

# Bulletin

weekly organ of the workers league

WHO IS JACK BARNES?



HOVER  
MAY 13 1971  
INSTITUTION

VOLUME SEVEN, NUMBER THIRTY-ONE (191)

APRIL 12, 1971

FIFTEEN CENTS

As Wallace, Nixon, McGovern, Seek To Free Calley

# JAIL ALL THE BUTCHERS GUILTY OF MY LAI

## Juan Farinas Goes On Tour In The Midwest



What  
we  
think

### On Contradictions In The Panthers

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In confronting the history of the Black Panther Party Newton

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Demonstrate with The Workers League

against **IMPERIALISM**  
for **SOCIALISM**

Washington - San Francisco April 24th





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for **SOCIALISM**



# Lindsay Demands Layoffs

BY LUCY ST. JOHN

NEW YORK, April 6—After over three months of stalemate in the struggle between the major city unions and the City of New York, the cards have been laid on the table.

Lindsay's threats of massive layoffs and payless paydays are now becoming a reality. The City is virtually demanding that they be written into the city union's contracts.

The City announced yesterday, following a study done by Deputy Mayor Costello, that it is "considering" farming out part of the workload of the Sanitation Department to private industry. "The Department of Sanitation should gradually be reduced in size and scope," says the report. This is the only way in which the City says it can overcome higher wage costs and low productivity.

In other words the city work force and the city unions are to be slashed if not eliminated and replaced with non-union labor employed at half the wage city workers are now paid and even by volunteer labor.

The City has also made clear that the Sanitation Department is not the only one in which it is "considering" the implementation of these methods. All city departments, education, welfare and fire departments are to be affected.

The tentative agreement which has been reached between the City and the Firemen's union in fact contains dangerous concessions to these plans.

## VOLUNTEERS

When Lindsay was in Albany last week he said that if the state budget cuts went through it would mean massive layoffs of city workers, beginning with the layoff of 18,900 city civil service employees. After the cuts were passed Lindsay informed the leaders of the uniformed service unions that the City could not go along with the special impasse panel's recommendations for a settlement including a pension at full pay after 40 years and a wage increase of \$1900 over a 27 month contract.

But within 24 hours after Michael Maye, head of the Firemen's union had walked out of discussions with Lindsay, he announced a tentative settlement. Now the basis of this settlement is clear. Not only has the union leadership conceded on the question of pensions (they had insisted on it after 35 years), accepted a measly wage increase of little

more than 6% a year, but it has agreed to the City's schemes to increase productivity and cut jobs.

The union leadership has reportedly agreed to "increased productivity through manning changes and rearranged work tours." This includes an agreement to set up 10 part-time fire companies, seven of which will be manned by volunteers.

Maye has given Lindsay a blank check to go ahead with his job cutting plans. Delury, behind all his militant bluster, responded to the City's report by saying that he had not had time to read it.

The leadership of the City unions from Maye, Delury to Victor Gotbaum have for the past three months been delivering the ranks up to Lindsay's chopping block. The implications are now crystal clear.

There can be only one answer to Lindsay. The ranks of city labor must demand that the city unions immediately call a mass meeting of all the unions to prepare a general strike to shut New York down completely until the demands for wages, working conditions and ironclad job security are met.

# Nixon & Thieu On Laos: Who's Kidding Whom?

BY DAVID NICHOLS

Nixon in Washington and Thieu in Saigon, in an attempt to avoid the crushing defeat of puppet troops in Laos, maintain that only time will tell on the success or failure of that fiasco.

But the workers and peasants of Indochina, since the rout in Laos, in their increasing attacks upon imperialist forces, have proven the complete failure of Operation Lam Son 719.

Since March 24th (the day the last elite forces of Saigon scrambled across the border) attacks on Saigon strongholds have increased. At the same time demoralized American soldiers in the wake of increased attacks upon the workers in the United States refuse to seek out the liberation forces.

Khe Sanh has been surrounded and is under siege. The Ameri-

can fire support base (FSB Artillery base) Marianne, south of Chu Lai, was overrun. The puppet troop headquarters of the 2nd ARVN division at Duc Duc was destroyed. And last Wednesday, the strategic base at Dakto, near the Cambodian border, was captured and destroyed.

It is impossible for the imperialists to claim disruption of the Ho Chi Minh trail while their bases in South Vietnam are being demolished. If supplies have been halted, then are weaponless, ammunition-less workers and peasants seizing these bases with their bare hands?

## OVERRUN

Obviously not! The FSB Marianne was overrun by well equipped liberation forces as was the case with Duc Duc and Dakto. The Generals and Nixon would be hard put to explain to the G.I.s at Khe Sanh that the NLF does

not have the mortar rounds that continually fall on them.

But most damaging of all is the capture of Dakto. Dakto was the home of the First Air Cavalry division for four years and was considered one of the most strategic points in Indochina. The imperialists claim that Lam Son 719 prevented supplies from seeping into Cambodia. Yet Dakto is on the Cambodian border! How did the supplyless workers and peasants capture Dakto?

The answer haunts Nixon and his puppets in Saigon. Those lies cannot cover up the total failure of Lam Son 719 revised claim of limited disruption. The materials needed for the victory of the NLF continue to move and that reality means the continuation of the onslaught of the victorious workers and peasants certain to drive imperialism out of Indochina.

# New Monetary Crisis Flares Up

BY DENNIS O'CASEY

A new flareup of the world monetary crisis, submerged for approximately two years, has now broken out. What is threatened is nothing less than a new run against the dollar and the break up of the 1944 Bretton Woods monetary arrangements themselves.

The renewed outbreak of the crisis took the form last week of a huge flow of American dollars, particularly Eurodollars into Germany resulting in widespread rumors of a new upward revaluation of the German mark. Meanwhile, throughout the week, the dollar traded at its "floor"

against all major European currencies outside of the pound and has recently traded against gold at the rate of \$39 per ounce.

The immediate source of this crisis lies in Nixon's relaxation of interest rates from their high of 12 percent last summer to their present low of slightly above

5 percent today. This situation has inevitably drawn billions of Eurodollars which had been sopped up by U.S. banks during the period of peak interest rates of the last two years back into Europe in search of higher interest rates that now prevail there.

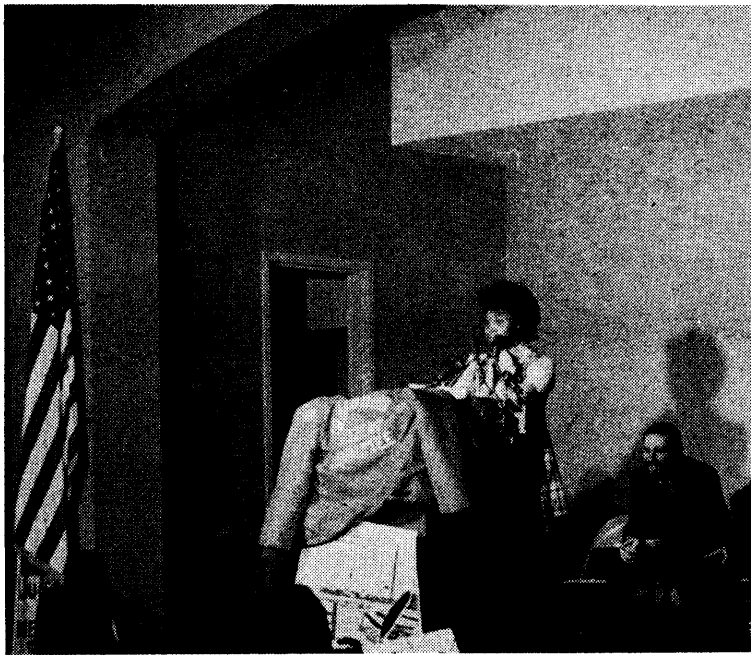
The extent of this process has now found sharp expression in the all time record high 10 billion dollar balance of payments deficit that the United States has now chalked up for 1970. It is likewise expressed in the record

high loss of gold and other reserves that have also been recorded for the same period.

## SPECULATIVE

Moreover, it now appears that an equally large deficit is in the making for 1971. Under these conditions the outbreak of new speculative runs on all the major currency particularly the dollar are inevitable and guaranteed to be far more severe than the monetary shocks of 1967 and 1968.

(Continued On Page 13)



Jacket of Imperiale's private army covers NTU's speaker rostrum.

# SHIP BOSSES CHEAT ON ILA GUARANTEE

BY A BULLETIN REPORTER

NEW YORK—Due to rapid containerization, the wage guarantee is costing the shipping bosses not \$15,000,000 yearly as they estimated but \$24,000,000 last year and \$30,000,000 this year. The Waterfront Commission has announced that this is such a problem for the bosses that work certificates will be lifted from men found "guilty" of "cheating" on the guarantee.

Every penny paid out in the wage guarantee is a sign of the strength of the ranks in winning this important concession. At the same time it is a warning, an open danger signal, of the layoffs due in longshore if automation continues. The owners are

determined that not only containers but now LASH ships which need no longshoremen at all, will be introduced. Already three LASH are sailing and more are being built.

ILA leaders Scotto and Gleason both agree that the shippers have "a rough time" paying out the guarantee, and Scotto is even proposing giving up the annual wage guarantee. Both Scotto and Gleason propose that there be no strike this fall.

"Sink the LASH ships, extend the wage guarantee and container bonus with a big wage gain and the thirty hour week—end the divisions between A, B, C, D carders and '69 men!" must be the battle cry of the ranks for the 1971 contract.

# Racist Attacks Opened On NTU

BY BOB MICHAELSON

NEWARK, April 7—The Board of Education meeting last night marked a new stage in the Newark teachers strike with the resurgence of Black nationalist tendencies.

The meeting was effectively broken up by Leroi Jones' supporters with racist attacks on "honkies" and physical violence against anyone white in the room.

For weeks now, the NTU leadership has been satisfied with just holding on. But this holding on entailed retreating on every basic question facing the teachers, the most important being that of wages.

Right now the NTU leadership has allowed itself to be put in a position where it is begging the Board to accept a deal which will mean only \$500 and that not to next year with the hope that previous gains will not be completely taken away.

Earlier in the strike the jailings of the NTU leaders including the president, Carole Graves, and the break down of negotiations led to a growing general strike movement within the trade unions in support of the NTU. The call for a general strike by Charles Marcianite of the AFL-CIO was in response to this demand made by the rank and file. Yet from the beginning Charles Marcianite and the AFL-CIO tried to limit the scope of the general strike and finally found an excuse to call it off.

## STRATEGY

Yet this is the only strategy that can win the strike for the teachers. The board, Gibson and the courts know this and since the retreat of the NTU bureaucracy from fighting for a general strike, the Board has gone on the offensive.

Leroi Jones, who was silent during the general strike movement, now senses the weakness of the union and emerges with his racist poison. Let there be no doubt about it if the NTU is beaten back the next blows will be felt directly by the Black community. Only Prudential and the bosses will gain!

Now they have suspended 347 striking teachers and the traitor Marcianite and his NTU leadership cohorts do nothing about it!

This leadership now warmly welcomes the support of fascist Imperiale and his "Ironbound Citizen's Committee". Imperiale in the meantime uses the strike as a racist weapon against Newark's Blacks while he organizes his anti-Communist campaign in defense of Calley!

The Workers League will not tolerate this situation. We are fighting all the way for a general strike of Newark labor to beat back what is looming as the biggest defeat of labor in the city's history.

- Shut down Newark now!
- Settle for nothing less than \$1,000 per year raise!
- For reduced class size and improvements in schools now!
- Run Imperiale, Jones and Gibson out of town!



SCLC's mule train brings liberal pleading rather than militant struggle to Wall Street. Less than 2,000 turned out for affair strongly boosted by the Communist Party as "popular front."

## Triangle Plan Out To Smash SSEU

**BY AN SSEU-371 MEMBER**  
**NEW YORK**—The situation between the City and the Social Service Employees Union-Local 371 is heading for a real confrontation on April 21st.

The SSEU-371 has been negotiating with the City since the contract expired on December 31st. As with the uniformed services the City has refused to meet any of the union's demands.

The impending confrontation with the City and its attempts to slash wages, lay off workers and refuse to guarantee any job security occurs precisely at a time the federal, state and City governments are viciously attacking welfare recipients.

The cuts in the state budget will be felt bitterly by welfare clients whose grants will just be slashed by 10 percent. Not only have welfare recipients been denied an increase with the rise in inflation but now their incomes will be cut.

On the 21st, the SSEU will refuse to cooperate any further with reorganization unless an agreement is reached with the City on job security, workload manning, and transfers. The City has already said that it will not negotiate any of these items.

Now in order to head off this confrontation, Welfare Commissioner Sugarman has come up with the Outreach or "Triangle" plan. This plan would take workers out of the welfare centers and attach them to any number of agencies in the community. Thus welfare workers would be working in hospitals, schools, housing projects, storefronts.

This plan is an attempt by the City to bring in reorganization by the back door. It would wipe out many more jobs than the present reorganization scheme and more quickly. Further it is a vicious plan to smash the union by dispersing staff all over the City and making them compete with those already employed in the community for a dwindling number of jobs.

This plan is consciously being

prepared at a time when both the workers and those who receive welfare are under heavy attack. The City hopes to use this plan to pit worker against client, employed against unemployed.

Sugarman knows that a growing majority of the SSEU members are wise now to the real nature of reorganization, and that they are ready to fight on the 21st against reorganization and for their jobs.

So he offers up the Triangle plan which is at least 100 times worse!

The Hill leadership has offered no resistance against this new reorganization scheme. It has stated that it does not like the Triangle plan, but continues to regard it as "unworkable" and ludicrous.

The Hill leadership, however, feel that it is wrong to reject any plan of the Commissioner's out of hand, as the Committee for New Leadership does.

The Hill leadership fails to see that any plan offered by the City in this period can only be a plan to cut jobs.

On this basis Hill can only end up delivering the membership's job security over to the City as he and Morgenstern did in the last contract. The ranks must be prepared for this kind of sellout.

The CNL is campaigning in the SSEU to make the center of the fight the reaffirmation of the Delegates' Assembly's April 21st deadline on reorganization settlement and the complete rejection of the Triangle plan or any other scheme to pull workers out of the centers.

The CNL will bring this fight into the April 7th membership meeting and propose that these be the questions on the April 16th referendum. On the basis of what is an approaching all out confrontation, the CNL is demanding serious strike preparation, not only by Hill but by DC 37 head Victor Gotbaum who must begin a serious mobilization of the welfare clerks and the rest of the DC 37 ranks against the City.

# Soviet Congress Extends Hand To Imperialism

**BY FRED MUELLER**

The 24th Congress of the Soviet Communist Party is taking place at a time of enormous crisis for imperialism. As the movement of the working class internationally puts capitalism face to face with disaster, the leaders of the Soviet CP, cheered on by the CPs all over the world, extend the hand of friendship to Nixon and the imperialists.

Imperialism has been routed in Laos. The criminal policies of the Stalinists are its only hope against the determined struggle of the Vietnamese workers and peasants.

In the Middle East the shaky truce is threatened more than ever, with the possibility of the Arab masses coming forward once again as they did last year in independent struggle against imperialism, Zionism and the national bourgeoisie.

The economic crisis of capitalism grows more severe daily. Massive bankruptcies, unemployment and total economic collapse threatens in Europe and America.

It is in this situation that Brezhnev addressing the Congress said last week: "Our principled line with respect to the capitalist countries, including the United States is consistently and fully to practice the principles of peaceful co-existence, to develop mutually advantageous ties, and to cooperate, with states prepared to do

so, in strengthening peace, making our relations with them as stable as possible."

What this "principled line" means concretely is that at the point of defeat for US imperialism in Vietnam, the Stalinists in the form of Madame Binh and her cohorts offer to bail it out through the "Peoples Peace Treaty." In the U.S., the Com-

munist Party is desperately trying to cut off the movement of the workers and youth against capitalism by building support for the liberals, the enemies of the workers and peasants and the working class in the US on April 24th.

### EXPOSE

Nothing could more clearly expose the role of Stalinism in the world today. It is the main prop of capitalism. It fills the breach for the imperialists at the most critical moments.

According to the American Communist Party's *Daily World*, Brezhnev, in his speech to the Congress, "extended the hand of cooperation to all forces anywhere ready to work together sincerely for measures which benefit the people, and cited examples of such cooperation in the past five years under review in his speech."

The official account that the Congress represents a confident advance on every front is a complete lie. The Stalinists cannot explain why the Congress was postponed a full year.

In fact this bureaucracy now finds itself more threatened than ever before. It developed and consolidated its power in the Soviet Union and the world Communist movement in a period of defeats.

(Continued On Page 14)



## Wallace, McGovern Back Calley

**BY A BULLETIN REPORTER**

The Calley verdict has sharply exposed the decay of American imperialism. It has led to a tremendous uproar and is being used to stir up renewed patriotic feelings. The Calley case poses before the entire working class the most decisive questions, the need for a break with the capitalist class and its war in Vietnam.

The guilty verdict is being used in the most shameless way to take the pressure off the capitalists. Nixon and Agnew know that there is a massive reaction against the use of Calley as a scapegoat. They are demagogically using the dissatisfaction in order to obscure their own guilt.

The line up of class forces is clear. Wallace and the pro-fascist forces have continually built up Calley as a hero. Now Wallace visits Calley after the court

martial verdict and the sentencing to life imprisonment.

Nixon chimes in right behind Wallace. He announces that he will have the final say, that as Commander in Chief he will review the verdict, and he orders Calley's release from the stockade pending the review.

Despite all the denials, Nixon's decision shows what a mockery the system of military and civilian justice is in capitalist America. On questions which

touch the very nerve center of capitalism, there cannot even be a pretense of "impartial" justice.

### LIBERALS

Nixon's intentions are clear. He is saying that, at the proper time, he will soften the sentence or overturn the conviction. He is openly expressing his solidarity with ultra-right and fascist elements. And this is as it must be, since he is the chief criminal.

But the class line up in defense of imperialism and its crimes extends beyond Nixon and Wallace. The true role of the liberals is now revealed, most clearly by the most beloved of all the Democratic doves, presidential aspirant George McGovern. McGovern announces that he "sympathizes" with Nixon's decision. It is not a matter of fixing individual blame, says McGovern, but of getting ourselves out of the war.

McGovern solidarizes himself with Nixon and Wallace. When the chips are down he stands full square behind imperialism, behind his own class.

What treachery for the Communist Party, the Socialist Workers Party, and the "liberal" and "progressive" trade union bureaucrats to build up this man and others like him as dedicated opponents of the war!

The Gallup Poll for once has asked some clear questions which accurately if in a partial way show the feelings of the working class in relation to Calley and the war. 79% think the verdict was unjust.

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## Hoffa Parole Refused

**BY A BULLETIN REPORTER**

Last week the United States Board of Parole rejected the application for parole of James Hoffa, president of the Teamsters Union. The Board said in addition that it would not even consider his parole again until June, 1972.

Hoffa was sentenced to jail for eight years in 1967 for jury tampering. His first application for parole in 1969 was denied. Earlier this year a five year sentence for mail fraud was added to his original sentence by the Supreme Court.

This decision must be seen as an attack on the entire working class just as Hoffa's initial jailing was. Hoffa was jailed precisely because of the tremendous

threat of the Teamsters Union, the largest and most powerful in the world. In this sense Hoffa was one of the first political prisoners of this period.

It is reported that the Teamsters Union has exerted tremendous "pressure" on the Nixon Administration to influence the parole board. But Nixon's silence only reveals the bankruptcy of such a perspective. Nixon's class interests are clear. He has no difficulty whatsoever intervening for Lieutenant Calley who carried out imperialism's murderous policies. But Hoffa is another question. Nixon fears the power of the union Hoffa built especially at a time when the strategy of the capitalist class is to destroy the unions and the working class.



# Leaders Betray Bengali Fight

BY TOM GORDON

Civil war continues to rage in East Pakistan. Sheik Mujibur Rahman, leader of the petty bourgeois nationalist Awami League, which won the majority in the December elections for an advisory constitutional assembly, has reportedly been captured.

Rebelling workers and youth are continuing to fight in several cities despite massacres by West Pakistani troops, and support for their struggles is growing in India.

It becomes clear now that talks held between dictator Yahya Kahn, Sheik Rahman, and Ali Bhutto, head of the West Pakistani majority party, the Pakistan Peoples Party, were nothing but covers for the massing of troops in East Pakistan and the prepara-

tion for civil war.

These preparations by the bloody dictator Khan would have been impossible without the full and witting cooperation of Communist China, Ceylon, and the United States in supplying aid and supplies to the Khan regime.

China has supplied Pakistan with tanks and other military hardware now being used against the people of Bengal. Maoists (Naxalites) and China itself justified these arms shipments on

the grounds that heavy arms were only for national defense and could not be used against the population, as if defense of a bourgeois state, much less Khan's military dictatorship, could mean anything but armed attacks on the workers and peasants!

Chinese airports are being used for overflights by the Khan regime to supply its troops in the East. Appeals from the rebels' radio for aid from "freedom-loving and democratic nations" have been blacked out in China.

Radio Moscow at first called for "success" in "the struggle to consolidate national independence." Then on April 3, President Podgorny called on General

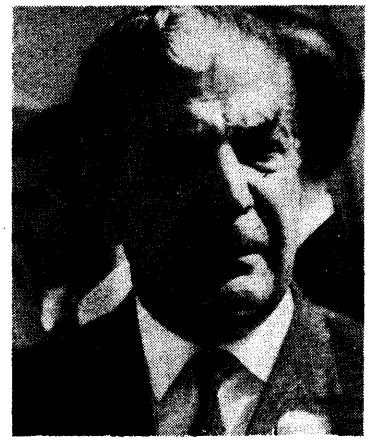
Khan to settle the conflict by "peaceful" means. This call which commits absolutely no material aid to the rebels is entirely consistent with Moscow's supplying of arms to Khan over the past period. The United States which supplied arms to Pakistan beginning in 1955, has refused to release to the press accounts of army killings it has received from its consulate in Dacca.

Ceylon's coalition government headed by Mrs. Sirimavo Bandaranaike has been even more vital in assisting this crisis for the Pakistani bourgeoisie. Airports in Ceylon are being used to ferry supplies and troops to the East. Without Ceylon's aid, the oppression of Bengal by General Khan would be utterly impossible.

At the same time "progressive" Mrs. Indira Gandhi, Prime Minister of India, while professing support for the independence movement in East Pakistan, has sealed the borders of India to prevent cadres and supplies from entering the area of fighting in support of the Bengali people.

## SUPPRESSION

Her support for "Bengla Desh" (Bengali Nation) depends not on the Indian working class, but on the maneuvering of a bloc of Indian bourgeoisie hoping for a competitive advantage over the Khan regime. She continues her suppression of the Naxalites



Yahya Khan directs bloodbath.

and other Stalinists throughout India.

It is the task of the working class internationally to defend the Bengali people from the murderous Khan and to struggle for a united socialist India. Indian trade unions in West Bengal state have already announced a solidarity strike. Protests have been mounted in London by Bengali students.

The struggle against the bourgeoisie and landlords can go forward only with the strongest struggles against the betrayals of the Awami League itself, which helped divert the people into parliamentary channels and lulled them with eleven days of talks with the generals while troops were being moved.

Only a Trotskyist leadership can fight the betrayals of the Maoists and the petty-bourgeois nationalists and lead forward to a united socialist Asia.

# Strike Wave Sweeps France

BY MELODY FARROW

Almost three years after the French General Strike in 1968, a new wave of strikes has been sweeping France.

Prices have soared 5% in one year and unemployment is over one million.

The government announced that a number of mines in the Lorraine area would be permanently closed, throwing thousands of miners out of work. On February 4th the Merlebach mines were occupied by the workers and the strike spread throughout the valley.

In the first week of February postal workers went on strike for three days and the auto workers at the Renault plant in Paris struck for improvements in working conditions and for a wage increase.

Workers at the Creuset-Loire Engineering plant in Nantes, the city where the 1968 General Strike began, staged a seven week strike to defend three workers who were fired for strike action. The tremendous solidarity of all the workers in the area finally forced the company to give in.

On February 19th 4000 airport workers were locked out after their wage demands were rejected by the three major airlines. The government's policy is to refuse to negotiate since any wage increase threatens its slim profit margin, and to try to crush the union.

The same day as the lock out began high school students all over France demonstrated and threatened to strike if a student arrested for allegedly hitting a cop, was found guilty. The student, Guiot, was freed.



Demonstrators from the high schools are part of mass upsurge.

Every confrontation, such as the high school strike, threatens to touch off an explosion among the entire working class. The stability of the Pompidou government is extremely fragile.

This was expressed in the March municipal elections. The Gaullists failed with a few exceptions in the attempt to capture seats in the major industrial cities. There was a clear polarization between the Communist Party and Pompidou's party while middle of the road formations like the Socialist Party lost votes.

Thousands of cops have stormed onto campuses with clubs and tear gas hoping to create a situation where they could crack down on the students. Ordre Nouvelle

an openly fascist organization, recently held a large meeting in Paris that was guarded by bands of fascists armed with clubs, helmets and shields.

The question now facing the French working class is a General Strike that will bring down the Gaullist government and place a workers government in power. The next stage of struggles will not merely be a repetition of May-June, 1968.

The workers have gone through the betrayal of their Stalinist leaders in 1968. The conditions are now more favorable than ever to construct the Trotskyist party within the working class and to expose the Stalinists and reformists.

# Prague Frame-up Trials Expose Stalinists Crisis

BY LOU BELKIN

The Soviet Communist Party's 24th Congress is meeting amidst the most explosive situation in the East European bureaucracies.

Fresh on the heels of the brutal attacks on workers and peasants in Poland come appeals by Czech party boss Bilak to "counteract the counter-revolutionary situation in Poland." What lies behind the fears of Bilak and other Czech Stalinists is the growing impact the Polish events have had on neighboring Czechoslovakia.

Despite the scant publicity accompanying the events, it has recently been revealed that 19 workers and youth have been tried and sentenced in Prague for the "criminal offense of subversion against the Republic."

The Prague 19 are members of the Revolutionary Socialist

Party. They have called for "working class action to remove the bureaucracy." As one of the defendants, Jan Frolík, has told the court:

"Never in our discussions did we consider the possibility of a restoration. On the contrary our aim was to help socialism. Our criticism was not directed against the socialist system, but against certain actions and certain methods."

But precisely for their anti-Stalinist position and for their defense of the nationalized property relations through democratic workers' control of the economy, they were labelled "Trotskyites and imperialist agents."

The bureaucracy has slandered and infiltrated the defendants' ranks with a police spy. But the Prague defendants have held firm. During the trials, the ranks of

supporters outside the courtroom swelled, and were joined by the sons of Slansky and Sling, defendants in the iniquitous Slansky trials of 1952.

The 19 workers and youth were sentenced to terms ranging from four years for the leader Peter Uhl to 15 months. It has been recently disclosed that the prosecution is pressing for even more vicious sentences and may reconsider reopening the trial.

## DRUGGED

At the same time within the Soviet Union itself massive opposition grows to the attempts to rehabilitate Stalin. It has been reported by Andrei Sakharov, Nobel Prize winner in physics and outspoken critic of the bureaucracy, that two dissidents are being drugged in order to coerce them into changing their political

beliefs. The defendants, Vladimir Borasov and Victor Fainberg, presently incarcerated in a Leningrad psychiatric hospital, were arrested for "anti-state activities."

The use of drugs by the Soviet bureaucracy began with the infamous Moscow Trials of 1936-1938 when leading Bolsheviks were duped through drugs, torture and electro-therapy, into signing the most bizarre confessions as agents of the Gestapo and the Mikado.

Editor: Lucy St. John ART DIRECTOR: Marty Jonas  
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# Big Clash On Wages, Jobs Shapes Up In Basic Steel

BY STEVE CHERKOSS  
LOCAL 1845 USWA

A time bomb is ticking in the mills, mines and smelters. No force in the world can stop it from going off in the face of Nixon, the profit hungry steel bosses he represents, and the sellout trade union leadership.

The union contracts with the aluminum industry expire May 31, with the "Big Four" copper industry on June 30, and with the 10 major steel companies on July 31.

While all these struggles will be sharp, the biggest battle will be fought in basic steel and will put 400,000 workers against such capitalist giants as U.S. Steel, Bethlehem and Republic.

Today the capitalist class is in deep crisis because the steel barons have to contend with a falling rate of profit. Thus, this battle shaping up between the steel, copper and aluminum industries on one side and the workers on the other will undoubtedly be the sharpest class struggle of 1971 in the U.S. It goes way beyond just these industries and the Steelworkers' Union. It involves the whole capitalist class and the whole working class.

The employers are going to attempt to solve their crisis by taking the steelworkers head on, breaking the union and driving wages and working conditions back to the 1930 open shop days.

## WAGES

In no other basic industry in this country have workers been hit so hard. Since 1962 real wages have gone down. No steelworker with a family can make it without breaking his back working overtime (double shifts). The average wage in steel, including incentive bonus, piece rate, shift premiums and Sunday work, is between \$3.25 and \$3.35 per hour.

## Juan Farinas Speaks In Detroit

BY KEVIN HAZLETT

DETROIT, March 31—On March 29 Juan Farinas spoke here in the Local 26 AFSCME hall as part of his nationwide speaking tour on the political questions and meaning of his defense.

In preparation for the meeting, 4,000 leaflets were distributed at auto plants, high schools, two universities, and in the streets of Detroit. The student newspaper of Oakland University carried articles on the meeting.

Juan, in his speech, showed clearly that the real question of his defense was the defense of all political prisoners and the working class against the attacks of Nixon and the capitalist class which he represents.

The speech and the discussion afterward made clear the fact that the only possible defense of Juan is a class defense.

A group of Detroit Panthers attended the meeting, and as they are also on the receiving end of these attacks as is Juan, they understood quite clearly the class nature of the attack on him. The Panthers, the Workers League, and the other sponsors of the Juan Farinas Defense Committee in Detroit will now be heightening the defense fight for Juan in the trade unions, student organizations, and the Black community.

The base rate (class 3) is \$2.98 per hour. With inflation the workers have no chance of keeping their heads above water even with overtime (if you are working and if you can get the overtime) at the present wage level. But steel prices have never been so high, production is picking up to full blast to accommodate strike hedge buying.

In order to turn the screws tighter, a new twist has been added to the employers' attacks. The steel owners are now crying poverty. Just last week Bethlehem Steel in their annual report to the workers for 1970 stated that they only made \$90,071,000 off our backs last year. They go on to say how "we got to work harder, faster, and cheaper." They are now pasting up signs all over the mill saying "Be Cost Conscious." "Down with downtime," "If you don't care, who will," "You can Help," and other such gems.

This kind of company propaganda has not been seen in the mills since the 1930s before the union was organized. Of course, the 90 million plus figure is only what Bethlehem themselves report. They have the arrogance to say they cannot afford to pay the workers a living wage.

## NATIONALIZATION

We say that if you cannot afford to pay us a decent wage with decent and safe working conditions and provide full production and full employment, then we will nationalize the mills under workers control with absolutely no compensation.

In addition to this cut in real wages the companies have been increasing their attacks through massive layoffs, short work weeks, speed up, hazardous working conditions (not one single day goes by in any major mill in the country without a serious accident or injury), arbitrary fir-

## Stalinists Sabotage Maryland 10 Defense

BY A BULLETIN REPORTER

COLLEGE PARK, Maryland—Larry Dean, the only convicted person in the trial of the Maryland 10—student activists during the student strike against the Cambodian invasion last May—has been given two sentences of three months to be served concurrently for forcible entry and trespassing at the main administration building at the University of Maryland. Dean, the first to be tried, was the only person sentenced.

At the height of events last spring the main administration building was occupied. Activists in SDS and Larry Dean, previously coordinator of the moratorium against the war at the university, were singled out.

The judge during Larry's trial expressed the fears of the ruling class as he gave the jury leeway for convicting Larry by saying that forcible entry could be considered if a person followed behind someone who had broken in.

However as the trials pro-

ceed, suspensions and the use of racism to divide the workers.

I. W. Abel and the leadership of the United Steelworkers (USWA) have gone along every step of the way with the increased company attack. In April 1970, the companies pushed through with the complete agreement of the union leadership, the incentive bonus plan. This was actually part of the sellout of the 1968 contract. This plan is just an extension of the already existing plan that dates back to pre-union days.

The main principle is to pay workers a little more money for a lot more work, like any piece work job. The plan enables the companies to pit workers against each other. Tens of thousands of young workers all over the country have been permanently displaced and unemployed by this vicious speed up process, in addition to the already existing mechanization process that has been going on in steel.

In the last few years, thousands more have been getting the shorter work week, with less pay as the acceleration of permanent dis-

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# St. Louis Auto Ranks Strike Against GM

BY A BULLETIN REPORTER

ST. LOUIS—Unrest building up against poor working conditions and discriminatory practices has spilled over into wildcat strikes by rank and file workers at three GM plants here.

In recent weeks there have been numerous firings and suspensions of militant black workers. Many of these workers told a Bulletin reporter that they were betrayed by the UAW bureaucracy in last Fall's GM strike. During that strike, rank and file auto workers from St.

Louis plants travelled at their own expense to Detroit to demand that the UAW leadership solve local grievances before signing the national contract. As a result of unrest now GM has fired twenty two workers and suspended a further fifty one for 30 days.

## PROGRESSIVE LABOR

SDS, the dominant force in the Committee to Defend the Maryland 10, has refused to confront this issue. While paying lip service to a class defense they refuse to see the fight based on class as central. They avoid this by seeing the fight for student rallies and "worker-student alliances" as being the most immediate task for the trials.

By posing the defense on student power programs instead of a program to mobilize the working class against exploitation and repression SDS-PL expresses the history of Stalinism and its policies of tying the working class and youth to capitalism.



The strike of NYU maintenance workers now enters its ninth week with the university determined to drive back the workers. The union has already retreated from its demand of wages equal to those of the NYU Medical Center demanding instead compulsory arbitration. So far NYU will not even settle for this seeing the weakness in the leadership and seeking to drive them back further.



Daily World backs Woodcock.

Louis plants travelled at their own expense to Detroit to demand that the UAW leadership solve local grievances before signing the national contract. As a result of unrest now GM has fired twenty two workers and suspended a further fifty one for 30 days.

The bosses have repeatedly tried to divide the workers' solidarity by playing up racial divisions. White workers from Hazelwood were brought in to replace suspended black workers. Management also broke a second attempt at a work stop-

page by holding over workers from the night shift.

## REPRESSION

We are entering a period of mass layoffs and deterioration in wages and working conditions for all auto workers. The firings and suspension of members of the St. Louis UAW Black Caucus are only a prelude to massive repressions against all workers. A rank and file caucus must be built which will challenge the sellout union leadership at every point.

A recent article in the Communist Party paper, the Daily World, has tried to spread the fiction that the Local 25 leadership was essentially out of step with the "progressive" policies of Leonard Woodcock. On April 17th, Leonard Woodcock will be speaking at the Labor-University Alliance conference here and fired workers plan to challenge his do-nothing policy about getting their jobs back.

The Workers League fully supports the demand that these workers be immediately rehired with back pay. This fight must be part and parcel of the fight to build an alternative leadership in the UAW and all unions.

# Bulletin

weekly organ of the workers league

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# Bulletin

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## Jail All The Butchers Of Mylai Massacre

The massacre at My Lai is the true face of American imperialism. It exposes its ruthlessness, its degradation, its absolute hostility to the working class and peasantry.

What was done in My Lai is exactly what the American ruling class have in mind for the United States. There will be an American My Lai if the working class does not put a stop to the American ruling class first!

Already we have seen Panthers shot down in cold blood, students at Kent State and in Augusta murdered by police and the National Guard.

Make no mistake about it. My Lai is no foreign export. The imperialists cannot limit their butchery to overseas. They must extend it here as they desperately seek to preserve their rule over an ever more rebellious working class.

This is the importance of the Calley verdict. Seeking to escape the full responsibility for the war and its butchery the capitalists were forced to cast judgement on a part of the butchery and one of those responsible for this butchery. Now every section of imperialism—from the "liberals" to the reactionaries—rally to the defense of Calley.



**NOT ONE OF THEM DEMANDS THAT THE CALLEY VERDICT BE EXTENDED TO COVER ALL THOSE RESPONSIBLE FOR THE MASSACRE AND THE WAR! IF THEY DID THEY WOULD BE SENTENCING THEMSELVES TO THE GAS CHAMBER!**

Nixon releases him from the stockade in preparation for releasing him altogether. George Wallace visits Calley and prepares a campaign in his defense. Now Newark's racist Imperiale sets up a committee to defend Calley urging that Cassius Clay and the "Communists" be placed in jail instead of Calley.

Joining them is George McGovern who announces he "sympathizes" with Nixon's decision. Now liberal Democrat and favorite of the Communist Party Ronald Dellums states that Calley is a "scapegoat" joining with McGovern, Nixon, Wallace and Imperiale.

Dellums and McGovern are leading sponsors of the April 24th marches in Washington and San Francisco. This action reveals that the demonstrations will be demonstrations tied to the very imperialists who perpetrate this war and who are preparing similar massacres against the American working people.

The blood of My Lai is on the hands of Dellums and McGovern as well. It stains the NPAC platform on which will stand the SMC, the SWP, the CP.

We face a situation in the United States where the struggle in Vietnam will be internalized as the American ruling class seeks to maintain itself in power through bloody attacks on the American working people. This in turn brings forth a massive movement of the American masses for they will not put up with such treatment.

Our task is to deepen the struggle against the war in Vietnam now through a class struggle which will prepare the American working class for the struggle to come. Above all this requires at this time a complete and absolute break with all the sections of the ruling class.

This is why the demonstrations called by the Workers League are so critical. We must make this break now and raise the banner of SOCIALISM against imperialism through the call for a labor party in the United States.

We will raise this banner in separate demonstrations and rallies in Washington and San Francisco on April 24th. All workers, Blacks, Spanish-speaking militants, students and youth must join us!

We must take the LEAD now to prepare for the LEAP to come!



## What we think

(Continued From Page 1)

raises fundamental questions not only about the BPP itself and the split with Cleaver but about the fundamental strategy that must lie at the heart of the struggle for the American revolution. It is precisely the struggle for this strategy that is at the heart of the split in the BPP.

The BPP grew out of the spontaneous Black rebellions in Watts, Chicago, Harlem, Detroit. In answer to the brutal repression of the capitalist class the leaders of the Panther Party correctly took up the question of armed self defense. But this became the strategy of the party based on the perspective that the Blacks were an oppressed nation within the U.S. and had to prepare for armed struggle.

But the very experiences of the Panthers and the development of the class struggle have in fact forced the Panthers, and in particular Newton, to go beyond this perspective. Thus Newton began to take up sharply the need to turn from nationalism to socialism, to the fight against capitalism and above all to the study of theory, to dialectical materialism.

It is this turn which precipitated the split between Newton and Cleaver. It is Cleaver, who as Newton points out was hostile to political questions, to theory, that now becomes the advocate of simply "picking up the gun," of urban guerrilla warfare, of nationalism and race war.

It is this difference, which really reflects a class difference, that is covered over by the Socialist Workers Party whose position is a "plague of both houses." According to Tony Thomas in the latest issue of the Militant:

"The facts are that both (Cleaver and Newton) are responsible for the Panthers zigs and zags in both directions. It was Cleaver who was the presidential candidate of the reformist Peace and Freedom Party. It was Newton who counterposed forming armed bands of twos and threes to mass action."

The SWP completely distorts Newton's position, ignores his turn to dialectics and his attempt to go beyond "picking up the gun" in order to substantiate its position that the problems in the Black Panther Party flow from its turn away from community control to "ultraleftism" and from their "hooligan tac-

tics."

But Cleaver makes his position absolutely clear in the recent publication of the Cleaver supporters paper Right On. It is no accident that this paper was jointly published with the Independent Caucus of SDS at the State University of Stony Brook. This group and its leader Mitchell Cohen have made a career out of hostility and hatred for the working class and for Marxism and Trotskyism. Its perspective is that of middle class radicalism gone berserk, seeking to substitute the individual, adventurist protest actions of the middle class for the movement of the working class.



Huey goes beyond just the gun

The majority of the first issue of Right On is devoted to low level slanders of Hilliard and Newton. Cleaver counterposes the military perspective of the party, "Picking up the gun," to the political, to "rhetoric," to the emphasis on the party paper and the building of mass mobilizations in defense of political prisoners. According to Cleaver, "The Black Panther Party has developed a left wing and a right wing. The right wing is based on the whole apparatus that related to the mass organizing, the legal above ground apparatus, and then the brothers who are moving, outlaws, underground, those who have gotten down—those who have transformed politics into war—constitute the left wing."

"The type of action that Jonathan Jackson took has everything to do with the way the Black Panther Party was moving, helping to create the right climate,

helping to discredit the judiciary and turn people against it so that the gun would be picked up."

As Newton pointed out in Madison, Jonathan Jackson's action was heroic but it was not revolutionary. Such actions are revolutionary only on a massive basis when the masses have been politically mobilized. Newton also correctly pointed out that it is very well for Cleaver sitting over in Algeria to talk about picking up the gun. The logic of Cleaver's perspective was in fact carried out by those of the Panther 21 who fled, avoiding the struggle to build a movement which can destroy capitalism.

While Jonathan Jackson's actions represented a heroic act to free his brother from prison, it was in prison that George Jackson became a revolutionary. In his Prison Letters, George Jackson says that he became a revolutionary when he read Marx, Lenin, Trotsky and Mao. It was for this reason that he has been persecuted.

Cleaver attempts to contend that Newton lost track of the movement when he was in prison and this is what has contributed to his present confusion. But like George Jackson, Newton while in prison through his readings of Marxism came to the understanding that philosophy, theory, were required to arm the masses for revolutionary struggle.

This is now the central question facing Newton and the Black Panther Party today. The contradictions in the Black Panther Party are class contradictions, raising the struggle between the ideology of the bourgeoisie and the ideology of the working class. This contradiction can only be resolved by confronting the questions of Marxism, and above all the struggle of Trotskyism versus Stalinism. This is the only way that Newton and the Panthers can break from their history, from nationalism.

The rebellions in Watts, in Chicago, in Jackson were in fact the beginning of the American revolution, of the American working class coming forward to defeat capitalism. Today the black workers and youth are joined by broader and broader sections of the working class. It is Trotskyism that historically has fought out against Stalinism the strategy for socialism and today prepares for the mobilization of the masses to bring this rotten system down.





# Ernest Mandel

## The Fraud of Neo-Capitalism

by Dennis O'Casey

### 2 The Theory of Neo-Capitalism

ERNEST MANDEL USES the term neocapitalism to describe what he considers to be a new stage of capitalism which opened up beginning either with the '29 Depression or with the conclusion of the Second World War.

While that portion of Mandel's work devoted to recapitulating Marx's categories is characterized by the transformation of Capital into a wooden schema buttressed by empirical data, Mandel's analysis of post war capitalism simply revises this relation or turns it inside out. It is characterized by an abandonment of Capital and the adoption of a new schema. Neocapitalism is the reflection of the simple empirical facts buttressed this time with bits and pieces of orthodoxy torn out of Capital. The same combination of rationalist schematism and empiricism is involved.

Once Mandel departs from his empirical defense of Capital and is thrown with his empirical method onto the raw material of the facts of capitalist development since the 1930's he inevitably gravitates to the empirical schemas of the bourgeois economists and their petty bourgeois radical apologists.

#### BOOM

In fact in the post-war period a whole slew of petty bourgeois thinkers grew up with one or another version of Mandel's neo-capitalist thesis. The fundamental character of all their theories was their empirical adaptation to the boom and their conclusion that capitalism had overcome its crisis.

These theories grew up fundamentally as an ideological justification for the social role of this middle layer of petty bourgeois and bureaucratic elements under the new conditions of boom, justifying their reformist compromise and opposition to socialist revolution.

These theories whatever form they took in the respective writings of the state capitalists, academics like Baran and Sweezy, individuals such as Marcuse or the Stalinists themselves (whose theory of state

monopoly capitalism is just another name for the neo-capitalist theory of Mandel), were all ultimately traceable to and dependent on Keynesianism, that is, the theory of the bourgeoisie.

Mandel and the Pabloites proceeding with the method of the bourgeoisie could hardly resist being caught up and dominated by these trends and ending up giving them a sophisticated pseudo-Marxist cover.

#### DEFINITION

What is neo-capitalism? Nowhere can Mandel offer a concise yet comprehensive definition of this theory in the way Lenin is able, for example, to reduce Imperialism to a definition embracing five essential points, and even to a single most essential point, viz., that imperialism is the monopoly stage of capitalism. This, of course, only reflects the fact that Mandel cannot render his rationalist neo-capitalist schema in any way consistent or rational. This itself reflects that rationalism as a method is anything but rational once mixed with empiricism. Only a rationalism like that of Descartes which confines itself to syllogistic thinking separated entirely from any grappling with empirical fact remains if only in a formal sense rational. Consistency requires a choice between Descartes or the dialectical materialism of Lenin and Marx. Mandel's theory which tries to combine a neo-capitalist, rationalist schema with empirical fact stands as it must as a hopelessly self-contradictory eclectic hodgepodge.

#### STAGE

The main points however of Mandel's theory are easily distinguishable. Neo-capitalism is conceived by Mandel, above all, as a new stage in the development of capitalism:

"I am quite convinced that, starting either with the great depression of 1929-32 or with the second World War, capitalism entered into a third stage in its development which is as different from monopoly capitalism or imperialism described by Lenin, Hilferding and others as monopoly capitalism was different from classical 19th century laissez-faire capitalism."<sup>(1)</sup>

This new third neo-capitalist stage is posited by Mandel on the basis of a number of structural changes that have supposedly transformed capitalism in this period. These include the unprecedented degree of state intervention into the capitalist economy with its full range of Keynesian techniques, the opening up of a third industrial revolution, the emergence of a permanent war economy, the transfer of the main source of monopoly profits from the colonial to the imperialist countries, the freedom of the monopoly corporations from the banks and a host of secondary and depen-

dent features. One can get the flavor of Mandel's conception in the following partial definition:

"We shall define neo-capitalism as this latest stage in the development of monopoly capitalism in which a combination of factors accelerated technological innovation, permanent war economy, expanding colonial revolution—have transferred the main sources of monopoly surplus profits from the colonial countries to the imperialist countries themselves and made the giant corporations both more independent and more vulnerable."<sup>(2)</sup>

#### STABILITY

What particularly characterizes this new stage of capitalism (or new phase as Mandel called it in 1962) is its stability: "The capitalist economy of this phase tends to ensure greater stability both of consumption and of investment than in the era of free competition or during the first phase of monopoly capitalism; it tends towards a reduction of cyclical fluctuations resulting above all from the increasing intervention of the state in economic life."<sup>(3)</sup>

In other words capitalism in its neo-capitalist stage is a capitalism which has overcome its fundamental contradictions and tendency towards periodic collapse on the order of 1929.

Mandel continually tries to make out that this is not really so. He says for example that neo-capitalist society "is a society in which the basic contradictions of capitalism have not been overcome, in which some of them reach unheard of dimensions, in which powerful long term forces are at work to blow up the system."<sup>(4)</sup>

He enumerates for example "the growing crisis of the international monetary system, the trend towards a generalized economic recession in the whole capitalist world, etc."<sup>(5)</sup>

The point however is not to be misled by these occasional protestations. Let us establish right from the start in what sense the contradictions of capitalism remain under neo-capitalism and in what sense they, according to Mandel, have been overcome. In this way the fact that neo-capitalism is fundamentally a stage in which these contradictions have been overcome will be made absolutely clear.

#### CRISIS

In that section of *Marxist Economic Theory* devoted precisely to the question of whether or not the latest "phase" of capitalism has become crisis-free Mandel makes his position clear. In explaining the mechanisms by which capitalism in its present phase, both through investment policy and state intervention is able to block and thereby reduce the size of capitalism's cyclical fluctuations to nothing more than re-

cessions Mandel says the following:

"Since the Second World War, capitalism has experienced four marked recessions: in 1948-9, 1953-4, 1957-8, and 1960-1. It has had no grave crisis, and certainly nothing of the dimensions of 1929 or 1938.

"Have we here a new phenomenon in the history of capitalism? We do not think it necessary to deny this."<sup>(6)</sup>

He then concludes this section with the following statement:

"Finally, it must not be forgotten that a capitalism which knows 'only' recessions is certainly not a crisis-free capitalism; it is merely a capitalism with less disastrous crises than those of 1929-39. All the reasons given in Chapter II which determine the inevitability of cyclical fluctuations remain valid. In absolute quantities, the loss and waste caused by these recessions are substantial and continue to testify regularly against the capitalist order, exhorting us to replace it by a more rational economic and social system."<sup>(7)</sup>

#### COUNTER-REVOLUTIONARY

Here is Mandel's whole counterrevolutionary anti-Marxist position in a nutshell.

Mandel on the one hand maintains that the fundamental contradictions of capitalism are still operative in the sense that, as he explains in his rehash of Marx in Chapter II of *Marxist Economic Theory*, they are the source of the periodic cyclical fluctuations of capitalism.

It is just that the mechanisms which capitalism in its neo-capitalist stage has discovered to blunt these cyclical fluctuations are capable of reducing them to recessions on the order of 1948-9, 1953-4, 1957-8 and 1960-1. Thus, while all the fundamental contradictions of capitalism are retained in Mandel's scheme as the root cause of continuing cyclical fluctuations, these fundamental contradictions are completely overthrown as having any fundamental impact on the actual development of the capitalist system because their operations are superceded or predominated over by stabilizing anti-cyclical factors.

For Marxists the instability and cyclical crises leading to a breakdown of the system are the absolute within which there is always the relative of temporary stability, partial growth and development. Such has been the case since the emergence of Imperialism.

For Mandel the stability of neo-capitalism becomes the absolute within which there arises the relative of periodic recession.

Thus it should be clear that Mandel's contention that he does not mean by neo-capitalism a capitalism which has overcome its crisis is a worthless piece of sophistry and that he means exactly that.



Let us now examine the features upon which this new stage of capitalism is based.

Mandel tries to make out, at least at most points in his writing that neo-capitalism is based upon certain structural features of capitalism which have been transformed from what they were in capitalism's second monopoly stage. For example two features Mandel cites as the basis for his positing of neo-capitalism are the growing independence of industrial capital from the banks and the transfer of the main sources of monopoly profits from the colonies to the advanced countries. A third and the central feature is the supposedly vastly increased intervention of the state in economic life. In so much as Mandel appears to base his analysis upon such structural changes as opposed to purely conjunctural changes he appears to be proceeding in a scientific way, that is in the same way as Lenin developed his critique of Imperialism.

The fact remains however that what appears to be the case is not really so. In reality Mandel's whole theory of neo-capitalism is based upon a purely conjunctural phase of postwar capitalism—the postwar boom. In fact Mandel readily admits that this is true. He states in his Introduction to Marxist Economic Theory the following:

"The long term cycle which began with the Second World War and in which we still remain—let us call it the 1940-65 or 1940-70 cycle—has on the contrary been characterized by expansion..."(8)

"Let us dwell a moment upon this phenomenon of long term expansion. Without this the specific neo-capitalism we have witnessed in Western Europe for 15 years is incomprehensible..."(9)

### EXPANSION

This is of course the real meaning of Mandel's whole theory. He has abstracted the postwar economic boom out of the development of imperialism in this whole epoch and transformed this temporary phase of expansion into a new stage of capitalism.

If we analyze the various factors upon which Mandel's theory of neo-capitalism is based we will see that in each case he is grabbing at purely conjunctural features. He is not in any sense dealing with fundamental structural changes that would warrant a revision of Lenin's Imperialism or the positing of a new third stage superceding it.

### STRUCTURAL

Let us before we proceed to consider Mandel's conception of the changed role of the state in economic life begin with those features which Mandel considers to represent actual structural changes in the internal operation of the capitalist monopolies themselves. These features include the growing independence of industrial capital from the banks, self financing, and the tendency toward overcapitalization etc. These terms or conceptions are the central pivots of Mandel's neo-capitalism scheme as a whole. Mandel elaborates one of the centrally important theories that go into making up these conceptions at great length in his Marxist Economic Theory. They all come together in his theory that neo-capitalism because of its super-profitability is able to adopt pricing and investment policies which result in its being partially freed from the economic cycle.

Mandel's theory goes roughly as follows.

1. In this period the stranglehold of the monopolies leads to the formation of two rates of profit, a monopoly and a non-monopoly rate, or in other words, a state of affairs where the monopolies are reaping huge super-profits.

2. So huge are these super-profits (due in part to the absence of sufficient new fields for investment) there is a tendency not only for the monopolies to no longer rely on the banks as sources of new capital, but, in fact, a tendency towards huge unusable surpluses of capital.

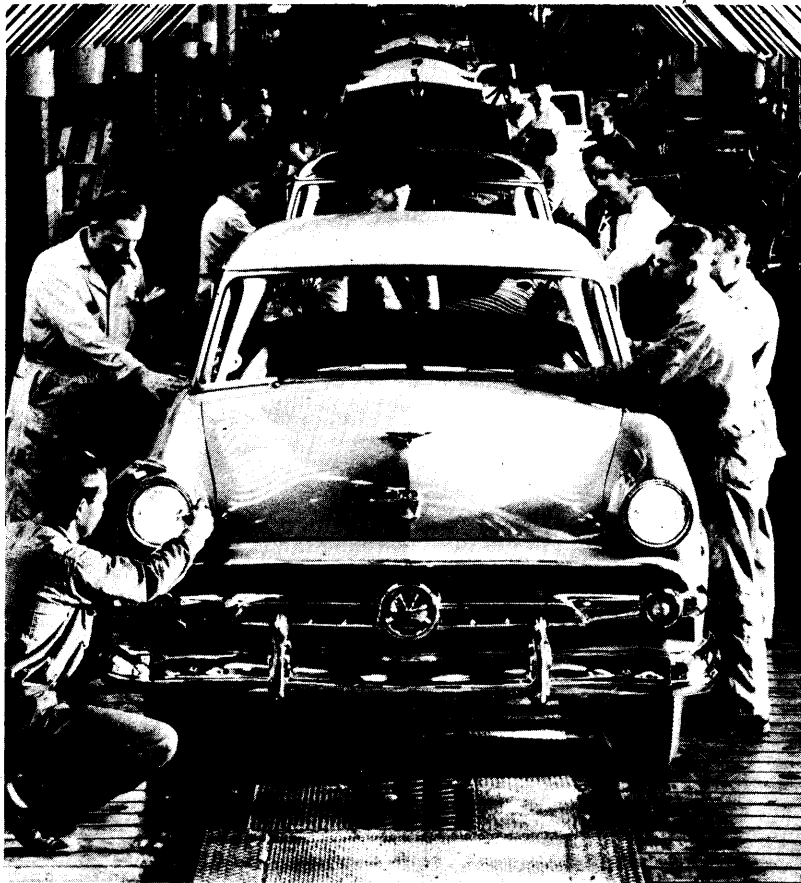
3. "This," says Mandel, "is the fundamental contradiction of the age of capitalist decline, the contradiction of overcapitalization..."(10)

4. The monopolists, faced with the difficulty of huge capital accumulation without profitable outlets, resolve this primarily through markets created by the state. But they also resolve it by a pricing and investment policy aimed at guaranteeing profits in advance by including them in prices charged for their products. These prices are, of course, fixed or "programmed" by the monopolists according to the desired rate of profit over a number of years.

5. A by-product of this phenomenon is that the element of risk and the danger of periodic crisis is eliminated for the monopolists in advance.

### PRICING

Here for example is how, according to



Mandel, prices are arrived at by General Motors. The quote he uses is taken from Fortune.

"G.M. first posits a reasonable rate of return that it might hope to earn on its capital investment over a period of years, good and bad; then it fixes upon a 'standard' volume that it hopes similarly to average over these same years. It then arrives at a price—a 'standard' price—which will earn that return on that volume of business. Now this price is a fixed figure in so far as fixed charges are concerned—the charge for tools, overhead, depreciation, insurance and so on."

"It should be noticed that this price also implies the elimination of the risk of economic crisis, as other monopoly concerns have frankly admitted..."(11)

What are the direct implications of this rather elaborate scheme for the operation of neo-capitalism, in particular the ability of neo-capitalism to transform crises into recession?

Here is Mandel's answer:

"The greater the number of the sectors of the economy over which the monopolies wield total control, the more investment in these sectors tend to be spread out in time, regardless of the movement of the economic cycle. Monopoly profits, 'investment through prices', the guaranteeing of profit, all signify in the last analysis the accumulation of monopoly capitalism has freed itself to some extent from the cycle, that it forestalls crisis, that it allows for them in advance in the way it calculates its selling prices. Increasingly, the big monopoly companies thus apply a long term investment policy, a 'programming', if not a 'planning' of investments...."

"It thus may be considered that the reduction in the size of the cyclical fluctuations results in part from the very working of the capitalist economy in our

era..."(12)

### SCHEME

The scheme which we have just outlined and which Mandel considered a description of the "very working of the capitalist economy in our era" is nothing but an eclectic description of purely superficial features connected with the boom.

The whole scheme is based, above all, upon the existence of a continuing flow of huge super-profits into the coffers of the monopolists. However with the beginning of the collapse of the boom and the reassertion of the falling rate of profit, monopoly profits are in fact under direct attack in all capitalist countries. In the United States, England, France and every other capitalist country the capitalists are confronted under the new conditions of the collapse of the boom, particularly because of the offensive of the working class, with a tremendous squeeze on profits.

Under these conditions Mandel's theory that permanent super profits, fixed prices and investment schemes that guarantee profits and reduce the cycle somehow described the fundamental workings of structurally changed capitalism is completely exposed and comes down like a house of cards. The whole theory is revealed as nothing but a series of superficial generalizations gleaned from the surface of the boom that collapse along with it.

### BANKRUPT

The problem today before world capitalism is fundamentally the falling rate of profit, not overcapitalization. It was because of a falling rate of profit, not a surplus of profit, that Penn Central has gone bankrupt, Chrysler nearly went bankrupt in the summer of 1970, dozens of Wall Street firms have gone bankrupt over the last two



Bankruptcy of Rolls Royce destroys Mandel's scheme and proves that falling rate of profit continues to govern capitalism now as it did in Marx's day 100 years ago.



Underneath boom of 1950's (left a Ford assembly line of that period) conditions were being created for a new depression (above: typical scene from the 1930s) forcing working class forward into new offensive to prevent this from happening (right: workers march in recent British demonstration against Tories.)

The most prestigious firm in Great Britain, Rolls Royce, went bankrupt in February of 1971 and nearly precipitated the fall of Lockheed in its wake. It is because of the falling rate of profit, not overcapitalization that world capitalism stands today on the brink of another 1929.

### BANKS

Under these conditions Mandel's theory that there has developed a growing independence of industrial capital from the banks is likewise exposed as a completely false theory based entirely upon unwarranted generalizations drawn from the boom.

Even under conditions of the boom Mandel's theory represented a gross distortion of the real relationship between the banks and industry. Lenin says the following about the development of banking under imperialism:

"As banking develops and becomes concentrated in a small number of establishments the banks become transformed, and instead of being modest intermediaries they become powerful monopolies having at their command almost the whole of the money capital of all the capitalists and small business men and also a large part of the means of production and of the sources of raw materials of the given country and in a number of countries..."(13)

This development expresses, according to Lenin, an example of the development of quantity into quality:

"We have produced detailed statistics, which reveal the extent to which banking capital, etc., has developed, showing how the transformation of quantity into quality, of the development of capitalism into imperialism has expressed itself..."(14)

The question which Mandel must answer if he wants to base the case for a third stage of capitalism on the reduced role of the banks are the following. Does this reduced role represent a qualitative development away from Lenin's definition and, if so, in what direction and in what sense? Wouldn't a qualitative development in the direction of a reduced role for banking capital under capitalism represent a retrogression back towards 19th century capitalism?

Needless to say, Mandel can pose none of these questions much less answer them.

### MOMENT

What Mandel has done is take one aspect, one moment in the relation between banking and industry, the ability of huge corporations in the midst of the boom to raise capital internally on the basis of swollen profits, and used this to attack Lenin's whole analysis.

In reality, even during the boom, if Mandel had approached the question in an all sided way he would have seen—as for example Harry Magdoff has carefully documented—that there has been a tremendous expansion of the role of finance capital and the banks during the boom period.

Whatever the relative ability of domestic capital inside the U.S. to expand with reduced capital from the banks, the most fundamental aspect of postwar expansion, the expansion of U.S. capital into Europe and the colonial world was spearheaded at every point by the huge expansion of the American banking into these areas.

But even more important than this, what Mandel takes for a new structural relation between the banks and industry inside the capitalist countries themselves under neo-capitalism proves, with the collapse of the boom, to be a complete chimera. The fact of the matter is that it is precisely fi-





nance capital which is dictating to the capitalist class as a whole in each country a policy of deflationary measures. These measures, designed to prevent the further collapse of the world monetary system, are pushing huge capitalist concerns, which Mandel claims now predominate, to the wall.

Not only that, as the big corporations are forced to the wall Lenin's assessment regarding the banks, viz., that they are able to "first ascertain exactly the position of the various capitalists, then control them, influence them...and finally...entirely determine their fate," (15) is being born out with each new and threatened bankruptcy and each new rescue operation organized by the banks. With the further onset of the crisis there must inevitably emerge more decisively than ever before that state of affairs Lenin referred to as the "terrorism of the banks," (16) the very opposite of the withering away of the banks that Mandel conceives.

### PRICING

The last and perhaps most important point that must be made about Mandel's theory of a new structuring of the internal operation of monopoly concerns under neo-capitalism pertains to Mandel's theory of pricing and investment policies.

Mandel's position is that under neo-capitalism corporations are able to regulate or set prices so as to guarantee the desired profit in advance and even to account in advance for periodic crisis in such a way as to blunt or neutralize them. Such a theory can only be called subjective and idealist in the extreme. Such a theory is based upon a total rejection of the labor theory of value as being the basis for price movements.

If, in fact, it is possible for the capitalist entrepreneurs to simply set prices on this purely subjective basis then there is no longer any objective relation between the price of commodities and their value. Mandel in putting forward such a theory is brazenly overthrowing Marx who explained in detail in *Capital* how the deviation of price from value can be explained on the basis of the uneven development of capitalism expressed in differing organic compositions of capital from industry to industry—that is in objective terms.

The only way in which Mandel's subjective theory would make sense would be under conditions of complete monopoly which not even Mandel is prepared to admit exists.

### PRACTICE

The incorrectness of Mandel's whole theory is now however likewise exposed in practice. Mandel's whole theory now comes into headlong collision with the reality of the collapse of the postwar boom. What Mandel's theory of price regulation and advance anticipation of the crisis through pricing cannot explain is why the biggest corporations on both sides of the Atlantic are now facing or have already faced bankruptcy. If Chrysler, which presumably employs the same price setting techniques as Mandel describes in relation to General Motors, sets its prices to anticipate crisis in advance why did it nearly go bankrupt in the summer of 1970?

The answer of course is that prices do not determine rates of profit, nor can the monopolists regulate profit, plan in ad-

vance or overcome a fall in their rate of profit through administering prices. Mandel has clearly drawn completely impressionistic conclusions from the fact that in the boom there was both an upward movement of prices and profits which reflects quite sharply the shallowness of Mandel's adherence to Marxist economic principle.

### COMPETITION

The other aspect of Mandel's theory that rests upon subjective pricing conceptions is the so-called relative absence of price competition among monopolists, which again was supposed to be the basis for the amassing of huge super-profits. This phenomenon Mandel counts among the structural changes upon which neo-capitalism rests. He says for example:

"There is also a phenomena of a structural nature in capitalist economy in the period of monopoly which has the same effect, namely, the rigidity of prices so far as any decline is concerned.

"The fact that the great monopolistic trusts virtually or completely control a whole series of markets, particularly the producer goods and hard consumer goods markets shows up in an absence of price competition in the classical meaning of the term." (17)

The point here again is this relationship between the trusts which Mandel tends even to exaggerate for the boom begins to break down altogether with the collapse of the boom exposing the fallacy of describing it as a new structural feature.

This is particularly shown on the international scene especially over the last two years with the outbreak of an internecine trade war between the major trading

states in Europe, the United States and Japan.

The deepening of the crisis, however, with its opening up of sharpening international competition will not only impel forward the protectionist drive by the bourgeoisie on the international level. It will bring also the opening of price competition within the United States and European states themselves as corporations once able to coexist begin to really fight for their lives.

Such a development is of course completely alien to Mandel's neo-capitalist scheme. Thus in his "Introduction to Marxist Economic Theory," though he makes allusion to a hypothetical price war in the automobile industry in Europe, he sees it on the level of an "eventuality that cannot be excluded." (18) Even this eventuality he puts beyond the pale of the present neo-capitalist phase of economic expansion, into the never never land of some future long term cycle of stagnation which we will take up further on.

What should be clear now is that what Mandel has posited as fundamental structural changes in the very internal operation of capitalism, i.e., tendency towards super-profits, overcapitalization, self financing, independence of the banks, price regulation, etc., are nothing of the kind. The phenomena which Mandel describes are purely superficial phenomena reflecting the boom. They do not cause the boom and moreover they tend because they merely reflect it to evaporate or turn into their opposites with the emergence of a new period of capitalist crisis.

### STATE

Let us now turn to the role in Mandel's scheme of the intervention of the state into the capitalist economy.

Although Mandel states, as we have quoted, that changes in the internal workings of neo-capitalism itself lead in part to a reduction of cyclical fluctuations, he also states that they are insufficient to prevent the system from stagnating. In fact he states that on the basis of simply the phenomena just discussed, "the whole system evolves not so much towards uninterrupted growth as towards long term stagnation." (19)

The factor that resolves the problem for Mandel, the critical factor, is the state.

In his "Introduction to Marxist Economic Theory" he states:

"Neo-capitalism is a capitalism whose preeminent characteristic is the growth of intervention by the state into economic life." (20)

Mandel describes extensively the various aspects of the state's interventionary role. The chief among these is its role in creating a huge market for the great monopolies through huge armaments expenditures. Mandel shows how whole new industries in aeronautics, electronics, etc., have grown up completely dependent upon these military expenditures. In other words we have what Mandel, like the state capitalists call a "permanent war economy." Mandel puts it thus:

"The first objective phenomena which is a tremendous factor in facilitating the growing governmental intervention in eco-

nomie life of the capitalist countries is precisely this permanence of the cold war, and this permanence in the armaments race. To say permanence of the cold war, permanence in the armaments race, permanence of an extremely high military budget is also to say state control of an important part of the national income." (21)

Second only to its role in armaments expenditure becomes its outlays for social insurance, or in a broader sense its outlays in what Mandel calls the "consumption sphere (subsidies, social insurance, family allowances, salaries of civil servants, etc.)." (22) Besides these roles Mandel points to the state's role as a "guarantor of monopoly profits, its role in nationalizing lagging sectors of industry, etc." (23)

### SIGNIFICANCE

The significance on the whole of the state intervention into the economy, which Mandel elsewhere refers to as a continuation of the Roosevelt experience, lies for Mandel in its basic ability to break the amplitude of the business cycle. In other words armed with the ability to run up huge budgets often on a basis of deficit financing the state can carry out typical Keynesian measures against the onslaught of crisis.

"The practical effect of this increased economic role of the state is precisely a reduction in the size of cyclical fluctuation. This will easily be understood if one considers the cumulative consequences which characterize the march of the classical crisis and depression. At their beginning, dismissals bring about a decline in expenditures on consumer goods; as a result, orders (investments) are reduced successively in both departments which in turn leads to fresh dismissals, etc. If, however, from the moment of the first dismissals and the first reductions in private investments, the public authorities increase expenditures, this onward march of the crisis is blocked. It comes to a standstill until the inherent forces of the system bring about recovery." (24)

### MECHANISM

Here then is the chief mechanism through which capitalism is supposed to have finally freed itself from the cycle, issuing in as a result, a new era of neo-capitalist prosperity.

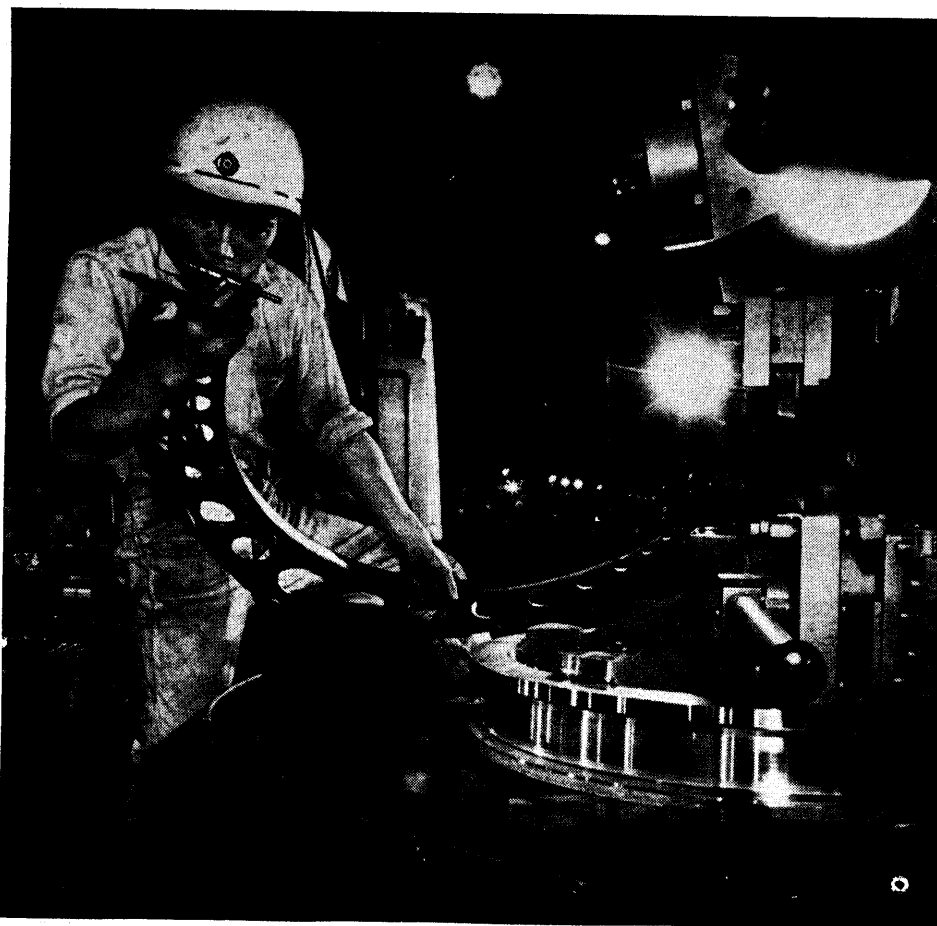
What is of course wrong with Mandel's theory is that it completely leaves out the contradiction inherent in the huge outlays that capitalist governments have made for armaments, aid, and social welfare during the postwar period, namely inflation. Mandel is, of course, correct in counting the intervention of the state into economic life in the form of huge deficit spending on military equipment, the resultant development of new industries, not to mention the role of the state as a guarantor of profit and particularly the export of capital (which Mandel does not seriously treat as major factors contributing to postwar prosperity). But Mandel, the empiricist living on the surface of the developments, has never probed to the contradictory process which not only made the boom possible but which is now tearing it apart.

### DOLLAR

The other side of the boom, the side Mandel ignores, is the fact that the boom has been rooted from the beginning in the decision taken by the capitalist class at Bretton Woods in 1944 to finance postwar expansion on the basis of the dollar becoming the main world reserve currency. This decision was in effect a decision to bring about expansion through the dollar which has taken the form over 25 years of a huge proliferation of paper dollars abroad backed by a diminishing reserve of gold held in the U.S.

The decision to rebuild Europe and to suppress the falling rate of profit in the U.S. in this way was taken by the capitalist class in 1944 to evade at that point a head-on collision with the postwar offensive of the working class. It has been continued for 25 years precisely because of the strength of the working class and has reflected the retreat and weakness of the bourgeoisie. Now, however, this course bumps up against its utmost limits. What is revealed is that the capitalists have only succeeded in postponing their crisis.

The limits to inflation and the creation of fictitious capital which could readily be foreseen in the growing U.S. balance of payments deficits from the late 1950s onward has now broken out in a series of sharp monetary crises beginning in 1967. We have seen the devaluation of the pound followed by the partial devaluation of the dollar, the devaluation of the franc and the revaluation of the Deutschmark. What these devaluations posed to the capitalist class was that to continue their inflationary policies and evade a head-on confrontation with the working class would mean the collapse of the world monetary system and another



The outbreak of international trade war (Japan above) shows price competition exists.



1929.

## OFFENSIVE

This is why the bourgeoisie in every country has in the past three years launched a massive offensive against the working class, attacking wages and employment while preparing, because of its inability to achieve a fundamental defeat at this level, for civil war and fascism.

Under these conditions the huge state outlays of the boom, fueling as they did an ever upward spiral of prosperity neutralizing the tendency toward crisis and the reassertion of the falling rate of profit are transformed into their opposite. They are replaced by huge cutbacks in state spending for aid, the dismantling of social welfare programs and the creating of mass unemployment in every sector including precisely those most advanced sectors that grew up and were fueled by boom time armament expenditures.

Most important of all the necessity for the bourgeoisie to go over to sharply deflationary policies under the threat of monetary collapse and under conditions where they have been unable thus far to seriously throw back the working class becomes the direct source for a reassertion of the tendency for the rate of profit to fall. This has already begun to take a huge toll of industrial and financial firms and threatens itself to plunge the system into a new 1929.

Emerging from the boom, world capitalism is thus driven inexorably into another 1930s crisis not only from the standpoint of threatened monetary collapse but, in so far as this is resisted, from the threat of a chain reaction of industrial and financial bankruptcies as well.

In this new situation all the Keynesian techniques, all the mechanisms for transforming the crisis into mere recession held up as pillars of neo-capitalism by Mandel are openly declared along with Keynes by whole sections of the bourgeoisie itself to be completely bankrupt.

## INFLATIONARY

Mandel however has been completely unable to anticipate the present break up of the postwar prosperity because as an empiricist he stood completely blind to the implications of the inflationary character of the boom.

In the first place Mandel saw the inflationary policy of the bourgeoisie not as an expression of the retreat of the bourgeoisie before the offensive of the working class but on the contrary as an expression of the offensive of the bourgeoisie against the working class. Thus Mandel says:

"Inflation serves in this instance as a means of relative neutralization of trade union power, and is not, as conservative circles rashly allege, the 'result of trade union pressure.'" (25)

This conception itself flows from a refusal to grasp the boom from the standpoint of the actual relationship between the working class and the bourgeoisie after the war and during the boom period. Mandel does not see that the decisions at Bretton Woods to inflate the dollar were desperate decisions made by a bourgeoisie whose alternative was to be confronted with socialist revolution. Nor does he see that by inflating the dollar in this way, the bourgeoisie was laying the basis for a blow up of the system at a later date and a confrontation with the working class under conditions where the workers would come forward stronger than at any time in their history.

## GENUFLECTION

Thus Mandel, while making a three sentence reference in his 730 page book *Marxist Economic Theory* to the "insurmountable barrier" to the moderating intervention of the state posed in the long run because of the U.S. balance of payment deficit, a sort of genuflection to the real issue, focuses his whole analysis of inflation elsewhere.

Here is what he says:

"The state cannot, however, create any amount of extra purchasing power it likes; and, the bigger the recession, the bigger must be the creation of 'replacement' purchasing power, and the more this promotes the tendency to inflation. The dilemma confronting the state in the age of capitalist decline is the choice between crisis and inflation. The former cannot be avoided without intensifying the latter." (26)

So far we can agree. But the real threat posed by inflation, what Mandel is really concerned about are the "hindrances" it poses to the "normally functioning capitalist economy" not the threat of bringing the system to another 1929, and the outbreak of socialist revolution.

This Mandel explains as follows.

"The tendency to more or less permanent inflation causes many hindrances to the normal functioning capitalist economy. It encourages speculation and increas-

es the insecurity which hinders the 'normal' investment activity. It disorganizes or obstructs the mechanisms which, in the classical style of the age of free competition, normally bring about recovery. There are no more reductions in prices, even in recession periods. Consumers purchases no longer play the role of a factor in recovery. The fall in the rate of interest no longer causes investments to rise to a serious extent, etc. Thus already during the recession of 1957-8 the governments of the United States and Britain hesitated to apply the familiar remedies for quickly liquidating the crisis for fear of fostering a rise in prices before recovery had begun..." (27)

In other words Mandel has a completely petty conception of the difficulties arising from inflation. Inflation hinders the normal function of capitalism; it does not tear it apart.

Not only is the question of the world monetary crisis never seriously broached in Mandel's *Marxist Economic Theory*, but it is not given so much as a mention in Mandel's later "Introduction to Marxist Economic Theory," so absent is it from Mandel's neo-capitalist schema. Though there are probably more citations and footnotes in Mandel's work and probably a larger bibliography than in any book written in the last 100 years, there is virtually no mention of Bretton Woods, the question of the gold crisis, nor is a serious assessment of the U.S. balance of payments ever made.

All the problems which have been at the center of the worries of the world bour-

to establish between neo-capitalism and the boom.

## CYCLES

Mandel states the following in his "Introduction to Marxist Economic Theory":

"In the history of capitalism we can distinguish between its periodic crises which recur every 5, 7, or 10 years and its cycles of a longer period which were first discussed by the Russian economist Kondratief and which may be called long term cycles of 25 to 30 years. A long term cycle characterized by high growth rates is often followed by a low term cycle characterized by a lower growth rate. It seems to me that the period 1913 to 1940 was one of these long term cycles of stagnation in capitalist production, during which all the successive cycles from the crisis of 1913 to that of 1920, from the crisis of 1920 to that of 1929, were marked by particularly severe depressions because of the fact that the long term trend was one of stagnation.

"The long-term cycle which began with the Second World War, and in which we still remain—let us call it the 1940-65 or 1940-70 cycle—has, on the contrary, been characterized by expansion, and because of this expansion, the margin for negotiations and discussion between the bourgeoisie and the working class has been enlarged. The possibility has been created for strengthening the system on the basis of granting concessions to the workers... close collaboration between an expansive bourgeoisie and the conservative forces of

Mandel's whole game away:

"The neo-capitalist phase which we are now witnessing, is that of a long term expansion of capitalism, a period which I believe is limited in time, just like similar periods in the past. I do not in the least believe that this period of expansion will last forever and that capitalism has now found a philosophers' stone which will allow it to avoid not only cyclical crisis but also long term cycles of successive relative expansion and stagnation. But it is this phase of expansion which now confronts the working class movement of Western Europe with its specific problems." (29)

What comes through here is that while Mandel says he believes the present neo-capitalist phase will not last forever, this is in no sense a matter of scientific analysis, in no sense based upon a consideration of how this phase stands to be torn apart nor any sense of urgency that such a development is imminent. Clearly for Mandel it is simply a matter of faith.

## KEY

But what is key here is that whether or not Mandel thinks the present expansion phase will end or not, and therefore whether he speaks of a long term expansive cycle or a permanent third stage of capitalism doesn't really matter. It doesn't matter because as Mandel says "It is this phase of expansion which now confronts the working class movement of Western Europe with its specific problems." In other words the problems to be confronted are those connected with the present phase of prosperity. They are not those connected with a break up of this prosperity, i.e., with a break up of the boom. Thus again in Mandel's schema whether or not Mandel thinks the present expansion phase will end or not, and therefore whether the long term cycle is permanent or time-limited or whether it is a cycle or a new stage is all the same in that the practical tasks posed to the working class by either conception are the same and flow from neo-capitalist prosperity.

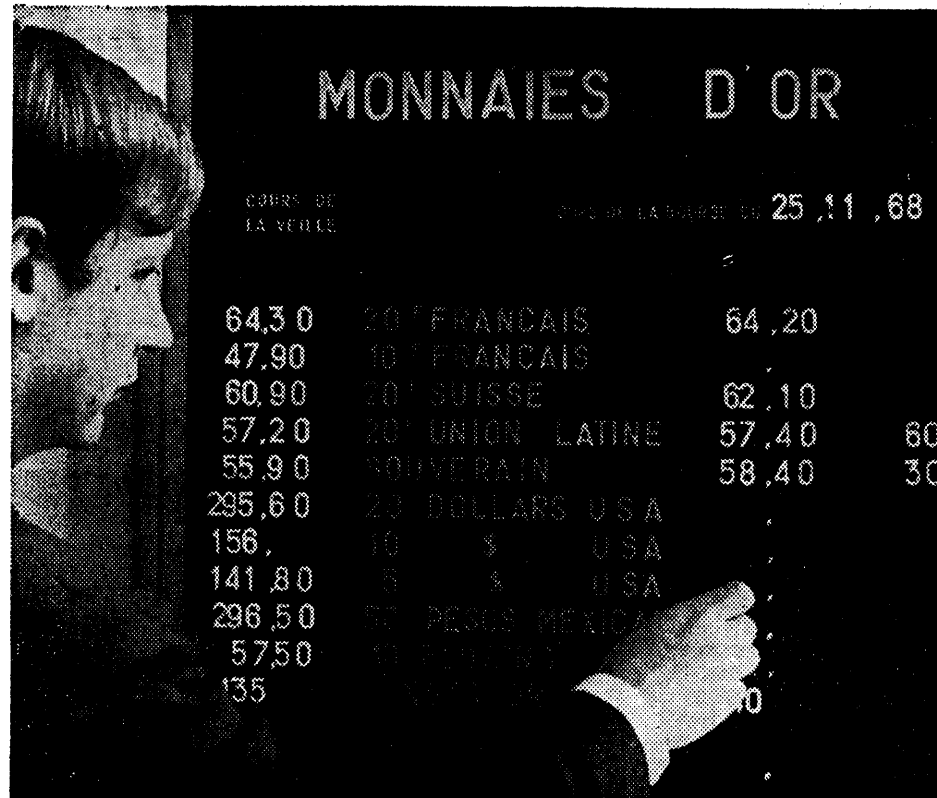
## CYCLE

If the socialist revolution (which as we will show later Mandel has turned into structural reform) is to be carried out in the period of the expansionary cycle, if one's whole strategy and tactics are to flow from the expansionary conditions of capitalism then the fact that one's long term expansionary cycle is to be followed by a long term cycle of stagnation, is of no possible consequence. The question of a return to a '29 crash and the 30s the inevitability of which is the starting point for all Marxists has no practical significance whatsoever in such a scheme. One does not look to the breaking up of the long term cycle but to the solution of all tasks within its framework—whether one's perspective is that the cycle will last 30 or 300 years is basically irrelevant.

There is thus no difference between Mandel's long term cycle theory and his posing of a new third stage of capitalism whatsoever. More exactly, his long term cycle is another word for his third stage of capitalism. The confusion created by Mandel is nothing more than another example of Mandel's ability to weave elaborate sophistries for the purpose of covering up his revisionism.

## FOOTNOTES

1. Mandel, Ernest, *Marxist Economic Theory*, (Monthly Review Edition) p. 18
2. *Ibid.*, p. 17
3. *Ibid.*, p. 17
4. *Ibid.*, p. 17, note
5. *Ibid.*, p. 19
6. *Ibid.*, pp. 19-20, note
7. *Ibid.*, p. 19
8. *Ibid.*, p. 17, note
9. *Ibid.*, p. 716
10. Mandel, Ernest, *An Introduction to Marxist Economic Theory*, p. 27
11. Mandel, Ernest, *Marxist Economic Theory*, p. 710
12. *Ibid.*, p. 710
13. *Ibid.*, p. 711
14. *Ibid.*, p. 711
15. Lenin, V.I., *Philosophical Notebooks*, in *Reader in Marxist Philosophy*, ed. by Selsam and Martel.
16. Mandel, Ernest, *Marxist Economic Theory*, pp. 719-720
17. *Ibid.*, p. 720
18. *Ibid.*, p. 720, note
19. *Ibid.*, p. 166
20. *Ibid.*, p. 520



geoisie at least since 1967 when the present crisis exploded onto the surface and have been at the center of the perspective of the International Committee from the darkest days of the boom are completely absent from Mandel's work.

## QUANTITATIVE

The intervention of the state into the economy after the 1930s which Mandel sees as representing a qualitative change in the relationship between the state and the capitalist economy because of the ability of the state through a whole series of Keynesian mechanisms to transform crisis into recession is exposed as nothing of the kind. What is involved here, as with all the other phenomena upon which Mandel bases his neo-capitalist scheme is the unwarranted transformation of purely transient phenomena into permanent structural changes in capitalism.

In reality the intervention of the state into the capitalist economy in the postwar period stands as no more than a further quantitative development of a trend that Lenin already saw at the heart of imperialism. The role of the state today, its fusion at every point with the industrial and financial oligarchy in every country is not qualitatively different from its role at the time Lenin wrote *Imperialism*. The state has in no sense acquired the capacity to prevent the outbreak of the 1929 crash which is now impending, as Mandel conceives. It thus in no sense provides the basis for Mandel's claim to the development out of monopoly capitalism of a new third neo-capitalist stage.

Before we examine the question of Mandel's third stage of capitalism outright, let us clear up the last remaining points that may still be a source of confusion in terms of the relationship we have tried

Above: gold prices fluctuate on French currency exchange. Mandel ignores the fact that the boom was rooted in the Bretton Woods agreement over the dollar and that recent monetary crises are a reflection of the deepening crisis of the system as a whole.

the labor movement and is fundamentally sustained by a rising trend in the standard of living of the workers." (28)

Elsewhere we will discuss how this conception of alternating periods of long term boom and stagnation directly conflicts with Lenin's whole conception of the imperialist epoch.

What is important here is that Mandel seeks to create by putting forward the idea of the long term cycle a kind of left cover formulation to prove that he too recognizes the prosperity of capitalism of the past 25 to 30 years is a limited historical phenomena and will be followed by another return to the "long term stagnation," that is a return to the thirties.

Elsewhere he had clearly put forward, and this is his real position, the conception of a neo-capitalist third stage of capitalism. Such a formulation, far from implying a mere long term cycle implies a permanent transformation of the capitalism, and the permanent insulation of capitalism from return to the thirties, ever.

## DECEPTION

He however is not going to get away with this deception. If we examine Mandel's long term cycle theory closely we discover that if superficially it appears to be closer to the Marxist position of the International Committee, that in reality it is identical to Mandel's main thesis.

What Mandel says just a few pages beyond the material we have just quoted gives



# BOOKS

ROBERT BLACK

## Lenin Letters Collected Works, Vol. 44

COLLECTED WORKS, VOLUME 44, LETTERS—OCTOBER, 1917—NOVEMBER, 1920. By V. I. Lenin. Progress Publishers, Moscow, 1970.

Despite its title, this volume does not contain all Lenin's telegrams and other dispatches of the period.

It has this in common with the far more crude forgeries and falsifications of earlier editions of Lenin's so-called Collected Works.

First, let us take good note of the fact that unlike most of the previous volumes in this English edition of Lenin's works, No. 44 is translated from the fifth Russian edition of Lenin's works (from volumes 50 and 51).

This is very important, because the fifth Russian edition is claimed by its editors to be real Lenin Collected Works.

The reader will search this volume's 615 pages in vain for the document issued to Trotsky by Lenin in July 1919. It reads:

"Comrades, knowing the harsh character of comrade Trotsky's orders, I am so convinced, so absolutely convinced, of the correctness, expedience and necessity for the good of our cause, of orders issued by Comrade Trotsky, that I give them my full support."

These lines, irrefutably confirming Lenin's absolute trust in the ability and devotion of Trotsky as a revolutionary leader, were written by Lenin at the bottom of a blank sheet of paper. The space had been left for Trotsky's orders.

### SUPPRESSED

There are many other documents almost as deadly for the bureaucracy which have been suppressed.

Lenin dispatched four telegrams on August 22, 1918: One to the Penza Gubernia Committee of the Bolshevik Party, two to A.K. Paikes at Saratov—and another to Trotsky at Sviazhsk.

Here, at the strategic gateway to Moscow, the Soviet Republic was fighting for its life (the full details of this epic battle are to be found in the Workers Press Trotsky supplement).

Yet the so-called Collected Works omits this vital telegram. It is easy to see why!

"August 22, 1918. Sviazhsk. To Trotsky. Treason on the Saratov front, though discovered in time, has nevertheless produced extremely dangerous vacillations. We consider your going there at once absolutely indispensable, for your appearance at the front has an effect on soldiers and the entire army."

On April 10, 1919, Lenin wired Trotsky the following brief message:

"In view of the extremely grave situation on the Eastern Front I think it is most expedient for you to remain there. Lenin." This telegram is also missing, as are the following:

"May 21, 1919. 'I would insist personally on your (i.e., Trotsky's) going to Bogachur once again, in order to complete the crushing of the uprising, otherwise there is no hope for victory. Lenin'" (emphasis added)

"May 22, 1919. 'I insist again on you going without fail a second time to Bogachur and putting an end to the matter, because it is obvious that Sokolnikov cannot handle the situation. Lenin.'" "

But even in the "doctored" edition, published by the Moscow Stalinists, there is ample material to annihilate the anti-Trotsky slanders of the Civil War period. We take but one—the 1919 offensive waged against the white guards of Denikin to the south of Moscow.

According to the Stalinist legend, Trotsky drew up a plan which involved the Red Army advancing through rich peasant areas hostile to the Soviet Regime. The advance was beaten back by Denikin and the whole southern front placed in great danger.

Then, the fable runs, Stalin devised a new plan. The Red Army would advance through poor peasant and urban regions where the population could rally to the Bolsheviks. This version, which has even

been incorporated into Sholokov's novel *Quietly Flows the Don*, is still to be found in the latest English language edition of the official history of the CPSU.

"But the counter offensive failed. It began much later than planned, owing to the inefficiency of the war department, which was headed by Trotsky..." (page 323)

Earlier publications of the Stalin period had been even more categorical—i.e. the Lenin biography published during the war by the Marx-Engels-Lenin Institute:

"In the summer of 1919, Denikin's army, which had been well-equipped by the imperialists, began to press back the Red Army. The retreat of the Red Army was the result of the treacherous activities of Trotsky who had undermined the fighting efficiency of the Southern Front..."

"He had drawn up a plan according to which the main blow against Denikin was to be delivered from Tsaritsyn with the object of reaching Novorossisk across the Don steppes, which were inhabited by Cossacks hostile to the Soviet regime.

"Stalin rejected this plan and drew up his own, which was to strike the main blow along the Kharkov-Donbas-Rostov line..." (pages 156-157)

But if we check over the Lenin telegrams of this period (between July and October 1919) the exact reverse emerges!

In fact, Trotsky opposed the first plan drawn up by the high command, and fought against its adoption by the Bolshevik Party Central Committee. Trotsky's conflict with the Central Committee majority can be traced to a certain extent through Lenin's telegrams of this period.

This first plan, which proved disastrous, had Stalin's full approval. This is conceded by the editors, who in a note at the end of the volume, comment:

"This refers to the plan of struggle against Denikin drawn up by the Commander-in-Chief, S. S. Kamenev (no relation to the old Bolshevik leader L. B. Kamenev, murdered by Stalin in 1936).

"...On July 27, 1919, Trotsky sent a telegram to E. M. Sklyansky, deputy chairman of the Revolutionary Military Council of the Republic, in which he reported that 'Commander of the Southern Front Yegoriev considers Kamenev's operational plan for the south to be wrong, and in carrying out does not expect success'..." (page 516)

But even the combined opposition of Trotsky and his deputy did not move the Central Committee, and the plan was put into operation.

Trotsky's opposition continued—as was his right—while he fought to implement the decision of the party—which was his revolutionary duty. Then on September 6, 1919, Lenin wired to Trotsky:

"The Politbureau of the CC, after discussing the telegram from Trotsky, Serebryakov (a future Left Oppositionist, murdered by Stalin after the second Moscow Show Trial in 1937) and Lashevich, endorsed the reply of the Commander-in-Chief and expressed surprise at attempts to revise the adopted basic strategic plan." (page 281)

So it was Trotsky, and not Stalin, who opposed the wrongly conceived first offensive against Denikin. The editors comment on this telegram from Lenin:

"Written in reply to a telegram from Trotsky, Serebryakov and Lashevich of September 5, 1919, which in effect proposed altering the previously adopted plan of the struggle against Denikin." (page 518, emphasis added.)

The second plan—recommended by Trotsky from the beginning of the campaign, was finally adopted in November, 1919. Denikin was routed and the White Guard threat to Moscow eliminated.

Lastly, another old Stalinist myth that Trotsky favored the abandoning of Petrograd (now Leningrad) to the White Guards. Here the editors fight a desperate rearguard action!

On October 17, 1919, Lenin wired Trotsky his approval of the latter's plan for the defense of Petrograd:

"Comrade Trotsky, Last night in the Council of Defense we adopted a decision



of the Council and sent it to you in code... As you see, your plan has been adopted (emphasis added). But the withdrawal of the Petrograd workers to the south, of course, is not rejected..." (page 294)

Lenin's testimony present the editors with a thorny problem. His telegram suggests that the plan to defend Petrograd was secured by Trotsky after opposition on the highest bodies of the party and the state. This impression must therefore be "corrected" in the time-honored fashion:

"Lenin is referring to the decision of the Central Council of Defense dated October 16, 1919. It contained a directive to defend Petrograd to the last drop of blood, without yielding an inch of ground and fighting in the streets.

"In his proposed plan of struggle against Yudenich's forces, Trotsky also spoke of the need to prepare for street fighting, but in issuing its main directive for holding Petrograd at all costs until the arrival of reinforcements, the Council of Defense allowed for street fighting only if the enemy succeeded in penetrating into the city, whereas Trotsky's argument was different.

"He asserted that 'for purely military considerations' it would be advantageous to allow the enemy to break into Petrograd which should be converted into 'a big trap for the white-guard troops.'" (page 520)

Differences of emphasis over military tactics—and Trotsky was on the spot to make the best assessment of the situation—are converted into a slur on Trotsky's political loyalty to the revolutionary cause.

How strange, if even one iota of these slanders had a grain of truth in them, that Lenin should have placed such political confidence in Trotsky, even to the extent, as we have seen, of underwriting in advance all his commands!

In 1924, the Soviet writer and close friend of Lenin, Maxim Gorky, wrote his book *Vladimir Lenin*.

In versions of the book published under Stalin and Khrushchev, the following excerpt appears:

"I was very surprised to hear him

speak so highly of Trotsky's organizational abilities. Vladimir Ilyich noticed my surprise. 'Yes, I know there are rumors about our strained relations. But you must give credit where credit is due. He managed to organize the military specialists.'

"After a pause he added in an unhappy, softer voice: 'But he isn't one of us all the same! He is ambitious and there is something evil about him, something of Lassalle.'" (Russian 1956 ed., Part 1, page 390)

In the original version, written before Stalin's slander campaign against Trotsky had begun, we can read this passage as Gorky first intended it:

"Striking his fist on the table, he (Lenin) exclaimed: 'Show me another man who would be able in a year to organize almost a model army; yes, and win the esteem of the military specialists. We have such a man. We have everything, and you'll see miracles...Yes, yes, I know. They lie a lot about my relations with him. They lie a great deal, it seems, especially about Trotsky and me.'" (1924 Russian edition, page 23)

"They" still lie a great deal about Lenin and Trotsky—but with diminishing effects.

For the epoch of the "Great Lie"—Stalin's as well as Hitler's—had as its subsoil the international defeats inflicted upon the working class and the colonial peoples between 1922 (the year of the fascist victory in Italy) and the Second World War.

Generations of workers have now matured, politically, who are free from the debilitating effect of these historic reverses.

It is this new generation of revolutionary youth, that in smashing the grip of Stalinism once and for all, will enable the Soviet working class to publish for the first time a complete and truthful edition of Lenin's—and Trotsky's—collected works. This particular volume, useful though it is for the study of Lenin's activity during the civil war, remains a product of what Trotsky so aptly called "the Stalinist school of falsification."

In August, 1970 the Young Socialist Alliance held an educational conference at Oberlin, Ohio. This conference hammered out the basic revisionist theories now dominant in the Socialist Workers Party and the YSA.

Jack Barnes, who is National Organization Secretary of the SWP, the second highest post in that party, gave the last speech on the conference whose purpose was "to summarize the most important political conclusions of the conference and to outline their implications for the Socialist Workers Party in the coming period." Therefore a close look at this speech, "The New Radicalization and the Revolutionary Party," can be of great importance in understanding the development of the SWP.

What comes through so clearly in Barnes' speech is that the degree of the sharpness of the objective situation is marked in the SWP by its opposite—by the most suffocating complacency. The speech is actually a panegyric to what is and a prayer that it will remain forever so. It is the SWP's celebration of the discovery of the obvious just at a time when this appearance is turning into its opposite.

The SWP has not the slightest conception of the world around it and the sharp qualitative leap in the development now in preparation. The great historic events now coming in to the scene will tear this party apart piece by piece and scatter it into the winds of revolutionary development.

#### NON-REVERSING

This complacency finds its sharpest expression in two new theories of the SWP—the non-reversing character of the "radicalization" and that the crisis of leadership is really resolved.

Barnes states:

"There will be no reversal of this radicalization before the working masses of this country have had a chance to take power away from the American capitalist rulers."

He then states:

"There will be ebbs and flows in the struggle, there will be class polarizations, there will be partial defeats and partial victories. There will be all sorts of stages, some rapid, others drawn out, as the ruling class uses different methods, up to and including the attempt to use fascism, to try to prevent the workers from winning power. But the important things for us to see is that this radicalization will not be reversed until we have had our chance (his emphasis).

On the face of it this is simply an absurd statement. We are told there will be no "reversal" of radicalization but then we are told there will be "ebbs," "partial defeats," "stages," and even "the attempt to use fascism." It is then concluded that even though there may be all these reversals, albeit partial, the "radicalization will not be reversed..."

If what Barnes means is that there will be no return to conditions of relative capitalist stability except on the basis of a fascist regime and the destruction of the working class' organizations he would be

stating a truth based on the analysis of the Transitional Program and the whole historic experience of the working class. If he were then to conclude that the working class will get a chance to come to power in this period then he would again be stating a truth based on a Marxist assessment of the capitalist crisis and the struggle of classes.

#### STRATEGY

But he is not saying this. He is really saying two quite different things. First of all he does not talk of "capitalist crisis" but of "radicalization." What he is actually projecting then is a continuation of the process of middle class protest activities he calls "radicalization" intensifying until the working class itself is then brought into the process. At that point he states "radicalization" becomes "revolutionization." We will return to this point.

His other point is that the "ebbs," the "stages," even the threat of fascism does not matter. All that counts is the deepening radicalizations over the long haul. The effect of such an outlook is two-fold. First of all it destroys any strategy for strategy requires a scientific understanding precisely of "ebb and flow" within the framework of a materialist understanding of the objective crisis of capitalism. Secondly, it disarms the working class before the threat of fascism and the attacks of the ruling class by minimizing the dangers in the situation.

A scientific Marxist understanding of the conjunctural situation and the future must proceed very differently. First of all we begin not with superficial impressions of non-class "radicalization" processes but with a materialist evaluation of the economic crisis of capitalism. Secondly on that basis we see we are entering into a sharp period of class struggle which has had its first reflection in movement among the middle classes, particularly the students. Thirdly we understand the extreme potential and dangers in this current situation. Just as we are entering a period of the possibility of revolution so we enter a period of the possibility of fascism. Just as a particular "flow" can be deepened into an actual revolutionary situation so an "ebb" can go over into fascism.

#### COMFORTING


The theory of a non-reversing radicalization is a theory aimed at comforting the middle classes. It urges complacency; it consults a continuation of the old ways and old method. There is no urgency for somehow in time this radicalization process will deepen to the point where the workers enter it and then almost automatically bring about socialism.

Next Barnes states:

"For the first time in decades in the United States, the Communist Party does not have a decisive qualitative edge in forces, resources and power over our forces—at the beginning of the radicalization....It means that the obstacle that stood in the way of socialism for half a century, the problem that is posed at the beginning of the transitional program, the crisis of leadership, shows itself open to being resolved."

This is the most absurd statement of the lot and reflects how completely Barnes'

# WHO IS JACK BARNES?



## By Tim Wohlforth

thought is enclosed within the confines of movements among the radical middle classes. The difficulty in the United States is that the question of leadership of the working class cannot even be posed under conditions in which the mass of the workers have no working class party at all. How one can be so cocky about the resolution of this crisis when that crisis has not yet even been posed in a mass way is complacency taken to its highest level.

In order to argue the point Barnes states: "The major obstacle that stood in the way of a socialist revolution in France does not have to stand in the way in the United States." It is true that in France we face a powerful Stalinist movement which receives the votes of five million workers but in America more workers than that vote for the Democratic party! Can we call it a positive blessing that there does not exist a mass workers party in America? Can we assume that because of that therefore neither Stalinism nor reformism are a threat?

#### STALINISTS

Precisely because the American working class has not yet reached a level of class consciousness where it has formed a party distinct from its oppressor, the crisis of leadership is posed in the United States with the greatest sharpness. As the crisis deepens here in the immediate period large movements breaking away from bourgeois politics must develop within the working class. Within such movement the Stalinists—today very weak—can play an extremely dangerous role attempting to bring the working class back under reformist and bourgeois political dominance. Unless the Stalinists are fought sharply it is possible that American workers will be brought to the brink of revolution without the development of a mass workers party. Under such conditions the dangers of defeat and fascism would be very great.

Viewing the Stalinists this way the SWP proceeds to adapt to them rather than fight them. Today in the peace movement where the SWP has had an organizational

edge over the Stalinists they have succeeded in turning the entire peace movement over to the Stalinists politically giving us a foretaste of the results of this attitude towards Stalinism under conditions of the formation of a mass workers party.

#### TRANSITIONAL

This only sets the stage for the open revisionism of Barnes:

"I think that for the first time since 1939 we've made major additions to the transitional program. In one way, of course, that is not true; the transitional program is simply part of the basic strategic political capital of our movement, and we add to it in all of our basic programmatic documents. But the fact that the struggles of the mass movement were deep enough and that we were so involved we could write a transitional program for the black liberation movement and a transitional program for the student movement, and see them both tested out within a year after they were written, is a pretty good example of where we are now after an entire period of absorbing and codifying of thinking out the forms, the character and the dynamics of this radicalization."

The Transitional Program was written by Trotsky in 1938 not as a conjunctural document dealing with 1938 but as a fundamental strategic document rooted in the very character of the epoch as one of "imperialist decay." It is therefore not to be "added to" but fought for under the specific conditions of the development of the process of decay of imperialism.

But Barnes proceeds differently. He starts not from a fundamental scientific assessment of the period and the materialist development of capital but from his impressions of the "radicalization." It seems one becomes "involved" and goes "deep enough" into the student movement and the Black nationalist movement and then one "codifies," "absorbs," and "thinks out the forms." From all this one produces special "transitional programs" tailored to specific sectors of "radicalization."

## Clash On Wages, Jobs Shapes Up In Basic Steel

(Continued From Page 5)

placement and unemployment continues. In 1946 some 650,000 men produced far less than half the steel that is being produced by 400,000 today. The union leadership said in March 1968 at a special dues convention, that they expect 300,000 more layoffs in the next 8-10 years. In line with this, partial and total plant closing will be the order of the day over the life of the upcoming contract.

This is what makes the demand "32 for 40," the shorter work week at full week's pay so decisive in this period.

The 1968 contract was a complete sellout. The 51 cent increase over three years has more than been eaten up by inflation. Under what Abel termed "the best contract ever" thousands were im-

mediately laid off or put on a short work week.

#### LEADERSHIP

The bosses and the union leadership fear the militancy of the ranks. That is what lies behind all of Abel's tough talk now. But when you look closer, Abel does not sound militant at all.

For example, in the March 30 issue of the *Wall Street Journal*, he states that he would like to get the same deal for the steel workers as he got for the can workers. In actuality the can workers got nothing after a 26 day strike.

Abel, while presenting demands and negotiating with the company, has left the membership in the dark and is not preparing them for a strike. Abel is letting the companies build up huge stock piles

which may amount to over 40 million tons by contract expiration date.

On top of all this, Abel is planning to let about 55 companies which account for about 25 percent of the steel production in this country off the hook by not striking them. Obviously this weakens the union.

In basic steel the rank and file do not even have the democratic right to vote to accept or reject the contract. This is done by a "Wage Policy Committee" made up of the International Staff and local presidents. It is headed by the International officers and Abel himself.

Steelworkers must follow the lead of the Teamster rank and file who overturned their national leadership's agreement and won a wage package of \$1.65 per

hour.

A rank and file committee must be built to take on the steel bosses and challenge the present union leadership around the program for victory:

1. Wages—At least \$2.25/hour across the board increase the first year plus an extra 50 cents for ore miners. Abel must be forced to fight for this and for an additional 75 cent/hour hike for each additional year of the contract.

2. Full cost of living escalator clause with teeth in it to protect us from inflation.

3. 32 hours work for 40 hours pay. Abel has now stopped talking about this demand. This is the only way to guarantee full employment.

4. Repeal the no strike clause from the contract and an end to compulsory arbitration. We need

the freedom to strike over local grievances instead of having to rely on the complicated drawn out four step grievance procedure.

We must fight to wipe out all discrimination against Black and Spanish speaking workers in upgrading and in all other working conditions.

We must make it clear to the employers and Abel that we consider these demands NON-NEGOTIABLE.

We must see the fight in steel above all as a political as well as an economic battle. Steelworkers are facing a wage freeze like the construction workers as well as more unemployment as the government seeks to make the workers pay for the economic crisis. The fight in steel must be linked to the fight for a labor party.



What we have here is an accurate description of the pragmatic method at work. The Transitional Program takes on the archival character of "basic strategic political capital"—the kind you keep in a vault somewhere. The nitty gritty political life of the movement flows not from this but from programmatic and tactical recipes derived from adaptation to surface movements of a middle class character. As a result the Transitional Program is not really "added to" but overthrown and replaced with these opportunist prescriptions.

#### NATIONALISM

Let us take as an example the one Barnes concentrates on the national question:

"The national question, the question that was supposed to have been solved by the bourgeois revolution, that was supposed to have been of importance today only in the colonial countries, has become a central and permanent part of the current radicalization, and it will be so in the American socialist revolution to come. It is therefore a central and permanent feature of concern to the American revolutionary socialist party."

So goes the method—because nationalism has emerged as a strong tendency among Blacks and other minorities and various petty bourgeois movements like women's liberation have adapted its approach to themselves, it is concluded that it will be a permanent part of the American revolution to come. What is will be. The future will be a mere quantitative increase of what is.

Next we are introduced to the "consistent revolutionary nationalism equals socialism" theory. It seems that the Cuban leadership became socialist because "the objective logic of consistent revolutionary nationalism transformed them" and that Malcolm X's evolution was that of "a consistent and irreconcilable nationalist fighter impelled by the logic of his fight."

Why is it that nationalism leads to socialism?

"We've learned a big lesson (really relearned a lesson that Lenin and Trotsky and the Bolsheviks had learned)—that the consistent and irreconcilable liberation struggle of an oppressed nationality is our struggle. If it is irreconcilable and consistent, then it will point toward socialism, for these nationalist demands can only be realized by the independent mobilization of the working class and its allies for the socialist revolution."

#### PANTHERS

What is happening today is the deepening crisis of black nationalism brought about precisely by the blind alley of nationalism itself. This is why the Black Panther Party has split apart. This was the movement of Malcolm in his last days.

But Barnes sees no contradiction, no sharp break or conflict. He sees bourgeois movement going over peacefully into socialist movement by just being "consistent." As a result he adapts to bourgeois movement and insists that the minorities remain within them rather than seeking to break them up and forming independent movements of the working class.

It is not the "logic" of consistent nationalism which is the driving force

today among blacks but the dialectical logic of class struggle which is ripping apart these organizations and forcing those who remain nationalists openly over into the bourgeois camp like LeRoi Jones of Newark. The future will not be more of the present but the emergence of sharp class conflicts within which nationalist formations can only play a reactionary and even fascist role.

#### REVEALING

The SWP today is involved in a wholesale revision of every fundamental of Marxism. This process must of necessity throw the entire party into the deepest crisis for it pits what that party was against what it has become. Barnes' speech is particularly revealing in this respect. Barnes is a man who very much knows he is part of the wholesale revision of Trotskyism and is quite content with that role.

This is revealed in several anecdotal remarks. First he quotes Barry Sheppard as saying:

"You know, I'm sitting here listening, and I've even given one of these talks, and I realize that this is not at all the way I used to think that the American revolution would begin or the next radicalization would take place."

"What it took was new events to burst on the scene and the reaction of the party to them to change his conceptions and those of the party as a whole."

Sheppard joined the SWP about the time those of us who formed the Workers League did. He had an understanding of the American revolution which we all shared—that of the Transitional Program. But the "reaction of the party" to "new events" has had the effect of changing "his conceptions and those of the party as a whole." Sheppard, no doubt, was a bit winded by the experience as he sat there in Oberlin observing what the party he had joined only a decade earlier had now become.

Then we have "an older comrade from New York," who said to Barnes:

"For a long time I have felt that what we were doing was correct, but I haven't really felt that we knew where we were going, as we did in the late 1930s, or early 1940s."

How does Barnes answer this older comrade? Assure him that the SWP does know where it is going? No!

"But we really didn't know exactly where we were going in the early 1930s either. You don't know exactly where you're going when a radicalization first begins."

The older comrade didn't state he knew in the 1930s "exactly" where he was going nor is he demanding such exactitude now. What he is stating is that in the 1930s the SWP proceeded on the basis of a strategy rooted in an assessment of the objective situation and with a confidence which flows from such an understanding. Today the SWP hasn't got the slightest conception of where it is going, is completely sceptical about the revolution and Marxism, and only hopes that what is will continue to be.

#### BARNES

The question one must ask at this point is exactly who is Jack Barnes who understands so much better than this older

comrade from New York and the somewhat perturbed Barry Sheppard?

He tells us this about himself:

"When many of us first came into the movement we used to think, 'Well, the American revolution, like all revolutions, will have its own particularities. It's going to be an American sort of revolution, to the tune of Yankee Doodle.' I hate to admit it, but I went so far as to argue once that 'Even the American flag will be part of the revolution. People will be confused, they'll think it represents democracy, they won't want to reject it.' But I think it's pretty clear today that that flag will have nothing to do with the American revolution."

This makes it pretty clear where Barnes began politically and on what basis he first came into the SWP! Well, we can at least say that over the years Barnes has broken from such open chauvinism and come over to an understanding that a revolution can only be made through an implacable struggle against patriotism and around the red flag of the international working class. No, it is the "black, red and green" colors of nationalism he has in mind!

Barnes entered the party during the late 1950s and early 60s when the YSA was still a struggling organization seeking to get a foothold for revolutionary politics among American youth. While Barnes was a graduate student from Carleton College he played no role at all in the YSA struggles of that time but entered directly into the SWP. From that point on he played only and solely an internal role, never even participating in the great factional battles of the period 1961-64. After the expulsion of the opposition and the sharp turn of the SWP to the right Barnes emerges as a major leader of the SWP.

We know who Farrell Dobbs is and what he has done in his life in the trade union movement and the party. We even know something of Barry Sheppard who together with Peter Camejo played a role when it was difficult to build a youth movement. We know nothing of Barnes. He has no history. But today inside the SWP he is correcting the misguided older comrades and confidently moving the party along the direction he perhaps always wanted it to go.

If left to his own devices, he will soon have them all whistling "Yankee Doodle!"

#### PERSPECTIVE

Barnes' perspective is clear. It is rooted not in the Marxist understanding of the capitalist crisis which pits worker against capitalist as the capitalist is compelled to drive down the worker into the mud in order to preserve his profit. It is rooted instead in Mandel's revisionist theory of "neo-capitalism" in which the "old" contradictions of capitalism have been superceded by a third industrial revolution and today the movement of the workers takes on a middle class character. It is a perspective of workers entering into the present middle class radical struggles.

"It is crucial not to make a fetish of the word 'worker.' It is necessary to think of workers as human beings of different kinds, affected in society by many different processes, who in addition, have a relationship to the means of production,

and who are in a situation in society that makes them strategically vital, irreplaceable and decisive to the American revolution. It is only when we strip the mystification away from the word, 'workers,' and begin thinking about workers also as women, as Afro-Americans, as Chicanos, as young people, as people faced with the social and economic consequences of American imperialism's war in Southeast Asia, that we can begin to appreciate what is happening."

The central relationship of capital to labor is now turned into its opposite. Rather than being the cause of the conflict which will bring the working class to power, it becomes just one of many relations which effect workers.

What Barnes envisions is workers as liberated women or as black nationalists or as pacifists or as youth taking part in middle class "radicalization." Their "decisive" position in the productive process then makes it possible for them as radicals to achieve socialism. Everything is turned into its opposite. The class struggle rather than central becomes subordinate. No wonder the older comrades are confused and Barry Sheppard a bit winded by it all!

#### LABOR

In any event:

"We couldn't start by throwing out little phrases of dogmatic prophecy. We don't say, 'Such and such is the way it has got to be.' We don't say, 'There has got to be a labor party now—and in the meantime nothing else that happens matters very much.'"

To fight for a labor party becomes "dogmatic prophecy." So, too, must become the Transitional Program as a whole—the struggle for the shorter work week, escalator clauses, the whole strategy leading up to the workers and farmers government. It all has to be thrown out for such slogans and "prophecies" are based on an understanding that the basic relationship in life itself under capitalism is between capital and labor in the very process of production itself.

Capitalism can only survive today by destroying the organizations of the working class and driving back the workers to the conditions of the 1930s. The workers can only survive today by breaking with capitalism and taking the power.

Jack Barnes is already a man of the past. He roots his revisionism in the protest movement of the middle class precisely at a time when the class movement of the working class is coming forward. The latter is breaking up the former and in the process will tear apart the centrists who seek, like the SWP, a home between classes, talk of revolution and the practice of ordinary reformism and open liberalism.

Barnes states near the end of his speech:

"I also want to comment briefly on the principal idea of the talk about principled politics—the program—the politics upon which we build our organization. If we get away from this, the party can become a giant sand castle that can crumble away at any moment."

These are prophetic words, very prophetic words!

## A New World Monetary Crisis Flares Up

(Continued From Page 2)

If the immediate source of this upsurge lies in the developments associated with U.S. balance of payments deficits and interests rates, the fundamental source continues to lie in the deepening capitalist crisis underneath and in particular with the unbroken offensive of the American working class. It is precisely this offensive that has destroyed Nixon's strategy to resolve the crisis over the past two years.

This strategy has been essentially to seek to break the wage offensive of the American working class through the creation of a strong dose of unemployment brought about through general policies of fiscal and monetary restraint. The strength and fighting determination of American labor however has created a dif-

icult situation for the capitalist class. The recessionary conditions brought into existence by Nixon's policies while failing to dent the wage offensive of U.S. labor has severely dented the profit margins of major capitalist firms.

The bankruptcy and near bankruptcies of major companies such as Penn Central, Chrysler, dozens of Wall Street firms, Lockheed confronted Nixon with the prospect of an international chain of bankruptcies and bank failures. This has forced the capitalists to undertake since last summer the modest relaxation of interest rates. But this has now in turn brought down a new monetary crisis.

The situation is now becoming desperate. It is not simply a matter of Nixon and the American

bourgeoisie being caught between the Charybdis of collapsing banks and industrial firms and the Scylla of the dollar crisis. It is a question of both Charybdis and Scylla closing in and devouring all at once.

While on the one hand a new wave of monetary crisis has broken out threatening the devaluation of the dollar, on the other hand there is no break in the deepening recessionary turn.

The paradox, or so it seemed to Nixon and the Keynesians, of a capitalist economy in which recession and inflation were rampant at the same time, now threatens to go over to a situation in which a worldwide depression triggered by the collapse of several major banks and corporations can now occur simultaneously or in close conjunction with

an international monetary collapse.

Confronted with the failure of his whole previous policy Nixon is now seeking another way out of this crisis. Thus last week Nixon decided to go the route of wage controls by imposing the

first of such controls in the construction industry.

The attempts of Nixon in this direction must inevitably lead to a deepening of the general strike movement already surfacing in the U.S. and the building of a labor party.

## Wallace And McGovern Back Calley

(Continued From Page 3)

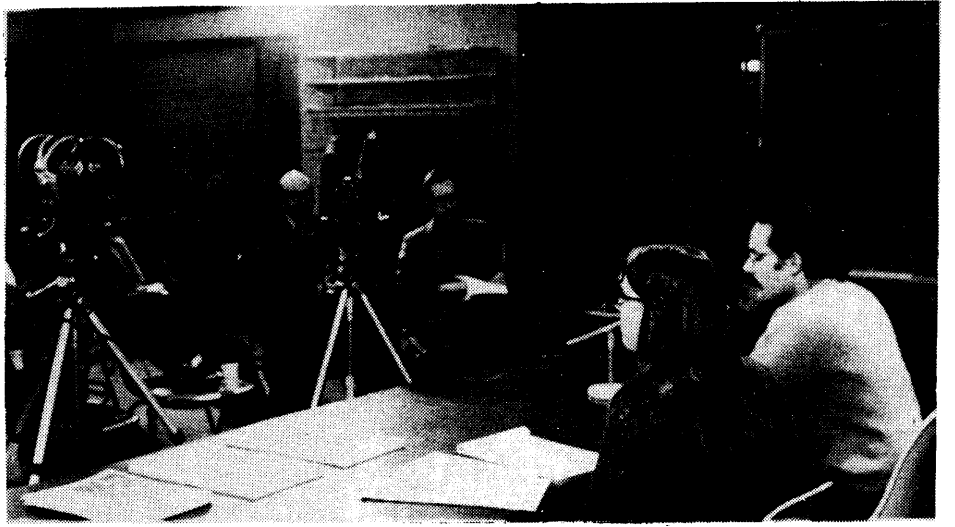
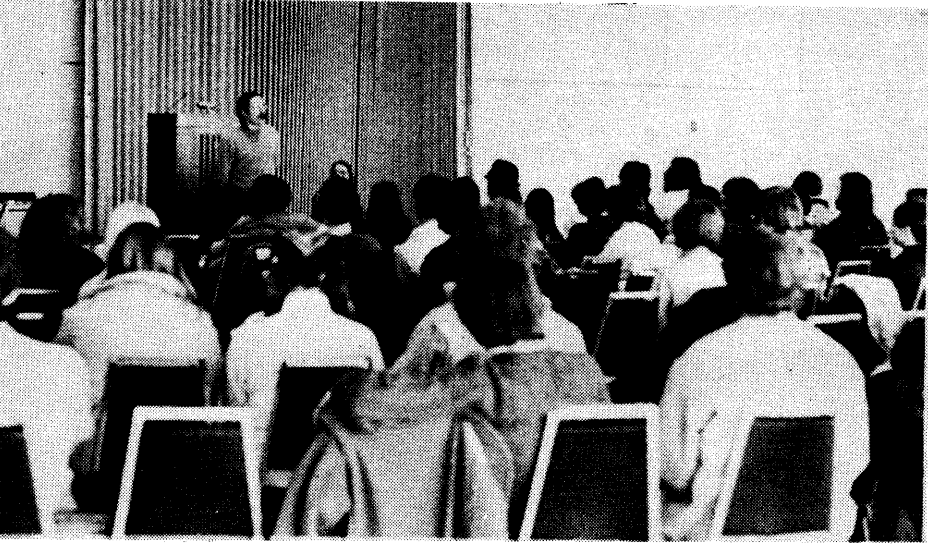
but only 20% think this is so because Calley is not guilty of the crimes with which he is charged. 71% believe that others share responsibility.

The Mylai massacre, as millions realize, is only the very tip of the iceberg. Now Robert Marasco, who was charged two years ago with being one of those responsible for the murder of a South Vietnamese alleged to have

been a double agent, has publicly admitted that he did commit the murder. The Army had dropped all charges against Marasco and other Green Berets because it claimed it could not get the cooperation of the CIA. Marasco claims there have been "hundreds—I'm being conservative" summary executions in South Vietnam.

This is the real face of imperialism.

# Juan Farinas Goes On Tour In The Midwest



BY CYNTHIA BLAKE  
AND LIZ BJORN

**MINNEAPOLIS**—Hundreds of Minnesota youth were forced to take sides in the sharpening class struggle during Juan Farinas' three day tour.

Farinas' tour began here with a press conference at the airport, covered by two local television stations as well as "underground" and campus press. A section of the interview, dealing with his views on the war in Indochina and its relationship to the war being waged on workers in the U.S. and around the world, appeared on the evening news on one station.

A mass meeting in Northfield was sponsored by the joint defense committees at St. Olaf College, Carleton College and Northfield High School. Nearly 300 faculty and students heard Farinas, a speaker from the Workers League, and representatives of several local groups sponsoring the defense, including a student from the Committee to Defend Angela Davis, and a representative of the St. Olaf student body, which recently passed a referendum and went on record as a committee sponsor.

It was made clear by Farinas and the Workers League speaker that because both the question of repression and the war are a reflection of the crisis of capitalism, an independent class action is the only possible way to defend political prisoners, and also to end the imperialist war in Indochina. In that sense,



Above left—Juan Farinas addresses one of the large indoor meetings held on university campuses in the Minneapolis area. Above right—The Twin Cities press hold conference with Farinas at the airport on his arrival. Part of the conference was carried on television throughout the state. Above center—Students sit out on grass and stand to listen to Juan Farinas at outdoor rally at the large University of Minnesota campus in Minneapolis.

the fight for the April 24th Workers League demonstration is a continuation and deepening of the defense work. The meeting was followed by a sharp discussion period, and many stayed afterwards to talk informally. A local educational radio station taped this meeting and also an interview with Farinas to be broadcast at a later date.

## RALLY

A rally of 150-200 at the University of Minnesota (the largest rally since the period after the invasion of Cambodia) was the highlight of the meetings on Twin Cities campuses. Here, other groups, such as SMC, YSA, and the Angela Davis Defense were forced to confront the question of a class defense of political prisoners and the defense of the Vietnamese revolution as

presented by Farinas and the Workers League speaker.

Separate meetings were held at Macalester and Augsburg Colleges, Hamline University, and Metropolitan State Junior College. On these Twin Cities campuses, some with little history of political involvement, Farinas spoke of the need for students to develop theoretically and join the revolutionary party in order to assure the victory of the working class in the impending struggles. These meetings provide a firm basis for the building of Workers League clubs and the reversal of the so-called "apathy" on the campuses in this area.

The final meeting of the tour was a graphic illustration of the polarization brought about by the refusal of the Defense Committee to adapt to the present level of the campus participants. Those

who attended, as well as those who appeared on the speakers' platform, came as the result of the struggle, and their presence was, in itself, a taking of sides. Among those who spoke on behalf of the Farinas Defense were Norm Moen, President of the Minneapolis Federation of Teachers; Elvis Swan, International Representative of the Retail, Wholesale and Department Store Union; Alex Uvalle, member of the United Farm Workers Organizing Committee, and a representative of the SWP-YSA.

When the meeting was planned, the Committee had requested that Harry DeBoer be the SWP speaker. DeBoer, one of the leaders of the historic Minneapolis Teamsters strike in 1934, was among the first 18 imprisoned under the Smith Act in 1940. Thus, he represents the earlier

period when Trotskyists gave leadership of the class, and also the governments attempt to crush this leadership.

The SWP, being unable to reconcile this period of their history with their present opportunistic policies, refused permission for DeBoer to speak. They sent instead a young organizer of the YSA, one of their "anti-warriors," who could deal with the Farinas case only as the violation of the civil rights of a fighter against the war.

When questioned on the refusal to allow DeBoer to speak, he could not give any answer but that it was their decision to make, and soon left the meeting entirely. To most of the audience, even to those not familiar with the details of this history of the Trotskyist leadership of the working class movement, his inability to answer the question made even more clear the revisionists' retreat from the leadership of the working class and the denial of its history. These retreats were revealed repeatedly during the tour, as was the retreat of the Angela Davis Defense Committee, whose representatives did not appear to speak for the Thursday night meeting.

These retreats show that the Stalinists and revisionists can only betray the working class and in no way lead the class forward. That is why it is critical to take up these tendencies sharply in the continuing struggle for the defense work and the deepening of that work in the building of the April 24th Workers League demonstration.

# Soviet Congress Extends Hand To US

(Continued From Page 3)

The bureaucracy deepens this crisis and strengthens imperialism in every way, through its policy of peaceful coexistence. This is the meaning of Brezhnev's call for "cooperation." The Daily World reports that he "arraigned US imperialism as the main instigator of imperialist aggression and oppression of people, but, as if addressing the American people and the more sober-minded political leaders, he sounded the call for peaceful coexistence of differing and antagonistic social systems."

That is the counterrevolutionary policy of the bureaucracy in a nutshell. In answer to the more and more vicious policies of the imperialists, the continued escalation in Indochina and the attacks in the US and all over the world, the Stalinists grovel and plead for "cooperation."

The betrayals of the bureaucracy are not simply a matter of

speeches. Czech and US CP leaders Husak and Hall cooed in public last week on the heels of the trial of the Prague 19, the "Trotskyists" who had raised the banner of socialism and internationalism against the Czech bureaucracy. The Kremlin also is forced to raise the spectre of Trotskyism. Brezhnev labeled the Trotskyists and other opposition elements from the Chinese to Garaudy and the Italian "Manifesto" Group as all anti-Soviet. The bureaucracy fears Trotskyism above all because it is the only conscious opposition, the only force which exposes the true role of Stalinism.

Now it is revealed that Moscow has concluded a new deal to equip the Indonesian dictators with arms, arms which will be used immediately against the Indonesian Communists conducting a struggle against the butchers of hundreds of thousands of their comrades in 1965.

The "offensive" mounted by

the Kremlin at the 24th Congress is an offensive against the working class. This is the meaning of Foreign Minister Gromyko's speech, following Brezhnev, in which he stressed the importance of Brezhnev's overtures.

Gromyko said that Nixon's stated desire to move from confrontation to an era of negotiations "should be supported by practical deeds." Practical deeds! But the practical deeds in which imperialism is already engaged are the invasion of Laos and an assault on the working class all over the world!

Moscow is throwing all caution to the winds in its search for coexistence with imperialism. This is also shown in the stance taken by the North Vietnamese and NLF negotiators in Paris, appealing for a coalition government even as the Indochinese workers and peasants fight on heroically.

This is a conscious policy. No amount of lying empty formulas will cover up these betrayals and all the others.

The real class policy of the Stalinists is also shown by the way the Daily World treats the subject of press treatment of the 24th Congress. It devotes a full column of its April 1st issue to "World Response to Brezhnev Speech" and it boasts that it was "welcomed by almost all newspapers."

The London Daily Mail and the Manchester Guardian reacted favorably. So did the conservative Paris Figaro. "Italian papers also stressed the program for peace and international cooperation...Globo, the organ of finance-industry circles, also emphasized the six point peace program." "The Ghanaian Times said that the Communist Party of the Soviet Union leads the Soviet people from victory to victory."

The cynicism of the Stalinists

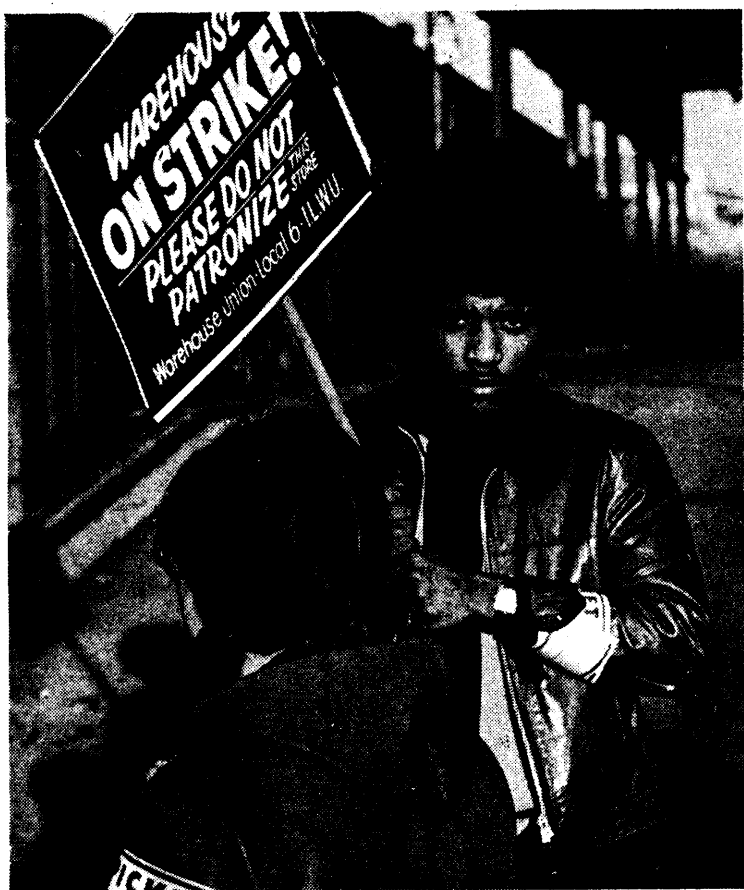
knows no bounds. They talk of Marxism and then shout with glee that the organ of the Italian bourgeoisie is satisfied with their policies! They boast that the Ghanaian mouthpiece of the right wing military dictatorship complements them.

## DEFEAT

This is the true meaning of the 24th Congress: the bureaucracy more and more openly moving into the arms of imperialism. But every cynical counterrevolutionary move of the Stalinists reflects not their strength but their weakness. They are in panic before the upsurge of the working class.

It is this upsurge which is behind every desperate move they make. It is this upsurge which can destroy them and their imperialist masters if it is given revolutionary Trotskyist leadership. The lesson is clear: we must defeat Stalinism before it leads the working class to defeat.





Striker from ILWU pickets in Oakland as labor militancy grows.

## Juan Farinas Speaks At San Diego State

BY JENNIFER JAMES

SAN DIEGO—A successful Juan Farinas defense meeting, attended by about 45 people, was held at San Diego State College on March 25th as part of Farinas' nationwide tour.

The first speaker at the meeting was Morris Starsky of the SWP, speaking as a representative of the YSA. He said that Farinas' "democratic rights are being attacked" and that if we allow this to go unanswered then all of us stand to lose our democratic rights. He posed that the answer is to go to everyone to organize them to protest these attacks.

The next speaker was Carlos Calderon of the Califas Three in San Diego, indicted on trumped-up charges of criminal syndicalism and possession of a fire bomb. Carlos told the audience that the "evidence" for their conviction was (1) an illustration of a molotov cocktail which appeared in a local paper with which Carlos is associated and which was a reprint from the *Saturday Review of Books*, and (2) a trip Carlos made to Cuba as a member of the Venceremos Brigade. He said that the capitalists are trying to stop socialist ideas and nothing can stop socialist ideas.

The next speaker, who spoke for the Workers League, addressed himself to the question of "democratic rights" raised by Morris Starsky. He posed that what must be done is to organize around our class rights. We must defend the working class from the capitalists and the capitalists must be fought on our own terms and not on theirs. We must unite these common protests in a class defense. We must organize around our common class interests.

Juan Farinas was the last speaker to address the meeting. Juan told the audience that this was the 100th anniversary of the Paris Commune and that it was the Paris Commune and what it achieved that is at the very heart of political repression. In this period when the capitalist class

is preparing an all out attack on the working class, political leadership of the class is the central question. There is no defense of workers apart from their political organization as a class. He showed the reality of capitalist justice by telling how the judge for his own trial had temporarily halted the proceedings to sign an injunction against striking railway workers.

Farinas concluded his speech by saying that the working class must break from the political control of the capitalist parties and press forward in a general strike toward the formation of a labor party. To this end, the Workers League is organizing an independent contingent to march April 24th in San Francisco under the Labor party banner.

### YSA

The role of the YSA on the campus who "officially" sponsored the meeting, was particularly pernicious in the days leading up to the meeting. While assuming the guise of building the defense meeting for Juan, what they did in actuality was exactly the opposite.

In the course of the work carried on by the Workers League on the campus to build the meeting, we came under strong attack from the college administration who wanted us off the campus. In the face of this attack, the YSA not only refused to openly defend our right to be a force on that campus, but they capitulated completely to the pressure of the administration such that they ended up siding with, and, in fact, acted as the mouthpiece of the administration. Specifically, it was proposed to us by the YSA that we remove the Workers League sign from the literature table. The YSA on the very day of the meeting attempted to use the "college rules for free speech" to shut down our literature table altogether.

Such is the nature of the defense of democratic rights as taken up by the YSA. The task now is to go forward to the 24th and a class contingent that will fight these betrayals.

# West Coast News

## WL Takes On Stalinism At S F SMC Conference

BY A BULLETIN REPORTER

SAN FRANCISCO, April 4—Approximately 200 students attended a Northern California conference of the Student Mobilization Committee at San Francisco State College today.

This meeting was a sharp indication of the extreme crisis of the revisionist SWP and the unprincipled little groups such as the International Socialists and Spartacist that follow in their wake.

The SMC perspectives presentation was a model of impressionism. Hypnotized by the growing opposition to the war, the SMC spokesman could only point to the need for larger and larger demonstrations until the overwhelming majority joins the antiwar movement.

### RAVING

Raving about support from such groups as the SCLC and NAACP, and the growing adherence of the labor bureaucracy, gay groups, women's groups, unions, third world contingents, a million leaflets, free buttons, and spreading the word dominated the report.

Only the Workers League was able to pose a sharp alternative. Workers League members posed that the April 24th demonstration was the greatest betrayal in the history of the antiwar movement. Nixon is now forced to depend directly on Moscow and its policies of peaceful coexistence to prop up his crumbling position in Southeast Asia. The Kremlin, through such proposals as Madame Binh's Peace Treaty and the Peace Treaty supporters here, is able to rally huge middle class sentiment for "peace". The SWP capitulates to Stalinism, overwhelmed by the pressure from the middle class.

The Workers League also stressed that the SWP had no understanding of the dangerous repression that is being prepared. It was stressed that the campaign being whipped up for Calley is designed to rally the right, in

an hysterical patriotic campaign. Each defeat in Asia must be met with greater preparation from the ruling class for civil war at home.

There is a direct line from Calley and his support from Wallace, to Nixon's attempt to assist him, to the liberals who see Calley as a scapegoat, and to the CP and SWP who say the same thing and join these liberals on the peace platform.

The Workers League posed the only way forward in a complete break from Stalinism and the organization of an independent rally on the 24th.

It was made absolutely clear that we would have nothing to do with the middle class peace betrayal. What was needed was a war to defeat the government. A WL resolution called for the condemnation of Stalinism and an independent contingent and rally to fight for the independence of the working class.

### SPARTACIST

The role of the Spartacist was extremely revealing. They could only whine that the antiwar movement was shrinking, and moan that the 24th demonstration should be reformed by the addition of some working class slogans. They accepted the march as an accomplished fact. Their method is identical to that of the SWP. The only difference is that they think that the addition of class slogans tacked onto the betrayal would bring out workers and would change the situation.

What they fail to grasp is that the SWP is practicing a more fruitful variety of opportunism and that their policies are adhered to by huge sections of the labor bureaucracy. The danger

is precisely that the working class will be drawn into this popular front swamp.

This can be fought only by posing and building an absolutely independent alternative. There are a number of groups such as the IS and the so-called anti-imperialist caucus which share this outlook with the Spartacist. These tendencies succeeded only in providing a badly needed left cover for the SWP.

The real perspective of all these middle class organizations was best summed up by an SMC spokesman in one of the work shops, when he indicated that it was the opinion of the SMC that it was necessary to go through the rally as a stage. The working class was incapable of making leaps and would have to wait its turn to be "radicalized" through the same process that has radicalized students, third world people, women and gays. Precisely at the point that the international working class is preparing an enormous leap, revisionism is forced to turn Marxist theory into an explanation for the impossibility of leaps.

This was well expressed in the voting when the entire SWP-YSA raised their hands to vote down the section of the Workers League resolution calling for a condemnation of counterrevolutionary Stalinism. The Workers League fought throughout to force the SWP to take up the question of Stalinism. It is very clear that big cracks will develop in the SMC. Many youth present were extremely disturbed by the SMC's perspective. They were brought there on the lowest possible level of single issue politics.

The conference nearly dissolved after some poorly attended workshops and reconvened with perhaps 40% of the initial attendance. Some high school students expressed a desire to work with the League in its rally. The fight has just begun.

## PLP Diverts CWA Contract Struggle

BY A CWA MEMBER

SAN FRANCISCO—Communications Workers of America, Local 9410, held a strike meeting this week. Although the CWA chairman presented a program of demands for the new contract due April 30, including primarily a demand for "at least" a 25% pay raise, there was no indication by president Kirkpatrick that any preparations were being made to fight for these demands.

At this point, PLP members took advantage of the first discussion period to commence their usual Stalinist antics, stating each in turn that they were members of the Progressive Labor Party, "the revolutionary communist party" and of a "rank and file" caucus. They put forth some charges, correct in themselves, that nothing had been done to prepare for a strike and that there was grave danger of a sell-out without rank and file action. These charges were leveled however, not at the reactionary union

leadership but at CWA as a whole. PLP's alternative was not for the workers to force their conservative leadership to fight, thus exposing their bankruptcy, but rather to join PLP and its "caucus" and to hell with the union. This policy of course would lead to the isolation of a few militants and the crushing of the strike, along with perhaps one or two more recruits for PLP.

CWA president Kirkpatrick immediately seized upon this sectarian display to call out his goons to remove PLP members from the microphone while launching into a vicious red-baiting attack which equated communism with unionbusting. He and the AFL-CIO representative went on at length with reactionary garbage about "foreign ideology," "extremists," and "violence on the picket line." They attributed the violence which occurred at the opening of the auto workers strike at Fremont to "outside agitators" rather than to militant workers frustrated by the lack of leadership.

The tragedy of developments like this is that when the PLP shouts militant, moralistic slo-

gans but fails to present a program for taking the workers forward, they play right into the hands of labor fakers like Kirkpatrick. They present Marxism as unrelated to the objective interests of the working class.

The ultraleftist slogans which they use to cover their reformist program allow the union leaders to use red-baiting to squelch any criticism of their sellout leadership. For instance Kirkpatrick stated that "the gloves are off" against those who use violence on the picket line, in order to cover for the fact that the gloves will be back on when he and the CWA negotiating team whimper for a quick settlement with Ma Bell (AT&T and Western Electric).

The real potential for struggle was displayed by the New York phone men who took on their union bureaucrats and defied injunctions to defend their jobs. CWA ranks must now prepare to force their leadership to carry out a huge wage offensive against the wage freezing policies of the Nixon government. PL can only divert the ranks from this task.

# West Coast News

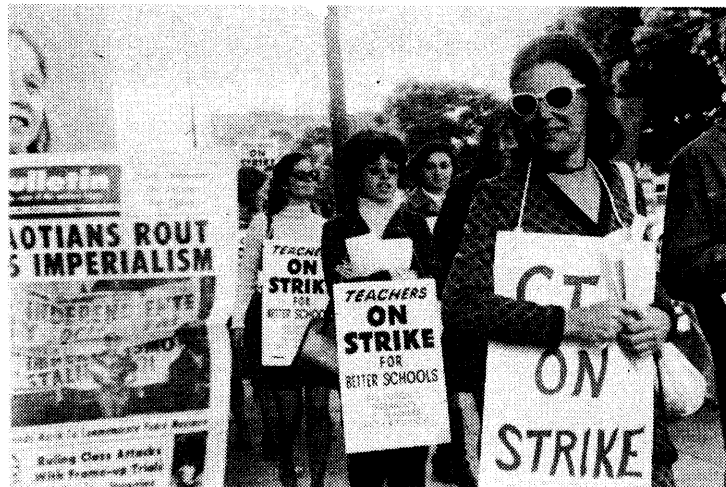
EDITOR: JEFF SEBASTIAN WESTERN EDITORIAL OFFICE: ROOM 313 3004 16TH STREET, SAN FRANCISCO, CALIFORNIA 94103

## CTA Joins Teachers Strike

BY A BULLETIN REPORTER  
SAN FRANCISCO—The vote of the Classroom Teachers Association to join AFT Local 61 on the picket lines has completely paralyzed the entire school district. For the first time in history a fighting unity has been achieved among the majority of teachers.

Teachers are fighting for every gain won in the 1968 strike. If the budget plans of the Board of Education go through it will mean the gutting of all education reforms, the elimination of over 300 teachers through attrition and the abrogation of the agreement to reduce class sizes by hiring 300 new teachers each year. In addition wages and benefits for teachers will be virtually frozen.

Teachers have taken the lead for the entire municipal workforce. The city has consciously provoked this strike. It is determined to hold the line by isolating and defeating the teachers. It is well aware that a victory for the AFT-CTA will shatter all plans to impose wage freezes, attrition and layoffs on hospital workers, welfare workers, janitors and



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miscellaneous employees. The teachers strike now enters an extremely critical and dangerous stage. The period of the Easter vacation will be used by the city and the AFT-CTA leadership to attempt to horse-trade a betrayal. It is very clear that the teachers' leadership accepts the financial bankruptcy of the city as a given within which it must operate. Under the formula of negotiating in good faith and flexibility it intends to see if it can come up with a few more pennies

to juggle around the allocations for the different programs. It has refused to commit itself to stand firm on any issue.

Alioto has now introduced himself very strongly into the negotiations. His perspective is to work out an arrangement in which wages and benefits remain on the 4% level offered other city workers, a few concessions are made on programs and the commitment to replace retired teachers and add to staff is significantly reduced. In the background, for the moment, is the threat of an injunction for April 13 when schools are due to reopen after vacation.

### NEWARK

Every S.F. teacher must now learn the lesson of the Newark teachers strike. There are very dangerous illusions that teachers can go it alone and on the strength of their unity and militancy defeat the city. The union leaderships consciously encourage this



CTA members join with Local 61 to picket Board of Education.

Ballard leadership and hasn't a word to say about the city labor movement.

In Newark, despite a militant leadership and a heroic two month struggle on the picket lines, the union, divided by racial tensions and isolated from the labor movement is on the verge of a tremendous defeat in which it may end the strike with its leadership still in jail and none of its demands met. Only a leadership absolutely committed to bringing about mass strike action from the Newark trade union movement can still reverse the situation.

Every idea that Newark cannot happen here must be rooted out. The Black Caucus supported by the Progressive Labor Party is seeking to split the union on racial lines and provoke a scab movement. The Stalinists of PL are playing the opposite side of the street from the Communist Party which urges complacency, denies the real dangers of a racial division, refuses to criticize the

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The same spokesman next pointed out that the trade unions were coming to the fore in opposition to the war.

Paul Schrade and the whole Western regional UAW apparatus is building April 24th energetically. Finally the rally was old that after all was said and done, only a general strike could end the war. The SMC, of course, and its leading groups like the YSA and SWP have no intention of calling for any such thing or of building April 24th on that basis. This was so much fluff flung at the crowd to cover the operation.

During the discussion period a Workers League speaker pointed out that Hartke and Schrade were involved in the April 24th precisely in order to head off the forward motion of the working class. And of course, working hand and glove with them was the SMC-CP-SWP coalition that is putting on April 24th.

This is nothing but the popular front which has betrayed the working class throughout this century, said the speaker from the Workers League. He called for a demonstration in San Francisco based on a class program

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"No one seems to know what is going on. It appears that everybody wants to run the union. Their greatest concern seems to be for power. All cooks and no bottle washers."

What is being described here is a very big change in the situation. There is almost a total lack of confidence in the ability of the Bridges leadership to defeat the PMA. The job and future of every longshoreman is on the line this summer and every program and perspective is under scrutiny.

It is this rapidly maturing crisis that now drives the Communist Party to take on a left face on the docks. The recently concluded ILWU Warehouse conference of Local 6 saw the Stalinists proposing resolutions for Angela Davis, motions demanding a labor protest against the war, and a resolution for a work stoppage in support of Madame Binh's peace treaty.

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### UNITY

Only a campaign for the united strike action of the labor movement and a break from the liberals who support the wage freezes through the construction of a labor party can beat back these threats. The Stalinists remain absolutely opposed to this perspective.

On the question of the jurisdictional dispute with the Teamsters, the CP has done nothing to prevent this from developing. The only way forward is in a campaign to obtain united action with the Teamsters to guarantee that not a single transport job will be lost.

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The Workers League proposed a strategy of combining with other sections of labor to call for a general strike against the attacks on the working class. It is only this kind of strategy that can win the demands and only in this kind of fight that the union can be built.

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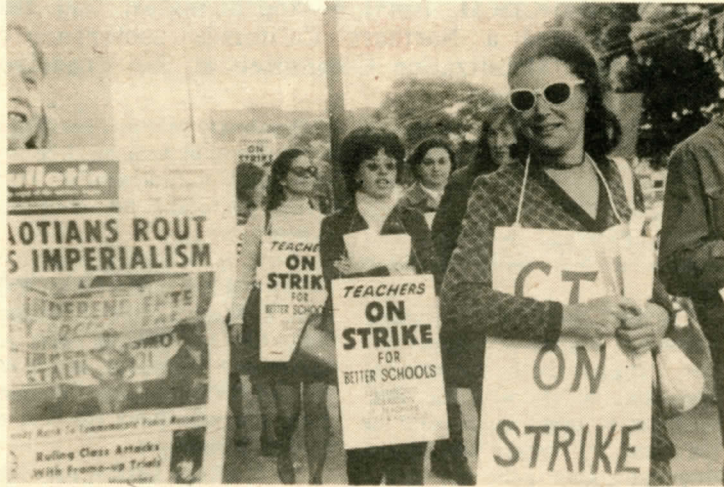
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The Peoples World refuses to spell out its strategy for the struggle on the docks. It is not simply a question of a "hard" line versus a "soft." This summer dockers will face a Congress prepared to come in with anti-transport legislation to strangle the unions, and a president with the power to impose a wage freeze at his own discretion under the powers voted him by a Democratic Congress.

The threat of the coming steel strike means big danger of government intervention on the docks to permit the stockpiling of Japanese steel.

### UNITY

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