutionary vanguard party as part of a self consciousness working class movement; and the creation of that movement itself. It is clear that we alone, as presently constituted cannot build the revolutionary party by recruitment, splits or fusions, or single-handedly build the independent working class movement. Yet it is important to understand that all our activity including our role in existing movements, and our propaganda work flow from these two goals. Our tasks, while related, will be significantly different when this stage in the historical development of the revolutionary workers movement is achieved. To say this is not to say that we do not see and point beyond this development, but it is to say that we see these twin aims as guiding all of our work today. Everything we do, in our day to day work and immediate tasks and perspectives flow from the absolute necessity of achieving this stage in the class struggle.

Secondly, it is clear that these two goals are integrally related. The creation of a revolutionary party and revolutionary leadership cannot take place outside the context of the creation of an independent working class movement. A black, Latin and working class cadre can only be trained in struggle. This working class movement will develop out of the class struggle itself. Working class struggle alters the objective conditions that form consciousness by changing the context from that of the powerlessness of the individual facing the capitalist system, to the power of the working class solidarity. This change in consciousness opens up new possibilities that in the context of powerlessness are utopian.

To counterpose these two tasks, and to see our role as related to only the building of a revolutionary party, is to misunderstand the relationship of that party to the class - the relationship of the leadership of the class to the masses of workers. The question of party and class does not arise only at the point of taking power, when the workers' state must be based upon the broadest organizations of the working class - workers councils - and the revolutionary party making up its vanguard elements - its leadership. Nor is it a question only when the masses of advanced workers are beginning to form and join the revolutionary party. It is as important today as at any of these other points in time. Thus the role we play in rebuilding a self-consciousness working

class movement, and our leadership role with the developing rank and file leadership is integrally tied to our task of building the revolutionary party. Only by playing an active role today based upon our program and perspectives will we be laying the basis for playing the role of the conscious revolutionary leadership of the class tomorrow. This is the correct relationship between party and class - it must always guide our work.

### The Tasks of a Propaganda Group

Defining the IS as a sect is not enough - the IS is a propaganda group. By this we mean that the primary tasks of the IS in existing movements of the specially oppressed and the working class is that of propaganda. Lenin in Left Wing Communism had this to say about the propagandistic tasks: "As long as it was (and inasmuch as it still is) a question of winning the proletariat's vanguard over to the side of communism, priority went and still goes to propaganda work." Until there exists a vanguard of the working class won over to revolutionary socialism, winning the advanced workers and the advanced elements of the movements of the specially oppressed remains our task. But our self-conception of the IS as a propaganda group does not mean that we do not involve ourselves in the day-to-day struggles that exist now. Our propagandistic tasks are totally interrelated with our participation and our leadership role in the developments inside the working class today. It is through our activity and our participation in the on-going movements and struggles, that we are able to get a hearing for our ideas, our propaganda.

We quote the following excerpt from the 1946 convention bulletin of the Workers Party on the nature of a propaganda group: "The first period of a revolutionary organization corresponds to the inescapable necessity of assembling and consolidating the initial cadres of the party, its central core, around the fundamental principles and program of the party. The principle task of the organization, to which everything else is rigidly subordinated is propaganda, that is, the putting forward and the defense of a whole series of connected ideas (the basic principles and program) to a comparatively limited group of advanced elements. Organizations which seek to skip over this stage are sure to flounder and disintegrate. There is no other way of establishing the distinctive character of an organization, of justifying its independent existence (that is, its existence separate from all other organizations), of welding together the forces capable of eventually taking on the flesh and blood of an effective mass organization and of setting large masses into motion as a class."

Many of the most central programmatic ideas for this period appear elsewhere in this document. We will not repeat them here. Here, we wish only to put down some of the most important programmatic ideas and demands in slogan form that the IS should use in its agitation and propaganda in the coming year.

I. The Economic Crisis: The destabilization of capitalism has produced a direct attack on the working masses, above all, in the form of inflation, wage controls, speed-up, and unemployment. The workers must not pay for the instability of capitalism. We counterpose to ruling class attempts to stabilize prices by reducing labor costs the demand for the Control of Prices and Profits Not Wages. In the face of inflation we demand and fight for an automatic Cost of Living Escalator, not only in union contracts but also for those on fixed incomes (welfare, social security, etc.) We call on the unions to fight for Wage increases with no price increases. We demand Jobs for All. The labor movement must fight for 30 for 40 and against all productivity deals or attempts at speed-up. We call for massive public work to rebuild the cities and put the unemployed to work. These public works should be paid for by Reconverting the Arms Economy and by Taxing the Corporations and Banks! If employers cannot provide jobs of decent income, we open the books. If they cannot pay, we call for nationalization under workers' control.

II. The Social Crisis: The crisis of the world capitalist system has also produced a growing social crisis. The cities we live in, public and social services we depend on have declined and decayed. The social existence of the urban masses, particularly black people, has grown worse. Urban decay has already followed many white workers to the suburbs. Every new government policy breeds despair and further misery. The working class must fight back: Jobs for all, already mentioned, and the demands to rebuild the cities, for public works to be paid for by the corporations and banks and by reconverting the arms production toward the needs of people, would push back decay. But these demands would also would the ruling class. For the oppressed sections of the working class, resistance to this decay is an urgent need. We call on black and latin workers to take the lead in demanding that the labor movement, as well as the movements of oppressed, fight for these demands. In the social crisis, the current system of taxation and public funding is a social wedge between the oppressed and the better paid and organized sections of the working class. We demand that no income under \$12,000 be taxed. Tax the rich with a sharply graduated income tax--confiscate all income above \$50,000.

III. For Social Equality: The IS demands complete equality for all people, particularly the oppressed minorities, national groups and women. While racism, sexism, and other forms of chauvinism will only end with socialism, we demand equality today. End all forms of

racial, national, and sexual discrimination. Jobs for all blacks, Latins, native Americans, women. Preferential hiring for the oppressed. The IS asserts the right and the urgent need for the independent organization of oppressed people to fight for their own needs. We demand an end to police terror in the ghettos.

IV. Strengthen and defend the labor movement. To defend the interests of workers effectively the labor movement must expand its strength. The unions should launch an aggressive campaign to Organize the Unorganized. Rather than the current random organizing, unions should organize along industrial lines. Strengthen bargaining through coordination in contract round and the use of coalition bargaining. Defeat and repeal all anti-labor legislation. Build solid shop floor organization by fighting for the principle of a steward for every foreman.

V. Fight Imperialism East and West. Immediate withdrawal of U.S. troops from all foreign countries. Disband NATO, CENTO, SEATO, etc. The working class has paid in income and blood for every imperialist adventure by the U.S. ruling class. Not only must we oppose further or current wars, but the policies that cause them. We say, end foreign aid, which is nothing but a gift to support other ruling classes. No trade and tariff wars. In particular, we call for total withdrawal of U.S. troops, advisers, and aid from Indochina. We assert our support to all struggles for national liberation. We call on the labor movement to support those liberation movements on our very doorstep; Independence for Puerto Rico, support the radical labor movement of Quebec for national liberation and economic justice.

VI. Defend Democratic Rights. From anti-strike laws to government spying, the U.S. government is undermining existing rights. As socialists we defend democratic rights and fight to broaden them. No infringement on the Right to Strike. End Government spying on its political opponents. Free all political prisoners. Give prisoners the Right to Organize.

VII. Build a movement for a Labor Party. The American working class needs its own political party more than ever.

While by no means the totality of our program or the limits of the ideas we will present in our press and publications, these demands and slogans will be propagandistic in form.

## THE CRISIS IN THE IS AND OUR INTERNAL TASKS

(Note: This section is preliminary and will be revised by amendment)

The Crisis in the IS

The world is moving into a period where the historical contradictions of capitalism are re-emerging. Worldwide inflation, growing levels of unemployment, starvation, international instability, the threat of trade wars and the rise of nationalism are signs of this developing crisis. We are faced with an urgent situation: a revolutionary socialist organization rooted in the working class and a revolutionary socialist working class, black and latin cadre must be developed and trained, if we are to be in the position to face the historic tasks before us -- the development of a working class movement and a revolutionary vanguard party.

Today the IS is in crisis. This crisis has been in the making since the Founding Convention in 1969. At that time the IS was an amalgam of disparate groups recruited out of the New Left, student and radical movements of the 60's. One thing alone brought them together: agreement on and a commitment to building a revolutionary socialist, third camp democratic centralist organization committed to socialism from below. In 1969 that was a foundation on which to build -- but this agreement and commitment had to expand and develop, and it had to do this in direct relationship to the working class. This did not happen. Not only did this minimal agreement not expand, today it has totally broken down.

There are two main reasons why this happened. In the first place the few leaders that had ties back into the historical antecedents of the ISC-IS were not able to provide collective leadership, especially a struggle for revolutionary socialist theory and practice. But the overriding reason was the isolation of the organization from regular ongoing activity in the labor movement. Despite lip service to the need to industrialize and make the turn to the working class, very little progress was made. This isolation meant that the discussions of theory and perspectives were at best abstract. Moreover, isolation from ongoing working class activity, especially in conjunction with the inadequate training we received in the student radical movement, meant that our functioning was basically unstable and undisciplined. The abstract discussions and the inability to develop our theory and perspectives meant that no collective national leadership or national organization developed during these four years.

From the very beginning a relentless ideological struggle had to be waged for the development of our theory and perspectives. But this could only be done in connection with joint work in the labor movement. Discussions and decisions to be taken seriously must mean something to what people are actively involved in. Without common activity and the commitment to implement the decisions, discussions and decisions become abstract intellectual exercises. And this is what happened. And the resultant lack of national leadership led to the development of permanent tendencies.

The development of permanent political tendencies reflects the political instability in the organization. It is a symptom of the disease. The patient cannot be cured by treating the symptom; he/she can only be cured by treating

the disease, in this case the lack of a national cadre organization founded upon basic agreement on theory and perspectives for national activity with a collective national leadership and a cadre membership. The tendencies that existed in 1969 have remained, although the political definitions have changed. These tendencies have tended to remain geographical. They developed in isolation from one another out of the original groups and are based more upon clique dynamics and personal loyalties rather than clear political differences. These tendencies gave rise to regional baronies and parochialism -- only a few comrades in the organization understood or cared about what was going on outside of their area, and consequently, few comrades won the political respect of the organization nationally.

A bankrupt theoretical analysis of the role of leadership has developed based upon the existence of the permanent tendencies. This "theory" is the following: when a tendency receives a majority or plurality at a convention, it is given leadership based upon its political positions. The role of this leadership is to test its line in practice disciplining the rest of the organization to carry it out. If this line doesn't bring practical results, then those politics and leadership should be repudiated at the next convention and a new leadership based upon different politics put into power. In the first place such a theory is empirical and leaves aside the possibility that the line wasn't practical because of other factors such as the change in objective conditions. But this is not the main problem.

The bankruptcy of this theory is that it has more in common with bourgeois parliamentarianism than it does with the Leninist conception of collective leadership and democratic centralism. If the national leadership is repudiated during the year on this or that question, immediately it is assumed that that leadership should be changed -- the balance redressed. It is assumed that discussion and debate will have little or no effect on people -- that everyone in every tendency is thoroughly convinced of his/her politics -- that the tendencies will remain year in and year out. And in fact, there is some truth to this, since the only real discussion taking place is inside each tendency, not in the organization as a whole. At national meetings the various tendencies met more as warring factions than as comrades of a common organization.

The only question became which tendency was able to recruit the most delegates over the year and thereby have the ability to win the votes on perspectives at the next convention. This encouraged factions and an internal orientation. It meant, moreover, that no question was ever resolved, and that while superficially the debate changed, in fact it remained and developed over the same basic questions. The organization became an endless talk shop -- its growth stagnated, comrades became demoralized and dropped out or became cynical. This could only happen in a situation where the organization was isolated from real ongoing activity, since if that were not the case, comrades would demand concrete guidance, decisions would have to be implemented, and the debate would be forced to move on to questions that relate to reality concretely.

The final outcome of this internal political crisis was a clear reflection of the political instability of the organization. When the leadership of one tendency radically revised their political positions, one third of the organization adopted these with little or no discussion. Every question, including the



ones on which basic agreement had been assumed, was up for grabs. The crisis could no longer go unattended, it had to be resolved.

### Internal Tasks

Our primary activity for the next few years must be to transform the membership into cadre elements. The key to this is the struggle for fundamental theoretical clarity and agreement on perspectives for common activity in conjunction with joint work in the working class. The nature of leadership, the development of theory and perspectives, the training of a cadre and the transformation of the social composition of the organization flow from this struggle. Clarity must be achieved on the trade unions, the specially oppressed, the relationship of party to class, Stalinism, the nature of the period, our tasks and our method. This is a minimum. It is through the struggle for theory and perspectives in connection with common activity that a collective national leadership and a cadre will be developed. It is only through such a political fight that the permanent tendencies can be broken down and a truly national organization be built.

We can become a revolutionary combat organization -- an organization actively involved in and providing leadership for the class struggle on a day to day basis -- only if we first become a cadre organization based in the working class. Today this fight will be successful if we can overcome our past problems and transform the organization.

But at this point to begin this process we must go back to the ABC's. What kind of organization are we trying to build? What in fact is democratic centralism? The following definition is taken from the Theses on the Structure of the Communist Parties, adopted by the 3rd Congress of the Third International: "Democratic centralism in the communist party organization should be a real synthesis, a fusion of centralism and proletarian democracy. This fusion can be attained only on the basis of constant common activity, of constant struggle of the entire party organization."

"Centralism in the communist party organization is not formal and mechanical, but the centralization of communist activity, that is, the formation of a strong, militant, and at the same time flexible leadership."

"Formal or mechanical centralization would be the centralization in the hands of a party bureaucracy of 'power' to dominate the other members or the masses of the revolutionary proletariat outside the party. But only enemies of communism can maintain that the communist party wants to dominate the revolutionary proletariat by its leadership of the proletarian class struggle and by the centralization of this communist leadership. That is a lie." (Documents of the CI, p. 258, emphasis added)

### Industrialization

It is clear that the question of common proletarian activity is crucial for our development. But we are by and large isolated from working class activity. And it is only through being thoroughly familiar with and understanding the con-

crete problems that workers face today that makes it possible for us to be in the position of drawing up concrete perspectives that can guide our work. All our work will remain abstract, and in the final analysis irrelevant, if we are not involved in general working class activity. It is only through developing concrete knowledge about working class consciousness that we can be in the position of beginning to strip away the illusions workers have about the capitalist system. Secondly, we can only train and recruit a working class cadre, and transform ourselves into a working class, black and latin cadre organization, through our involvement in the day to day class struggle. Making the turn to the working class politically and organizationally is our highest priority. This cannot be done without industrializing a large portion of our membership.

Secondly and integrally related to this task is the task of transforming the IS into an organization where working class activity, in the broadest sense of the term, is the central activity of the organization. This means that our highest priority goes toward participation in activity which will bring us into contact with and involve us in general working class struggles. This is true wherever this activity takes place: on the shop floor, in the unions, in political movements around working class issues (wage controls, inflation), or in the communities of the oppressed groups. All other activity must have a lower priority, including participation in student activity and in general middle class type movements. These priorities must be carried out in order to make the turn to the working class complete.

Lenin, writing in retrospect about the Russian social democracy in the period 1894-1901, clearly understood the centrality of establishing this priority: "At that time, indeed, we had astonishingly few forces, and it was perfectly natural and legitimate then to resolve to go exclusively among the workers, and severely condemn any deviation from this. The whole task then was to consolidate our position in the working class." (What Is To Be Done, CW, p. 429.)

This tactical question has profound theoretical implications. Understanding that the need to build a revolutionary party is our raison d'etre, we also understand that the proletarian leadership cannot be developed outside the context of the class struggle. Our relationship to working class activity today is integrally related to the role we and others will play in the working class movement tomorrow. In a concrete sense, we are literally involved in building the leadership of the class struggle. Through training a cadre in theory and in activity, including training and winning the advanced worker militants today, we are training the future revolutionary leadership. This leadership, to be real, must earn the respect from the masses of workers. To be in the position of earning this respect, we must be there now helping to build and lead the class struggle in any and all ways. Only by building such leadership today will we lay the basis for the democratic relationship between the vanguard and the masses. This is the question of party and class -- the democratic relationship of the leadership of the class to its rank and file. It is part of the theory of democratic centralism. The correct relationship between party and class is as crucial today as at any other time.

#### National Fractions

The primary areas of industrialization are those where we already have a

toehold: UAW, IBT, CWA, AFT. These areas must be fleshed out nationally in order to lay the basis for strong national fractions. The industrialization campaign we will undertake should therefore be concentrated on the east and west coasts for the UAW, in the midwest and the east coast for the IBT, in the midwest for CWA and the AFT. Comrades in the California AFT locals should transfer to the midwest and eastern big city locals where the heart of AFT activity takes place. Only on the basis of national fractions will we be able to develop national perspectives based upon common activity. The existence of cohesive national fractions will play a key role in developing a cohesive national organization based upon concrete activity.

#### A Professional Cadre Organization

The IS must become a professional organization. It is not that now. It is the responsibility of the current leadership to train new leadership. This has never been done adequately before. Every major branch must have an organizer. The role of the organizer is to organize outside activity for the branch -- to continually search out means of active intervention in the outside world. There should be a training school each year for organizers sponsored by the national organization in order to train comrades in the basics of organizing our activity.

In the context of making the turn to the working class and the ideological struggle for theory and practice, a national cadre organization and a collective national leadership must be built. The national leadership must conceive of itself as a collective leadership with the responsibility of leading and training the organization. Regionalism must be broken down. Concretely this means that the west coast branches must be integrated into the national organization. Concrete branch perspectives for activity must be submitted by each of the branches, relating national perspectives to that specific area. The national leadership must intervene in the branches regularly to insure that its perspectives are carried out. Branches organized primarily around campuses should be reorganized around work in the labor movement, specifically around one or more of the national fractions. National speaking tours must be organized regularly through the national office to insure better communication and knowledge nationally. Regular regional conferences and regional travelling can also aid in this development.

#### Education

The theoretical development of our membership cannot remain the task of the individual as it is today. The question of education and the development of our theory is crucial to our transformation into a cadre organization. A revitalized educational department must be set up in the national office. The responsibility of this department is to oversee the education of the entire membership. Specifically, its tasks are to (1) draw up class series relative to the different levels of development of the membership -- not only for new members but for older ones as well, (2) oversee the compiling of reading lists and bibliographies on a wide range of topics, (3) suggest forums and educationalists that will be relevant to working class, black and Latin contacts, (4) oversee the publication of pamphlets that will be useful in outside activity, and (5) initiate a theoretical journal, a necessity for the internalization and development of our traditions and theory.

Women

Women comrades must be developed and trained to be local and national leaders. Our theoretical commitment to women's liberation must be made practical first in our own organization, if it is not to remain abstract. During the height of the women's liberation movement in 1969-70, some progress was made along these lines. With the collapse of that movement, however, much of that progress also collapsed. Only through a practical as well as theoretical commitment will we lay the basis for playing a leading role in the development of a women's liberation movement based in the working class.

National Newspaper

Workers' Power must become the organ of a national organization; today it is the organ of a few. Having a truly national newspaper is crucial to giving continuity to our work in a period where the level of struggle is such that there will be few national movements in which we will be participating. A professional staff of writers must be trained to write for the paper. This is a necessity for the development of a national newspaper relevant to our outside activity.

Recruitment

Recruitment has stagnated. The national organization must undertake a national recruitment drive immediately. The fact that recruitment has been taken less than seriously by the organization is an indication of the lack of self-confidence the membership and leadership has in the organization. This must be changed. The most important area of recruitment is those contacts we have in the labor movement, and specially oppressed communities.

The IS is practically an all white organization. Priority in recruitment must be winning black and Latin activists, especially workers, to our politics. A black-brown commission must continue in the NO to oversee those in the branches. Only by training and winning a black and Latin cadre will we be able to intervene effectively in and play a leading role in the movements of the oppressed. Theoretically we understand the cruciality of building the movements and winning individuals from them to our world view. It must now be reflected in practice. This is clearly related to the development of our theory and perspectives for blacks and Latins.

Candidate Membership

New members must be thoroughly integrated into the organization. A national candidate membership procedure must be established. The following procedure is suggested: There is a candidate membership period of up to six months. During this period the candidate member is expected to function as a full member of the organization. He/she may vote on all matters except those concerning the election of leadership bodies, including convention delegates, and questions of discipline. A comrade is assigned to work with the candidate member. This comrade assists the candidate in drawing up a perspective for his/her work, participates with the candidate in fraction work, and draws up an educational program based upon the candidate's needs. Full membership is not automatic. A candidate member must prove he/she has a serious commitment to revolutionary theory and practice, demonstrated during the candidacy period, by the time she/he is eligible to join. The 6 month period can be shortened by the local executive committee if this is clearly warranted.