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# Portugal on the knife-edge

The political situation in Portugal today is balanced on a knife edge. As reactionary crowds lay siege to Communist Party and left-wing headquarters in the north of the country, the pro-capitalist 'moderates' inside the armed forces are organising support for their plans to prevent the onward march of the Portuguese revolution.

What is dangerous in the Portuguese situation is that it is not merely a handful of reactionaries who have been mobilised in the virulent anti-communist campaign. The political splits have penetrated deeply into the ranks of the mass of Portuguese working people.

The main responsibility for this perilous situation lies with Mario Soares and his fellow leaders of the Socialist Party. After the downfall of fascism no openly pro-capitalist political party could gain a mass hearing. Only a party that dressed up its pro-capitalist policies in phony 'socialist' garb could gain the sort of popular support necessary to split the mass movement and serve the interests of capitalism.

## GUARANTEES

That is exactly what Soares & Co. have done. Advocating the solution of Portugal's problems through closer ties with the capitalist Common Market and the making of whatever guarantees are necessary to ensure foreign investment, the Socialist Party leaders have allied themselves with outright reactionary forces—the Catholic bishops, former fascists and right wing thugs, and international imperialism—to try and force the establishment of a Government that will carry out their policies. In this they have been loyally supported by international social democracy, including the leaders of the Labour Party.

But a substantial responsibility also lies with the leaders of the Portuguese Communist Party. After 25 April the leaders worked to hold back the mass movement and prevent it from developing the sort of independent organs of working class power that could have blocked the efforts of the Socialist Party leaders and the reactionaries to split the mass movement.

## OPPORTUNISM

When it became clear that the mass movement was going to march ahead irrespective of what the Communist Party leaders did, they opportunistically put on a 'left' face in order to retain their hold over the masses. At the same time they adopted bureaucratic attitudes inside the trade unions and organs of local government, working to seize office through manoeuvre rather than by democratic political struggle, and a sectarian attitude towards the Socialist Party and their rank-and-file, trying to establish themselves with the leaders of the Armed Forces Movement as the 'official' representatives of the Portuguese working people. This sort of



## DAUGHTERS OF GOD - FRIENDS OF THE BOSSES !

Catholic nuns on a recent anti-Communist demonstration. These are some of the reactionary forces that Soares and the Socialist Party have unleashed.

policy made it easier for the Socialist Party leadership to retain its political hold over its supporters, and to mislead them into the present anti-communist campaign.

It is not likely that even a victory of the right wing of the Armed Forces would lead to Chile-style repression in Portugal. The main sections of the working class are too class conscious and too highly organised, and have too much support within the left-wing of the army for this to be done without launching a full-scale civil war. At the moment both imperialism and the Portuguese capitalists hope to restore their power without such a drastic course. What they are seeking is a conservative Government that would act to prevent any further steps forward in the Portuguese revolution (such as the spread of the organs of 'popular power' agreed to by the Armed Forces Movement assembly) and begin a campaign of selective repression designed to pave the way for a future rolling-back of the gains of the working class.

Whatever developments take place within the next few weeks there is only one way forward for the Portuguese revolution: to overcome the split in the mass movement and isolate the reactionaries and social democratic traitors by building and generalising the existing organs of working class power (workers, soldiers and tenants committees, popular assemblies, etc) on a truly democratic basis, open to all sections of the masses, irrespective of their party affiliations. A key task must be to work for the unification of these organs on a national level, as the Portuguese Trotskyists of the International Communist League are in their call for a National Popular Assembly, and to fight for the creation of a *Workers' Government* based on these bodies and the unity of the entire working class.

In this struggle—whatever turn it may take—the Portuguese working class needs the broadest possible international solidarity.

by Chris Balfour.



# PORTUGAL BREAK THE CAPITAL

LISBON—The general situation in Portugal today is dominated by two major features. First, the revolutionary upsurge that has been accelerating and deepening since September 1974 has not run up against a bourgeois state apparatus capable of containing or crushing it during the current phase. On the other hand, neither has it attained a scale of self-organisation (that is, a situation in which organs of workers power are more or less generalised), a level of consciousness, or a working class revolutionary leadership that would make possible the conquest of power by the proletariat in alliance with the poor peasants and revolutionary soldiers as an immediate outcome of the revolutionary process.

The result is a more or less permanent political and social tension, a feeling of crisis that permeates all the politicised sectors of society, and a succession of dramatic events: ministerial crises, theatrical political coups, and violent clashes between political forces and the major social classes, each of which is trying to modify the relationship of forces before a decision can be imposed in one direction or the other.

## BACKGROUND TO THE CRISIS

The Government had got everybody's backs up with its hesitations, compromises, and powerlessness. The bourgeoisie, exasperated at seeing the MFA give in each time under the hammer blows of workers' combativity, withdrew the support it had previously extended to the Government through the PPD (Partido Popular Democratico—Popular Democratic Party) and the Socialist Party in order to control the situation somewhat. The workers had expected the Government, which they regarded as their own, to take energetic measures to halt the economic crisis of which they are the victims: when that did not happen, their attitudes shifted from confidence to distrust, and even to outright hostility. The Coalition Government died unlamented by those who attended its death agony.

'The SP has lost a battle but not the war', Mario Soares declared the day after the Socialist ministers and state secretaries resigned. Within just a few days, the SP leadership mapped out a real campaign plan. The troops for this campaign were assembled by the SP leadership's disguising its position against the emerging organs of workers power with some lyrical braggadocio about 'socialism in freedom'. These troops were recruited at top speed and by all available means; the SP leadership lined up every Tom, Dick and Harry with hysteria against 'communist totalitarianism' and 'social fascism'. Next, the generals had to be rallied and broken from their fetishism about the unity of the MFA.

### TENDER GAZE

With beautiful synchronization, on the night of July 18 itself the SP struck a real blow by assembling 70,000 people in the Antas stadium in Porto. The next day, more than 100,000 people gathered in the Alameda Afonso Henriques to listen to speeches by the central leaders of the SP, who, under the tender gaze of representatives of the major European Socialist parties, attacked the Communist Party with unprecedented violence, calling it a 'social-reactionary and murderous'

organisation that 'wants to transform Portugal into an immense concentration camp'. Also denounced were 'the captains, a bit too quickly promoted to generals, who supports its (the CP's) totalitarian schemes.' Soares demanded a 'government of national union in which the SP, representative of the Portuguese people, must have its rightful place.' He also demanded the resignation of Vasco Goncalves and his replacement by 'a really independent prime minister' who 'respects the popular will as expressed by universal suffrage'.

### ROVING BANDS

In Porto, as in Lisbon, Soares washed his hands in advance of any consequences his reactionary and anticommunist diatribes might have on the overcharged crowd. During the night, roving bands set fire to propaganda stands of the CP and the MDP (Movimento Democratico Popular—Popular Democratic Movement, close to the CP) that had been set up in Humberto Delgado Square in Porto; later they tried to assault the studios of Radio Club Portugal, which were protected by the army.

Despite its 'socialist' pretensions, the campaign organised by the leadership of the SP against the CP has opened the floodgates for a broad

reactionary offensive. Between Thursday, July 17 and Saturday, July 19 local headquarters of the revolutionary organisations, the CP, and the Intersindical (the trade-union federation) were attacked in Alcavem, Sacavem, Leiria, Batalha, Porto de Mos, Aveiro, Rio Maior, Lorinha, and Cadaval. The news spread (confirmed by revolutionary soldiers with access to the army's radio transmission service) that 200 mercenaries recruited in England had just arrived in Spain to join the estimated 5,000 armed men of the ELP (Portuguese Liberation Army, a fascist military organisation) massed on the Spanish side of the border.

### INDISPENSABLE

At no time did the SP leadership take a clear position on the disturbing wave that was developing, especially in the north, where whole villages fell under the control of reactionary forces.

In fact, the SP leadership took advantage of this sudden tension, to which it had contributed in no small measure, to make apparent its ever more indispensable role within the state as the 'guardian of order'. But this subtle blackmail could well end up turning against the SP itself by touching off a massive reactionary aggression against the workers movement, of which the Socialist workers are still an integral part.

These past few days have given a frightful foretaste of what the fury of the fascists would be if they managed to regain control in Portugal thanks to a persistent division of the workers movement. Everything must be done to make sure that this never happens.

The leadership of the Communist Party bears a large share of the responsibility for the division in the

workers movement that has erupted these past days and that could tragically threaten the future of the Portuguese working class.

The leaders of the CP have tried to transform a necessary mobilisation against reaction into a manoeuvre aimed at isolating the SP. They have sought to take advantage of the very lively and widespread sentiment among the workers about the necessity of barring the path of an increasingly arrogant fascism to cynically push the Socialist Party—and not only its leadership—to link its own fate to that of the right, that is, to that of the PPD, the CDS (Centro Democratico Social—Social Democratic Center), and all the reactionary grouplets.

On the night of Friday, July 18, communiques released by the CP and the Intersindical called for the erection of barricades to prevent an imaginary 'march on Lisbon', which in reality was the meeting of the SP.

If a march on Lisbon had really been in preparation, the first thing to do would have been to launch an offensive toward the SP—its militants and leadership—demanding that it join in the organisation of workers self-defence aimed at blocking the path of the march. To do that would have required first assuring the

militants of the SP that their right as a workers party to hold meetings and demonstrations would be recognised. That would have forced the SP leadership to make its position clear, and its possible or probable lack of response to such appeals would have at least helped a large number of Socialist militants who are already beginning to assert themselves to get a clear idea of the real orientation of their leadership and to join with the Communist and revolutionary workers in the organisation of a common response to reaction.

### ADVENTURIST

But the adventurist and sectarian folly of the CP on the contrary contributed to helping the SP leadership harden up its rank and file by invoking the threat of the CP. The reflex of party patriotism, obviously intermixed with reactionary and anti-communist prejudices, was thus able to come fully into play to assure the success of the SP meetings, which were presented by the Social Democratic leadership as 'a great victory against the attempt at Stalinist repression.'

In any case, only about 2,000 people participated in the Lisbon 'barricades', which were quickly



# GAL- WITH ISTS!

In the bourgeois camp, the major goal being pursued is to reestablish both a coherent, effective instrument of political authority and the initial elements of a functioning repressive apparatus. After the successive crises that have shaken it, especially the crises of March and July 1975, the original Movimento das Forças Armadas (MFA—Armed Forces Movement) can no longer adequately play that role. Its authority has been sapped within both the bourgeoisie and proletariat. Its unity is broken. This means that it is unable to initiate a policy of systematic repression of the forms of mass self-organisation that are most advanced and, from the bourgeois standpoint, most dangerous: oc-

cupations of factories and companies; experiences of workers control; land and housing occupations; experiments in the creation of organs of workers self-defense; forms of democratic self-organisation among the soldiers.

Under these conditions, the bourgeoisie has opted in an initial phase for the reconstruction of the bourgeois order through parliamentary legal channels, as was done in Germany in December 1918–January 1919 and in republican Spain during the period August 1936–April 1937. Such is the sense of the offensive of Mario Soares, who puts forward the Constituent Assembly in counter-position not to a non-existent 'military dictatorship', but instead (and explicitly) to 'anarchy' and the 'absence of government authority,' which would lead to 'communist dictatorship' if it continued.

## MANOEUVRE

The whole Portuguese and international bourgeoisie is supporting this manoeuvre. The support of the international bourgeoisie is particularly pronounced. The imperialist bourgeoisie of Europe is suspending the financial aid that had been promised to collapsing Portuguese capitalism. This suspension will remain in effect until governmental authority is reestablished, firm guarantees are provided that parliamentary democracy (that is, bourgeois democracy) will be consolidated, and the reestablishment of bourgeois order in the factories is assured.

These appeals are receiving a growing response within the MFA, not to mention the sections of the officer corps not affiliated to the MFA. Especially in the northern part of the

country, the garrisons are controlled by officers who lean politically towards bourgeois solutions, including drastic ones. The air force as a whole is controlled by similar forces. The big obstacle to a right-wing military solution is the division of the officer corps and the rejection of discipline by a growing layer of soldiers and sailors that could be provoked by such a move so long as the rise of the mass movement continues. That would lead to a crisis in which the bourgeois state apparatus would be even more weakened and powerless than it is today.

In the camp of the proletariat, the radicalised and forward moving workers of the big factories of Porto, Lisbon, and elsewhere are continuing their pressure and initiatives toward independent mass self-organisation and self-defense. They are extending their attempts to politicise and link up with growing sectors of soldiers and sailors. But these workers are still a minority today; they remain politically confused and are often prone to leave themselves open to the manoeuvres of the enemy.

## AUTHORITY

The Socialist Party has utilised the *Republica* incident to unleash an offensive aimed at the re-establishment of bourgeois order and authority in both the factories and the state, under the cover of the Constituent Assembly. The political confusion of a part of the workers vanguard and the sectarianism and Stalinist ideological tradition of the Communist Party have powerfully aided the SP in its offensive. But the internal logic of Soares's manoeuvre is beginning to accentuate the contradiction within the SP bet-

ween the clearly counter-revolutionary political programme of the leadership and the elementary class consciousness of the rank-and-file, who favour workers control, workers commissions, and even the continuing and deepening of the revolutionary process.



The CP has manifestly lost the political initiative. The violent anti-communist offensive of the bourgeoisie and the Social Democracy has shaken the CP and initially driven it somewhat to the left. But the logic of its strategic orientation, the interests of the Soviet bureaucracy, and its 'frontist' tradition are impelling it to increasingly regard the 'progressive' wing of the MFA as its only valuable ally and even as the only instrument through which it can carry out its political designs. A realignment of the political currents within the MFA thus threatens to push the CP to the right once again.

In conditions like these, the road revolutionary Marxists must follow is clear. They must intensify their campaign for the creation, extension, coordination, and generalisation of democratic bodies of self-organisation of the workers, peasants, soldiers, and tenants. They must conclude agree-

ments for immediate unity in action with all the political forces prepared to engage in such a campaign. They must simultaneously put themselves forward as the political force in the Portuguese workers movement that most favors unity, waging a campaign for the workers united front, a campaign that condemns both the reactionary anticommunism of the Social Democratic and Maoist leaders and the criminal Stalinism of the CP leaders. The unity of the entire proletariat and of all the Portuguese toiling masses requires that pluralism of parties be the rule within the structure of workers councils that will direct the socialist revolution in Portugal; the independence of political parties and their right to an independent press and to access to the means of massive distribution must be strictly guaranteed; the election (not the appointment) of delegates in general assemblies must be assured, and these delegates must be recallable by the voters.

## INDEPENDENCE

The struggle for the class independence of the proletariat in a situation like the one that exists in Portugal today cannot at all be reduced to propaganda calling upon the leaders of the SP and the CP to break with the bourgeois ministers. It implies a struggle for a break with the bourgeoisie throughout all the structures of the collapsing state. The government of the workers organisations must be based only on the organs of self-representation of the masses, the centralisation of which in a People's Assembly must be vigorously propagated and actively prepared.

taken over by COPCON. By the end of the night, the leadership of the CP itself was compelled to order the barricades to be abandoned because of the hostility with which its initiative had been greeted by broad sectors of the working class not inclined to serve as foot-soldiers for the CP's manoeuvres aimed at preparing for the formation of the next government.

What is the explanation of what could appear to have been a crude adventurist error by the Communist party? The dominant factor is the CP leadership's desire to guarantee its preponderance within the MFA at any price. The CP prefers the unity of an MFA in which it holds a preponderant influence to the unity in struggle of the working class, which, the CP leaders are now beginning to feel, could very quickly threaten their present control over the organised workers movement. The radicalisation of the Portuguese workers is beginning to have an effect on the CP, which is losing ground to the revolutionaries in some unions, workers commissions and tenants commissions. In the teachers union, for instance, the CP leadership was displaced by an MES list of independent far-left militants. In the woodworkers union in the Porto region (which includes several thousand workers),

the LCI (Portuguese sympathising organisation of the Fourth International) has won preponderant positions over the CP. In the CTT (the postal system), the insurance companies, and the banks of Lisbon, far-left lists have obtained percentages that sometimes border on majorities.

No longer satisfied simply to sit astride the combativity of the workers and people, the CP leadership wanted to give it a big 'leftist' crack of the whip that would get rid of the SP, at least until the MFA could finish the job.

## CP ISOLATED

The sole result of this typically bureaucratic adventure has been to isolate the CP in the workers movement between the SP on the right and the revolutionaries on the left. It is now indispensable to work—and fast—to reforge workers unity where it can be most effectively asserted: in the workers commissions, the tenants commissions, and the popular assemblies.

Nevertheless, behind these great manoeuvres orchestrated by the leaderships of the SP and the CP, the real target of which is the MFA, two demonstrations put the stamp of the future on these days of governmental crisis. The first took place in Lisbon on July 16. Called by the workers and tenants commissions of the capital, it assembled about 10,000 demonstrators, who marched under the slogans 'Against reaction, against capital: proletarian unity!', 'Workers and peasants, soldiers and sailors, united we will win!', and 'Workers control, people's power!'

## SOLDIERS

For the first time since April 25, hundreds of soldiers marched in the contingents of the demonstration. The soldiers of RALIS (the light artillery regiment of Lisbon) participated—complete with their tanks and armoured machine-gun carriers onto which hundreds of demonstrators carrying red flags quickly jumped. The soldiers of the RIOQ (the operational intervention regiment of Queluz), units of the military police, and other regiments of the city also turned out, raising their fists and singing the Internationale.

In Porto there were even more

demonstrators—and in the midst of the crisis, a few hours before the SP meeting of 18 July. This time, the Intersindical endorsed the demonstration. This was done, of course, partly in an attempt to coopt the demonstration to the advantage of the orientation of the CP (which failed completely) but also because the leadership of the CP understood the potential danger if it held itself aloof from these initial street assemblies of the independent bodies of the working class, which went beyond the limits of the neighborhood or factory to put forward the outlines of an alternative policy in the crisis.

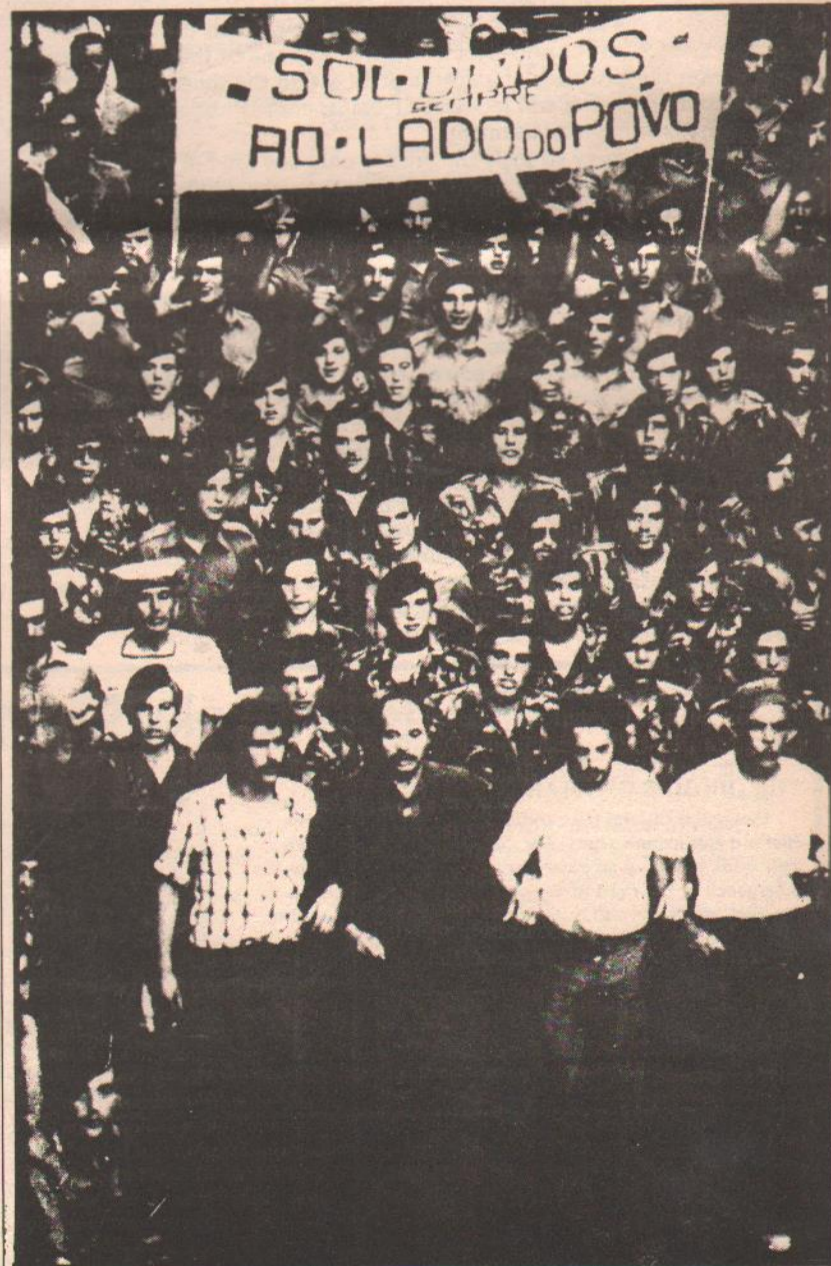
The presence of many soldiers in these demonstrations represents much more than the participation of the most radicalised regiments of the Portuguese army. It is also a sign of the growing penetration of the movement by the independent organisation of the working class in the barracks, especially important in a context of tension propitious for an attack by reaction. There were examples of this all week long.

## ASSEMBLY

On Saturday night, July 19, in the SICA 1 (the tank regiment of Porto) the soldiers got together in a plenary assembly to discuss the situation. Because of the reactionary and anti-communist machinations of the commandant, they decided to remove him from his post and elect someone else. Similar assemblies were held in the Lisbon area, among the RALIS and at the EPAME barracks. On each occasion, the discussions attested both to the high level of radicalisation among the soldiers and to the reactionary polarization of certain officers, members of the MFA of course.

The crisis, which reached its zenith on Saturday night, July 19, revealed deep fissures in the army, especially among officers.

Although it has now receded temporarily, the tension of these past few days has etched out a lesson that has been well learned by the revolutionary soldiers and officers. The decisive weight needed to crush reaction, which raised its head on July 18 and 19, will be found outside the military encampments and in the defense of the gains of the workers through



A united march by workers and soldiers in Lisbon demanded—'Against reaction, against capital: workers control, people's power!'

independent workers organs of anti-capitalist struggle. The assemblies of representative units of the soldier rank and file must ally with the workers commissions, the tenants commissions and the people's assemblies if they are to prevent a part of the military hierarchy from doing their worst.

What is going on now is a real race against time. Workers power exerted through the workers National People's Assembly must manage to

take over from this defeated regime before the powerlessness of five provisional governments gives rise to the usual reactionary push toward bourgeois 'law and order', in the absence of a working class organised to assert its determination to put an end to the permanent crisis. There is not a single day to lose in winning this battle. The fate of the Portuguese revolution is at stake, and with it the destiny of the European socialist revolution.

CHARLES MICHALOUX



north of Lisbon

# LEON TROTSKY ON 'PRESS FREEDOM'



The *Republica* affair has led to an impassioned defence of an unrestricted freedom of the press not only from the capitalist class but also from a number of so-called socialists. We think it instructive to draw their attention to Trotsky's remarks on this question in his *History of the Russian Revolution*, Vol. 1 (Sphere Books, pp 227-28).

On the night of 28 February, the Executive Committee [of the Petrograd Soviet] closed up the monarchist press and established a licensing system for newspapers. Protests were heard, those shouting the loudest who had been accustomed to stop the mouths of others. After a few days the Committee had to take up again the problem of a free press: to permit or not to permit the publication of reactionary papers? Disagreements arose. Doctrinaires of the type of Sukhanov [an 'independent' socialist] stood for absolute freedom of the press. Cheidze [a Menshevik] at first disagreed: how can we leave weapons at the uncontrolled disposition of our mortal enemies? It occurred to nobody, by the way, to turn over the whole question to the decision of the Government. Anyway, that would have been useless; the typographical workers took orders only from the Soviet.

On 5 March the Executive Committee confirmed this fact as follows: 'The right press is closed and the issue of new papers will depend upon the decision of the Soviet.' But as early as the 10th, under pressure from bourgeois circles, that resolution was annulled. 'They took only three days to come to their senses', exults Sukhanov. Ill-founded exultation! The press does not stand above society: the conditions of its existence during a revolution reflect the progress of the revolution itself. When the latter assumes, or may assume, the character of a civil war, not one of the warring camps will permit the existence of a hostile press within the sphere of its influence—no more than it will let escape from its control the arsenals, the railroads, the printing establishments.

In a revolutionary struggle the press is only one kind of weapon. The right to speech is certainly not higher than the right to life. A revolution takes the latter too into its own hands. We may lay this down as a law: revolutionary governments are the more liberal, the more tolerant, the more 'magnanimous' to the reaction, the shallower their programme, the more they are bound up with the past, the more conservative their role. And the converse: the more gigantic their tasks and the greater the number of vested rights and interests they are to destroy, the more concentrated will be the revolutionary power, the more naked its dictatorship. Whether this is a good thing or bad, it is by these roads that humanity has thus far moved forward.

The Soviet was right when it wanted to retain control of the press. Why did it so easily give this up? Because in general it was refusing to make a serious fight. It remained silent about peace, about the land, even about a republic. Having turned over the power to a conservative bourgeoisie, it had neither a reason for fearing the right press, nor a possibility of struggling against it. The Government, on the other hand, began after a few months, with the support of the Soviet, to suppress ruthlessly the left press. The Bolshevik papers were shut down one after another.

The following is a text of a leaflet distributed in Lisbon, particularly at the 19 July Socialist Party demonstration, by the comrades of the Liga Comunista Internacionalista (Internationalist Communist League), the Portuguese sympathising organisation of the Fourth International.

In just a few days the situation has become tense once more. The greatest confusion reigns, fed by the most diverse rumours.

The LCI believes that it is its duty to try to bring some clarity to this situation in order to plan out an overall response with the workers—all the workers, regardless of the party or current of the workers' movement to which they adhere.

1. The incapacities of a government that tries to mix oil and water—the interests of the workers and guarantees for the bourgeoisie that exploits them—have just miserably concluded with the rout of the fourth provisional government.

There is no more government in Portugal today. Everyone knows and every worker feels that only a government defending the interests of the workers and peasants, all those who are victims of capitalist oppression, can bring the country out of the crisis.

To bring this about, we must put an end to the sort of hesitation, compromise, and shilly-shallying that tries to patch up what has been defeated by the very combativity of the workers. To bring this about, we need a government determined to bring down capitalism by basing itself on the immense power of the workers organised in their workers commissions, tenants commissions, and popular assemblies, a government responsible to a National People's Assembly that represents the whole of the working class, the peasants, and the soldiers.

## ■ Confidence ■

2. It is clear that the Social Democratic leadership of the SP rejects this perspective. Whatever words they may use to appease the spontaneous aspirations of those who still place confidence in them, the leaders of the SP walked out of the government to struggle against the self-organisation of the workers, which the assembly of the MFA was forced to recognise. That is the truth of the matter.

Furthermore, the leadership of the SP is using the campaign it has launched to try to make the next MFA assembly go back on its decision, or at least moderate it. It is seeking in this way to guarantee its potential positions in the future government and even to strengthen those positions.

The leadership of the SP prefers the possibility of parliamentary combinations in the Constituent Assembly to the development of the power of the workers, both in and out of uniform, organised in their work places and neighborhoods.

The leadership of the SP prefers its alliance with Social Democrats like Schmidt, Wilson, and Palme, loyal managers of European capitalism, to the

# PORTUGUESE TROTSKYISTS APPEAL FOR WORKERS UNITY



extension of international solidarity with the Portuguese revolution across the borders of the bourgeoisie states that are now threatening to crush it.

But is that really what the hundreds of thousands of workers, members and sympathisers of the Socialist party, wanted when they placed their confidence in the SP? We are convinced that the answer is No. The Socialist workers—whatever illusions they may have, which we want to dissipate—desire the abolition of the capitalist system of oppression and exploitation of man by man and are sincere partisans of the construction of a classless society in which the workers will exercise all power and benefit from all socialist liberties, which brook no comparison with the formal 'liberties' of bourgeois democracy.

3. The reformist and Stalinist leadership of the Communist Party bears an important part of the responsibility for the division within the workers movement that we are witnessing today and that threatens to become tragic for the future.

Instead of working toward the unity of the proletarian front against the reactionary bourgeoisie, which is now raising its head, the leadership of the CP is trying to use the popular mobilisation as a pawn in its political game with the MFA.

## ■ Sectarian ■

Instead of doing everything to assemble the workers and revolutionary forces where they must be assembled—in the work places and neighborhoods—the leadership of the CP is trying in a sectarian manner to pose as the sole revolutionary force, pushing the workers of the SP into the arms of the right.

Communist, Socialist, and revolutionary workers all have the right to organise in their various parties to express their opinions about the ways to do battle against capitalism and the ways to build socialism.

4. We will always unconditionally defend the right of workers organisa-

tions to hold meetings and organise demonstrations, whatever disagreements we may have with their objectives.

From this point of view, the manoeuvres of the CP leadership these past few days—into which they have vainly tried to draw the FSP, the MES and the LCI—in no way contribute to building the Workers United Front.

## ■ Initiatives ■

But the workers of the SP must not allow reaction to make use of these initiatives in order to move to the attack against workers organisations in Aveiro, Rio Maior, Lorinho, Porto de Mos, Cadaval, and Batalha.

Together with their class brothers, they must break the back of the fascists by organising popular vigilance in the headquarters of the workers parties and trade unions, by uniting around the independent organs of anti-capitalist struggle, and by preparing self-defence in close alliance with the soldiers and sailors. The workers must not permit the discussions and debates that are legitimate within the workers movement to facilitate the offensive of the counter-revolution.

The LCI addresses itself to all the workers, and especially to the Socialist and Communist workers: at this decisive moment proletarian unity must carry the day!

\*All united in our workers commissions, tenants commissions, united assemblies, and people's assemblies for the construction of a National People's Assembly, organ of workers power! For a workers government!

\*Against capital and reaction, proletarian unity! Vigilance!

\*Forward to the socialist revolution!

July 19, 1975  
Executive Committee of the Liga Comunista Internacionalista

## — Red Books News! —

### THE ORIGINS OF FRANCO'S SPAIN

David and Charles have published in paperback form Richard Robinson's study *The Origins of Franco's Spain*. This book covers in an extremely well-documented way the emergence of the right in the period 1931 - 1936, i.e. up to the civil war itself, and is the first detailed account of the activities of the right wing in this period to appear in English. It goes into the various ideological and power-bloc trends in the right.

The author is not left-wing, indeed he draws the conclusion 'that the left must bear the prime responsibility for the breakdown of the democratic system and drift into anarchy and civil war'. However, this is an extremely useful book for those who want to develop a comprehensive understanding of the background to events in Spain today. Price £2.25 (post 37p — it's a very big book!).

### TRADES COUNCILS DURING THE 1926 GENERAL STRIKE

Lawrence and Wishart has republished *General Strike — Trades Councils in Action*, originally put out by the Labour Research Department in 1926. The official purpose of the book was to examine the response of the trades councils to the instruction from the TUC to organise trade unionists 'in the most effective manner for the preservation of peace and order'. However, the book — the material for which was gathered by a questionnaire which went to every trades council — concentrates on such things as Councils of Action, how the councils worked, organisation of pickets, propaganda (including special meetings for women), local bulletins, arrests and workers defence, and so on.

It is packed with specific information on these questions and many others. Whilst the book suffers from not being politically situated, it is extremely interesting and relevant for today's situation. Price: £1.25 (post 11p). (NB official publication date is 28 August)

### BACKGROUND TO THE THIRTIES

Julian Symons' *The Thirties* has been republished as a paperback by Faber. This book seeks 'in an entertaining and instructive way to examine the period'. It concentrates mainly on trends in literature, theatre, art, etc. But it does this in terms of the backdrop of the politics and social movements of the period, and as such deals with questions like mass unemployment, the Spanish civil war, the fight against Mosley's fascists, trends in the ruling class and similar events.

Of especial interest are its photographs covering anti-fascist demonstrations and fascist activities. Good light reading, which gives one a feel of a very important political period in Britain. Price £1.50 (post 13p).

### NEW IRISH REVOLUTIONARY JOURNAL

The RMG has brought out a new journal *Socialist Republic* (incorporating the *Plough*). The first issue of this two-colour tabloid paper includes articles on the politics of sectarian assassinations, Irish redundancy struggles, and Irish Labour Party, the SDLP, women's liberation in Ireland, etc. This paper should sell very well with its new attractive format. Price 7p (post 6p) Bulk rates on application.

We have also got copies of the latest *Marxist Review*, the theoretical journal of the RMG. This contains articles on revolutionary tactics in elections, Solzhenitsyn, and Connolly and the revolutionary party. The first article is important because of the differing positions taken up by the left groups in relation to recent elections in Ireland. Price 25p (post 10p)

### PORTUGAL — THE PERMANENT CRISIS

The latest issue of *Inprecor* (the last before the summer break) contains an important on-the-spot article on Portugal by Charles Michaloux, analysing the background to the political crisis in that country. Other articles cover India (a background one), Indochina (a review of the significance of the victory written by Mandel), Peru, and Spain. Price 30p (post 6p).

# ANGOLA - BEHIND THE CRISIS

Angola represents an important prize for either the African revolution or neo-colonial reaction. The Angolan economy is tied to the other countries in that region and its ethnic groups spill over the various borders. Its strategic position and economic potential make it an absolutely vital area for imperialism.

The events taking place in Angola are causing tremors of alarm throughout the neo-colonial world of South-West Africa. These regimes fear the effects of the Angolan development on the stability of their own regimes. Zaire, for example, plays the role of the strong link in the imperialist chain by arming and giving aid to the rightist FNLA(1). Zambia and Congo have been increasing their factional manipulation of the MPLA(2).

The oil companies, their eyes fixed greedily on the enclave of Cabinda, are closely associated with the FLEC(3). The organisation of African Unity is also attempting to intervene in the direction of a neo-colonial solution. Meanwhile South Africa understands the dangers inherent in the Angolan situation for its economic interests and its policy of detente with the neo-colonial regimes.

## HEAD OFF

Imperialism has consistently tried to limit the impact of de-colonisation of the Portuguese colonies and thwart the dynamic of the popular mobilisations that have erupted out of this process. Their aim has been to ensure a smooth transition of economic and political power to those forces integrated and based around South Africa.

The decolonisation policies of Spínola set out to do precisely that. He hoped to achieve this by giving exclusive recognition to the rightist nationalist forces led by FNLA and UNITA(4), leading to the formation of a transitional government with these and representatives of the colonial bourgeoisie such as the Angola Unity Front, Angolan Christian Democratic Party, etc.

The secret talks at Cape Verde last year were part of a project to shunt the MPLA aside. By remaining intransigent on the

principle of independence — thus maintaining its base amongst the urban masses — and aided by the events in Portugal, the MPLA was able to frustrate this plan.

Above all else, the eruption of the Angolan labouring masses onto the political scene, resulting in strikes and big mobilisations in the urban centres, forced the Portuguese bourgeoisie to recognise the right of the Angolan peoples to independence.

## ACCORDS

When this imperialist strategy was frustrated an acceleration of the process of 'decolonisation' began to take place, accompanied by a 'spectacular reconciliation' of the three movements at Mombassa in Kenya. The Alvor Accords were agreed, establishing the grounds for a four party transitional government of the MPLA, FNLA, UNITA, and the Lisbon regime. This marked an attempt by the imperialists to neutralise the revolutionary process through the integration of the MPLA into the government.

The recent outbreaks of armed clashes compromised this 'de-colonisation' process and laid the basis for 'amending' the Alvor agreements. Imperialism's aim then became to disarm the masses, which corresponded to the FNLA and UNITA's objectives of dealing a death blow to all the self-organised structures of the workers. At the same time it revealed the opportunist character of the MPLA leadership, which was shown as being prepared to cling to governmental power at all costs.

If such a policy is carried out its consequences could be disastrous. It would deepen the contradictions inside the MPLA and allow a policy of systematic massacres of the labouring masses, eventually laying the ground for the



Angolan woman carrying her shopping passes the dead body of an FNLA member lying in the street

dismissal of the MPLA from the government.

In recent years there has emerged in the urban centres a young, concentrated and very combative proletariat, the direct product of capitalist exploitation. Its first significant victory over the stalling of the Portuguese Government came with a near spontaneous response of the labouring masses to the racist crimes committed by colonial reaction. This suddenly transformed the balance of forces and enabled tens of thousands of workers to go through the experience of mobilisation and struggles leading to the formation of rank-and-file committees in the neighbourhoods and factories.

## REPRESSION

This led to a week of national action for peoples power coinciding with the establishment of the transitional government. The latter's attempts to militarise factories 'falling into chaos and anarchy' met with a broad response from port workers, refusing to be treated as objects or instruments of enrichment in a demonstration of several thousand workers in Luanda.

The reaction of the FNLA to the radicalisation of the labouring masses has been a military offensive against both the workers' self-organisation and the MPLA leadership. Its role as a pawn of imperialism is obvious in the aid it receives from Zaire (the bastion of capitalist investment in central Africa) and the relations established with the imperialist International Confederation of Free Trade Unions. Founded on a Bakongo regional basis, it has asserted itself as the motor force of repression dealing successive blows against popular mobilisations to inflict significant defeats on the labouring masses before independence.

## FAILURE

These attacks have not only failed to reduce workers' combativity significantly, but have even permitted the strengthening of mobilisations and vigilance of the workers. But given the absence of a central alternative perspective from the MPLA, the selective repression by the FNLA could lead to localised retreats and demoralisation.

Capitalising on the insecurity that the FNLA is generating in Luanda, UNITA is appealing to the backward layers of the Angolan masses by its demands that workers be repatriated to their regions of origin. In this way it hopes to rebuild the base that it has lost from the massive departure of the white colons - the base which provided its entrance into the transitional government.

## AMBIGUOUS

In the face of the radicalisation of the masses, the MPLA's response has been ambiguous. Beginning from a conception that views the mass movement as an instrument for improving the relationship of forces at the top, the MPLA supported the mobilisations in order to break its way into the government. A heterogeneous movement founded on the basis of the urban petty bourgeoisie, the MPLA falls somewhere between the limits of a petty bourgeois gradualist nationalism and an empirical revolutionary approach with a socialist dynamic. Its political limitations do not

enable it to grasp the fundamental importance of the emergence of a proletarian social force in the heart of the imperialist apparatus, and it is unable to put forward political responses in class terms.

Nevertheless, its desire to 'put an end to exploitation of man by man' and to establish a 'democratic and popular regime' has a very immediate and precise class content in the urban centres: *the power of workers and poor peasants, and an end to capitalist exploitation.*

Its frontist illusions, however, leave it torn between collaboration with FNLA and UNITA in the government and participation in rank-and-file committees at the base; the dynamic of these struggles continues to sharpen the contradictions in the MPLA, increasing the leadership's political independence from the rank-and-file militants.

The attacks by FNLA have a two-fold effect. They stimulate the emergence of armed popular militias and accelerate the radicalisation of MPLA militants in contact with these; but they also make the necessity of a compromise with UNITA more credible in the eyes of the rightists in MPLA.

## ALTERNATIVE

The most radicalised elements of the urban workers are assembled primarily in the rank-and-file committees of the MPLA, and because of the position it occupies in the process of capitalist exploitation, this vanguard, with those organised in the UNTA trade union movement, are the spearhead of the entire revolutionary process today. But these committees are locked in gradualist Maoist formulations and in tail-ending the MPLA leadership; their political response is insufficient to lead to real independence permitting their total emancipation and the end to capitalist rule — the central question being posed by thousands of workers in their on-going struggles in factories, ports, etc.

There are already elements in the MPLA aware of the stakes, who define themselves around a class struggle position, and are fighting for the emergence of an overall anti-capitalist alternative. Against the ambiguous response of the MPLA, they are developing propaganda for self-organisation and self-defence, popularising and giving militant support to exemplary workers' strikes, denouncing the imperialist grip on the Angolan economy linking the struggle for independence to the struggle for social transformation and socialist revolution.

Julius Karanja

Based on an article by C. Gabriel in *Inprecor* No 31.

- (1) FNLA: Angolan National Front of Liberation, rightist organisation financed by a mixture of Maoist, American and Zairean aid, led by Holden Roberto.
- (2) MPLA: People's Liberation Movement of Angola, led by Agostinho Neto.
- (3) FLEC: Liberation Front of the Cabinda Enclave. Two factions exist, one in Brazzaville (the Congo) and the other in Kinshasa (Zaire), the two cities that harbour the giant Gulf Oil.
- (4) UNITA: National Union for Total Independence of Angola. Led by Jonas Savimbi, past collaborator with Portuguese troops, UNITA is a rightist movement founded on a regionalist basis in the centre-south around Nova Lisboa. Supported by China, it has a strong base among the now depleted white colons.





## Inflation - the means to wage cuts

In the last weeks one of the most gigantic press campaigns in history has been aimed at convincing the working class that it is 'excessive' wages which are responsible for inflation. Indeed the hysteria has been so tremendous on this that even some socialists have begun to claim that perhaps wage increases are responsible for inflation. Yet looking through the mass of propaganda even figures from capitalist sources show that this claim is rubbish. Two facts alone are sufficient to blow this myth sky high.

Although wage increases are supposed to be the cause of inflation throughout the whole post war period, in which inflation has been *increasing*, the share of wages and salaries in the economy has actually been *falling*. Detailed figures, calculated after tax and other deductions, show this clearly:

Take home pay after tax etc. as percentage of national income (1):	
1957	60.0
1960	58.8
1965	57.4
1968	55.9
1970	56.4
1971	55.9

In short, far from increasing wages causing the increase in prices, wages as a proportion of the economy have actually been falling as the inflation speeds up. So much for the claim that wages are the cause of inflation!

### SOME CHOICE!

It is quite wrong to believe that wages are the sole cost involved in producing goods and that therefore if wages go up so prices must go up by the same amount. There are a whole series of costs other than wages—for example profits, depreciation (wearing out) of capital, import prices, etc.—involved in production. In fact on average wages only account for about 60 per cent of the cost of producing goods. As far as wages and prices are concerned this has two immediate consequences. Firstly, if wages do go up then there is no iron law which says that prices need go up at all—for example if an increase in wages were matched by a fall in profits then a wage increase would cause no price increase at all. Secondly, even if a wage rise were not compensated for by a fall in profit, then a wage rise of, for example, 10 per cent, should lead to a price increase of much less than 10 per cent, something only greater than 6 per cent. Because wages are not the total cost of production the situation which exists today, where prices are actually going up *faster* than wages, cannot be caused by increases in workers' incomes but only by other factors. Above all, as we shall discuss below, these price rises are caused by capitalist refusal to invest and capitalist attempt to force up profits.

The figures which show that wage increases are not responsible for inflation are in fact so obvious to all who are prepared to look at them objectively that even some members of the ruling class are embarrassed by the transparent lies of the media. For example the *Observer* on 20 July reported that: 'One Tory backbencher says that if he is called to speak (in the debate on inflation in Parliament) he will emphasise that only 56.4 per cent of national income currently goes into wages and salaries against 59 per cent in 1948 and therefore it is inaccurate to blame wage earners instead of successive governments for the present runaway inflation'.

Such Tories are however violently anti-working class. Instead of blaming wage increases the other ruling class strategists, known as 'monetarists', blame inflation on extension of bank credit and on massive state spending. They recommend that the way to deal with inflation is by slashing the health service, education, housebuilding and creating mass unemployment. Some choice that instead of wage cuts!

### CAUSE OF INFLATION

On the face of it the 'monetarist' explanations of inflation do seem to have a lot more going for them than those who believe wage increases are the source of inflation. There is no doubt that the period since the second world war has seen both a huge extension of bank and other forms of credit and a massive increase in state expenditure. This has created vast increases in the supply of money—for example in the boom of 1972-73, which led to the present inflation, the supply of money in the economy increased by around 30 per cent a year. In this boom production only increased at a maximum of 4-5 per cent a year. To use a text book phrase, 'too much money was chasing too few goods', and inevitably led to soaring inflation.

If it is to all forms of expansion of the money supply that the 'monetarists' attribute inflation, nevertheless it is for the expansion of the public sector of the economy that they reserve their worst venom. Papers such as the *Financial Times* rant on day after day about 'excessive' public expenditure. Once again on the question of the extension of public expenditure the 'monetarists' appear to have a point. If the post war period of soaring inflation has seen a fall in the proportion of wages in the economy it has also seen a huge extension of state and public spending. In 1938 in Britain the share of the state in the economy (including all forms of state production, wages of employees, defence and social service expenditure) was 31 per cent. By 1948 this had risen to 37 per cent, by 1964 it was 43 per cent. Today the public sector now accounts for around 56 per cent of the economy.

Even the 'monetarists' admit that this expenditure in itself is not inflationary. The vast bulk of it is paid for through sales of goods, rent, state loans, taxation, etc. This is not inflationary, as everything put into the economy in one form is balanced by finance taken out in another. What *does* cause inflation however is where money is pumped into the economy *without* being paid for either in sales of goods, loans to the state, or taxation. It is this which creates the situation of 'too much money chasing too few goods' and *does* drive up prices. There is no doubt that this difference between what the state pays out and what it receives in revenue — this difference being the *budget deficit* and today running at around £9,000-£12,000 million—is the prime cause of inflation today. The 'monetarists' are quite correct when they say that if this deficit were massively cut inflation would drop dramatically.

# INFLA

If the cure to inflation appears relatively simply why don't the capitalists carry it out? The answer to this lies both in what would be the consequences of serious cutting of the budget deficit and the measures which would be necessary to carry it out.

The reasons for the huge budget deficits and expansion of credit created by the capitalist state lie in attempts to counter the inherent tendency of capitalism towards slump—a tendency shown in its most vivid form in the 1930s. The economic policies which are supposed to counter this tendency to slump, named 'Keynesian' after the ruling class theorist, argue for the state pumping funds into the economy through tax cuts or increased public spending, whenever the economy starts to go into a downturn. Such an influx of money, so the argument goes, creates extra spending power, extra demand for goods, and therefore an increase in production to meet this demand. More production in turn means an increase in employment, which creates yet more demand for goods as the workers spend their wages, and an increase in investments as firms lay down plant to increase their production. Thus the *short term* increase in demand brought about by the state brings the *long term* beneficial effect of increased employment, increased investment and increased production. This has been more or less the policy pursued by all capitalist governments since 1945 and has been one of the factors which produced the 25 year long 'boom' after the Second World War.

### SYSTEM BREAKS DOWN

The connection of these Keynesian policies to inflation is very clear. While eventually production increases to compensate at least partially for the increased money supply (at least in theory) nevertheless two developments make the process create price rises. Firstly while an increase in the money supply can take place very rapidly an increase in production takes a longer period. During the time in which production is lagging behind the increased money supply, inflation will take place. Secondly, the increase in the money supply is always greater than the increase in production. In the 1950s 8-10 per cent increase in money supply was needed to develop 2-3 per cent increases in production. Today for reasons discussed below 20-30 per cent increases are necessary to produce increases in production of 2-3 per cent. The effects of these big increases in money pumped into the economy with only relatively small increases in production is soaring inflation.

These inflationary characteristics of Keynesianism have always been known. For this reason the period since 1945 has seen uninterrupted inflation. But for most of the post-war period price rises could be kept under control. After a relatively short period investment increased, a major increase in production took place and inflation was kept under control.

When the system begins to break down a decline in the rate of profit takes place. Such a fall has occurred during the past period in all capitalist economies. In Britain the rate of profit has declined from 16.5 per cent before tax in 1950 to 9.7 per cent in 1970 and in the United States the rate of profit has declined from 16.2 per cent in 1948 to 10.5 per cent in 1973(2). With low rates of profit the capitalists 'go on strike' and do not invest.

### A NIGHTMARE

It is at this point in time, when falling profit rates lead to a collapse in investment, that Keynesian policies begin to turn into a nightmare. Money is pumped into the economy through budget deficits, expansion of credit and other means. But the low rate of profit means that major investment does not take place. Without investment there can be no serious increase in production—and without a serious increase in production pumping money into the economy simply creates raging inflation, bottlenecks of labour and so on.

The *direct* cause of inflation is not wage increases or 'excessive' public expenditure but the refusal of the capitalist class to invest—a refusal which produces the absurd attempts to overcome the collapse of investment through ever more inflationary economic policies. In the



final analysis, underlying this collapse of investment, however, lies the basic crisis of the capitalist system brought on by the declining rate of profit—a rate of profit which can only be substantially increased by the same type of unemployment and fascism which capitalists practised in the 1930s. While it prepares the way to seek such a solution capitalism will stagger from one crisis to the next with continually developing unemployment and ever soaring inflation as the capitalists pour money into the economy in vain attempts to avert the tendencies to uncontrollable slump which are built into the foundations of their system.

### DESTROY CAPITALISM

The attitude which the working class has to take to inflation is very clear. There is no way under capitalism in which inflation can be got under serious control without a slump on a scale far greater than that of the 1930s. The task of the working class is not, as Jack Jones and the TUC propose, to help prepare the way for such a slump through passive acceptance that workers must bear the weight of inflation, but instead to prepare the destruction of the insane system of production for profit which creates soaring inflation. This means accepting no responsibility for inflation through participating in incomes policies and other schemes, demanding the protection of working class living standards against inflation through automatic cost of living increases in wages, and through decisive measures to expropriate the capitalist

# INFLATION

class. It is capitalism not the workers which creates inflation, it is the capitalist class and not the working class which must pay the price for it.

- Sources :
- (1) *Politics and Money*; January-March 1973.
  - (2) Figures for Britain from Glyn and Sutcliffe, *Workers and the Profits Squeeze*; figures for the United States from Nordhaus, *The Falling Share of Profits*.



## How a workers government would tackle inflation

While rampant inflation is absolutely built into capitalism this does not mean that it is impossible for the working class to take any steps to deal with price rises and their effects. On the contrary, it is both possible and vital to take immediate steps to deal with this question. The most vital measures are the following:

- **Automatic cost of living increases in wages:** The old threshold system, despite all its inadequacies, began to give some protection of wages against inflation. The most important initial step in the struggle against inflation and its effects is to ensure that for every 1 per cent prices increase wages after tax and other deductions also go up one per cent. The extension of such a system to all incomes—wages, pensions, unemployment pay, etc.—is the only way to really guarantee the maintenance of the value of wages.
- **Price-freeze and price subsidies financed by taxation of the rich:** Apart from protecting wages it is necessary to limit and drive down price increases. Here price freezes and price subsidies can play an effective short term role until a more fundamental re-organisation of the economy can be undertaken. The finance for this can be readily obtained through taxing the rich. By taking over the incomes of the less than 7,000 people with an income of more than £20,000 a year this would yield £220 million—far more than the most important subsidies which already exist. This should also be coupled with radical cut-backs in capitalist expenditures such as defence.
- **Open the books:** In order to police any price freeze, and to deal with capitalist complaints that they cannot afford such a freeze, it is necessary that all the accounts and business secrets of the capitalists be laid open for inspection. This would expose a million sources of profiteering, hoarding and other fiddles—the elimination of which would keep down prices.
- **Nationalisation without compensation of food, oil, construction and the banking, insurance and finance systems:** While the elimination of inflation will only be fully achieved through the nationalisation of all the decisive sectors of the economy some areas are so vital in the cost of living that no serious steps to curb inflation can be taken without taking them out of private hands. The most vital of these are food—the most basic of all industries and the most vital in terms of working class living standards; oil—which is the most vital energy industry not under public ownership; construction—which is vital in working class life and which is one of the most corrupt and profiteering of all industries; and the finance system—which is both one of the sources of inflation and whose interest payments and loans are a huge factor in housing and other costs.
- **Nationalisation without compensation of all firms breaking the prices regulations:** The evasion by big firms of even the present pitiful price regulations is a scandal. Something like 80 per cent of large firms do not bother to comply with the rules and the fines on these are minuscule—far less than the profits to be made by evasion of any regulations. Any action on prices must be backed with real sanctions against the capitalist profiteers. Any capitalist who evades price regulations must realise that his firm will be immediately nationalised.

In the long run of course even these measures will not suffice to bring inflation under control. A huge expansion of money supply and budget deficit in a workers state will bring about inflation just as surely as it will in a capitalist one. However a workers' state has an ability to deal with this question in a way no capitalist state can. It can eradicate the incomes of the rich, and abolish capitalist expenditures which no capitalist state will ever dare to do away with against its own rulers.

Most importantly, a workers' state has no need of 'Keynesian' inflationary policies to attempt to influence investment. A workers' state controls the levers of investment through the nationalisation of the decisive sectors of the economy. Profit is reduced from the regulator of investment and production to a mere accounting category of planned economy. It is by this economic system only—the end to which the measures we have outlined are the means—that the nightmare of inflation can be brought under control.



German workers stop to check the plummeting exchange rate in 1923

## What really causes inflation?

We have shown in other articles on these pages that inflation is not due to wage increases, nor is it created by public spending. Inflation is due to the anarchy of the capitalist system and in particular to a system in which production and investment is only undertaken for profit.

The immediate cause of inflation is the sabotage of the economy by capitalist refusal to invest except when they derive large profits from it. But within this economic system it is also clear that inflation plays a very definite role for the capitalists. This role is to redistribute income in favour of the capitalist class. The job of inflation is to drive down wages and increase profits. Inflation plays the same role as open wage cutting did in the 1920s and 1930s. At that time the power of the ruling class was such that it could openly cut wages—as it did with the miners in 1926.

Today the unions are too strong for such a policy to succeed. Now inflation does the job for them in a less obvious way. By pushing the rate of price increases above the rate of wage increases the purchasing power of wages (the real wage) is decreased. Profits are then increased.

Wages in fact only account for around 60 per cent of costs of production. In the private sector, Glyn and Sutcliffe calculate the following as the relative proportion of 'costs' of production :

Imports (and purchases from agriculture)	16.5%
Purchases from nationalised industries	7.0%
Wages	61.5%
Depreciation	5.5%
Profits	9.5%

To show what happens with price increases and wage increases we will just simplify the figures by rounding them to whole numbers and putting them in figures instead of percentages. Let's assume production is worth £1 million. Then production in figures equals:

Imports (and purchases from agriculture)	£170,000
Purchases from nationalised firms	£ 70,000
Wages	£610,000
Depreciation	£ 50,000
Profits	£100,000
<b>Total Production</b>	<b>£1,000,000</b>

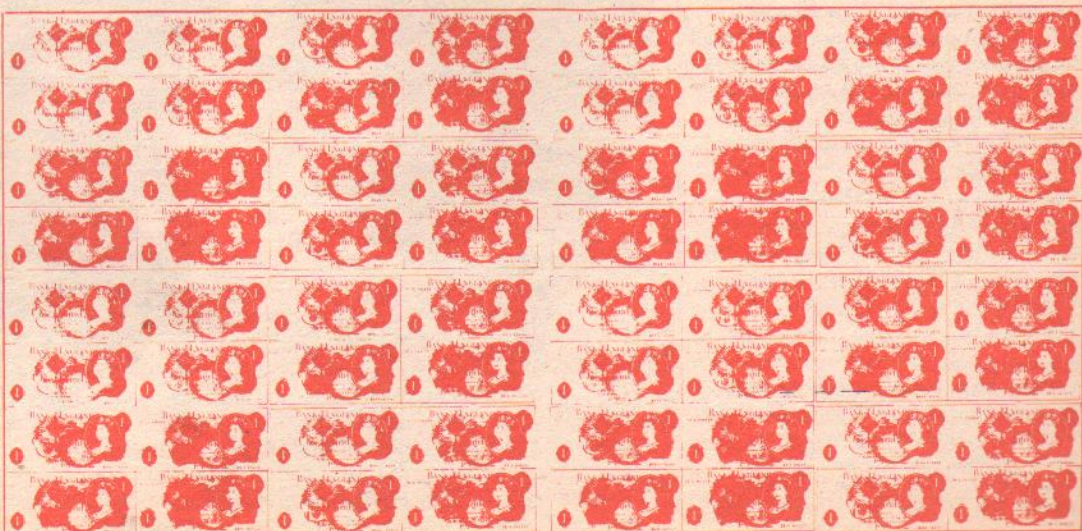
Under these circumstances the rate of profit—which is the proportion between what the capitalist pays out on wages, raw materials, etc. and the total sum of money he receives in profit—is 11 per cent.

Consider now what occurs if the workers receive a wage increase of 10 per cent. Wage costs would go up to £671,000 and the total costs of production to £1,061,000. This shows that wage increases by themselves do not produce anything like an equivalent rate of inflation. In this case a 10 per cent increase in wages means a 6.1 per cent increase in prices. (1)

Assume the capitalists say that as wages have gone up by 10 per cent, then prices must go up by 10 per cent. The result is remarkable. The price of goods sold goes up by £100,000 but the cost of production excluding profit would only rise by £61,000. The capitalist makes a cool £39,000 extra profit and his rate of profit goes up from 11 per cent to 14 per cent. With prices rising more rapidly than wages even more remarkable results can be achieved. For example in Britain today prices are rising roughly 1.3 times as fast as wages. Applying this to our example we find that the rate of profit increases from 11 to 18 per cent.

Of course the increases in profits could never be quite as large as our example shows: Import prices do increase, wage and price increases occur in the nationalised industries, etc. Nevertheless these figures show very clearly the extraordinarily powerful role inflation can play in cutting wages and increasing profits. Of the £3-5,000 million increase in profits the capitalist class is looking for in the coming few years a very considerable part will come from such inflationary mechanisms.

(1) Even if the capitalist retained his rate of profit at 11 per cent which entails a slightly higher increase in prices—as profits now have to increase to £105,710, the rate of price increases is only 6.7 per cent.



'I think that the central issue is that the problems which face us are not caused by workers having 'excessive' wages, but from the fact that we have an economy based on private profit and the whole capitalist system in the western world is in slump and, I would say, in permanent decline.'

## INTERVIEW WITH AUDREY WISE, 'TRIBUNE' GROUP MP

In giving this interview Audrey Wise asked that it be made clear that 'Being interviewed by *Red Weekly* doesn't imply any support on my part for *Red Weekly* or its policies.' We fully endorse this. *Red Weekly* also, by printing the interview, does not endorse her views. It merely means that we consider that the views put forward are ones which socialists must be aware of within the working class movement.

As regards its general views on the Labour left the position of *Red Weekly* is well known and does not need repeating here—it is put forward every week in our editorials and main articles.

● You voted against the government's White Paper in the House of Commons. Could you explain the reasons why you took this step?

Because I fought two elections on a policy of maintaining living standards and maintaining public expenditure, and the Government White Paper is a complete departure from this position.

● Would you support groups of workers going into struggle against these proposals?

The support which an MP can give to people on strike is rather notional. I am certainly not advocating that workers cease their attempts to secure what they think are proper wages. I support attempts to get decent wages.

● If these present Government policies are continued what do you think will be their effect on the electoral result of the Labour Party at the next general election?

It will be very bad. It was a great help in speaking in the October election—to say that the Labour Party had kept its promises. It will be a very difficult position if it is not possible any more to say this.

● What sort of alternative strategy do you think should be fought for?

We have outlined this at some length in the *Tribune* economic documents. I think that the central issue is that the problems which face us are not caused by workers having 'excessive' wages, but from the fact that we have an economy based on private profit and the whole capitalist system in the western world is in slump and, I would say, in permanent decline. This of course affects Britain. Britain is also affected by the fact that our own home-grown capitalists have seen fit to extract profits rather than re-invest so that our industry is in a declining state even compared to its competitors in the rest of the capitalist world. I would like to see the Government not only intervening in the economy but actually taking steps to ensure that the economy belongs to the people.

● The right wing of the Labour Party has been organising itself throughout the country in organisations such as the Social Democratic Alliance. Yet no organisation of the Labour left exists outside the *Tribune* group in Parliament.

Do you think it is necessary for the left-wing of the Labour Party to organise itself nationally?

One reason why the Social Democratic Alliance has been set up is because they fear they are losing their grip on the Labour Party as such. When they could work simply through the Labour Party they didn't need a separate organisation. When they are endangered then they set up a separate organisation—as they did on the unilateralist issue in 1960 when they set up the so-called Campaign for Democratic Socialism. I think that the left is in a better position than it has ever been in the Party. The NEC is at least making a reasonable attempt to fight for the Labour Party Conference decisions, to remain independent of the Cabinet, and to act on behalf of the Labour Party. I would decry anything which led people away from activity within the Labour Party through the unions and constituencies. This would be a diversion. On the other hand, of course people feel the need to co-ordinate their activity and to meet with other people to explore ideas. That kind of organised co-ordination I am in favour of. But I am not in

favour of anything which would be a substitute for action within the Labour Party itself.

● What do you think of the intervention of the Social Democratic Alliance within Prentice's constituency of Newham North East?

I think it is disgraceful.

● And Harold Wilson's intervention there?

Even more disgraceful. A constituency party has the right to decide that it no longer wants its member of Parliament to be its future candidate. This is something which should be for the decision of that local Labour Party. If he loses touch with his party, and loses their confidence, then they ought to have the right to say: 'We want to choose another candidate.'

In the case of Newham North East it is my personal opinion that they are right in relation to Reg Prentice. But whether I agreed with them or not, I think that it is their decision and the intervention by the Prime Minister is an attempt to intimidate a local Labour Party, and ensure that it doesn't exercise its constitutional rights.

● Whereas the Labour right and the Prime Minister have been very active in intervening in Newham North East the Labour left hasn't said much in an open way. Do you think this is a correct policy?

I believe that this is what the people in Newham North East wanted. This is something which should be in the hands of the local Labour Party. We think we have acted in a way which the Newham North East Labour Party would appreciate.

● On at least three crucial questions—the EEC, the Healey measures, and the question of Prentice—Harold Wilson has either violated the Decisions of Labour Party policy-making bodies, acted against the interests of the working class, or attempted to intimidate local Labour Parties. How do you see his position as leader of the Party?

I don't think that this is the central question. I'm interested in fighting on the policies which are pursued and in so far as that involves opposing individuals I am prepared to oppose them. But I am not willing to have the fight presented as a struggle between groups of individuals. I see it essentially as a fight between ideas and between forces within the labour movement.

● Do you think Robert Hughes was correct to resign from the Government? Yes. Undoubtedly.

● Do you think other left wing members of the Government should resign—including obviously Tony Benn?

I find that I have quite a lot to do to decide on my own actions and I'm really not too keen on dishing out advice to other people on their responsibilities. Some of this is a question of judgement. If I thought that ministers stayed in the Government because they were accepting wrong policies then I would feel that we had to expose this. At the moment I have no evidence for that and as far as Tony Benn is con-

# RED WEEKLY

Audrey Wise is an opponent of the Healey Pay Laws—her vote in the House of Commons and her forthright statements in the interview leave no doubt about this. So far so good. However, it is on how to fight these Pay Laws that the *Red Weekly* finds itself in disagreement with her.

No amount of parliamentary pressure is going to budge the Labour leaders in their drive to cut living standards. When she says 'the whole capitalist system in the western world is in decline' and goes on to characterise this as a 'permanent decline' we would agree with her. It is the nature of that crisis which determines the action of Wilson and his colleagues and ensures that they will use every conceivable measure to save capitalism.

The ruling class are united behind the Pay Laws and Wilson—as he did on the EEC—will appeal over the heads of the labour movement against any challenge to the cuts.

It is not simply the votes of the MPs or even the votes at the Labour Party and Trades Union Congress that can defeat the pro-capitalist policies of the Labour Government. Such votes are important as a means of mobilising the workers' movement, but in and of themselves, they are insufficient. It is only if these votes are translated into action—i.e. by workers in a central united campaign of strike action—can the Government's policies be defeated.

## 'NOTIONAL'

Audrey Wise says that the support MPs can give 'to people on strike is rather notional'. Such a statement is both wrong and dangerous. By openly declaring themselves in support of workers defying the Government the Labour MPs

could give a big impetus to these workers' struggles. For there is no doubt such workers would be faced with a torrent of propaganda against their strike from the ruling class, their media and their agents in the Labour Government.

## ACTIVE SOLIDARITY

More than 'notional support' would be needed. The task of the Labour MPs would be to solidarise themselves with the strikers. In the House of Commons they should oppose every measure taken against workers. Outside the House of Commons they should tour the country, building support for the workers and they should be on the picket lines.

These actions would be worth a thousand gestures in the House of Commons. They would help to break down the isolation that the ruling class will try and impose on the strikers and they can play an



Photo: ANDREW WIARD (Report)

Audrey Wise speaking at the Institute for Workers Control conference





cerned I certainly don't think that this is the case.

Then it becomes a question of judgement as to which way they can best support the Labour Party, defend the Election Manifesto, and generally help the Labour movement. We can have differences on judgement on this and I think it better to make my views known to individuals concerned rather than discuss them in the press.

I'm quite confident that Tony Benn is making his decision in the light of what he feels will be best for the movement. In so far as he is a very valuable ally for socialism at the moment then I've got to say also that I place some reliance on his own judgement on this matter.

I would also like to say that at the time of Tony Benn's transfer from the Ministry of Industry to the Ministry of Energy my own prefer-

ence would have been for him not to have accepted this transfer. However I have found a lot of people in the movement who felt that he had done the right thing because they felt they preferred to have someone fighting within the Cabinet. They judged his acceptance of the transfer as a determination to continue the fight and not in any way as letting them down. So there are clearly differences of judgement.

● At the moment there are clearly many campaigns—on Chile, Shrewsbury, against the Healey measures, on Ireland, for the right to abortion—against different aspects of the government's policies. Do you think it is necessary to unify these and if so how?

I've been active on a good many of the issues you mentioned. I regard my membership and activity in the La-

bour Party as being the thing which lets me unify different strands in my own activity. Fighting around the Labour Party Election Manifesto involves a good many strands also, and we did fight on things which are less to the forefront—things like more open government—as well as defending living standards and improving conditions for working people. Thus the defence of the Manifesto is a unifying theme. Organisationally the centre of activity must be the Labour Party and the trade unions.

● But you also participate in organisations such as the Institute for Workers Control which are not simply Labour Party organisations?

I think it is useful to be willing to participate in a body like the Institute for Workers Control because that allows for wider exchanges of views. I also think that the question of workers control itself is a unifying theme. When we examine, for example, the question of women's rights what we are asking for is control over our own lives.

The economic policies in my view boil down to giving workers more control over their own lives, both individually and as a class. Most topics in fact come down to people being able to express themselves as people, control their own lives, not dominate other people's lives, and not be dominated by huge forces which crush them.

Capitalism creates unemployment and wars, but even when it is in a state of relative peace or full employment I am still against the capitalist system because it takes away from people the power to control their own lives and to decide on how their labour should be used. The theme of workers' control is to me the unifying theme above all.

● You have expressed very strongly the view that at the present time the central struggle must be to defend the Labour Party Manifesto. But the Manifesto contains the social contract which is opposed by many trade unionists, and which was clearly used to prepare the way for the present Healey measures.

It depends on the interpretation which is put on the social contract. The Manifesto talks about achieving a 'fundamental and irreversible shift in the balance of wealth and power in favour of working people and their families.' It makes certain promises about what the Government side of the social contract would be. These promises clearly envisage the transfer of power from irresponsible private hands into the hands of the community. That is the essence of the social contract.

If other people interpret the social contract as meaning that the workers must accept a wage freeze, then they are distorting the Manifesto and I am not prepared to accept that distortion. The social contract was a two-way thing. I'm not happy about the rather guarded references to wage restraint which the Manifesto contains. But the key to the election

Manifesto was summed up in the sentence on the fundamental shift in the balance of wealth and power, and it is an utter distortion for people like the Chancellor or the Prime Minister to say that we kept our side of the bargain because we increased pensions—as if that single action absolved the Government from all further responsibility.

If you're going to have a social contract it has got to be a contract which says that the Government is acting as the political arm of the workers and is bringing the economy into the hands of the people of this country. That social contract I'm in favour of, and the measures outlined in the Manifesto were its beginning.

● If we accept for the moment as correct your radical view of Labour's Manifesto policies, how do you think that the inevitable capitalist resistance to any left wing government can be dealt with? Wouldn't a real left wing government meet the same resistance as in Chile and Portugal?

Nobody in an advanced capitalist country has actually tried to follow through socialist policies so any attempt to forecast can only be speculation. I'm in favour of pursuing what I think are correct policies step by step. I think there are substantial differences between our situation and the situation in Chile, for example.

In Chile there was a completely different class balance with a genuine middle class such as small owners of transport. In this country the vast bulk of the population is employed population. About 90 per cent, according to the figures given by Michael Barratt Brown, are employed and only about 5 per cent genuinely self employed. Some of the employed of course live on interest and profit rather more than their earnings, but of all the countries in the world this is the most economically polarised.

Many people who would have scorned to think of themselves as having any connection with the working class have found, with the coming of the huge combines and in particular the multi-national combines, that they are workers. I believe that the latent power in the hands of working people of all grades in this country is enormous. I believe that we should make the attempt to carry out socialist policies, and are in a much better position to do so than the other countries you have mentioned.

● But if we take the case of Portugal, do you support the policies which the working class is carrying out in that country?

I have no first hand information on the situation in Portugal, and therefore I'm entitled to be cautious. But I'm in favour of direct democracy, I'm in favour of workers control and I think that in Portugal the policies being carried out seem

**'I'm in favour of direct democracy . . . I'm against the capitalist system because it takes away from people the power to control their own lives and to decide on how their labour should be used.'**

likely to be the policies appropriate to their situation. I intend to visit Portugal to see something of it for myself.

What do you think the members of the organisations of the revolutionary left should do in the present situation?

● I think really that they are superfluous and irrelevant. Therefore I think you can draw your own conclusion from that. I think that the essential political struggle in this country is carried out by, in, and through the trade union and labour movement. And if you really want to be effective in politics that's where you should be. Of course you would probably say that you are active in the trade unions, but the trade union movement is so intimately linked with the Labour Party that quite candidly you are on the outside looking in at the struggle.

● Syd Bidwell when we interviewed him said for example that all revolutionaries should join the Labour Party and organise around a newspaper like *Tribune*. Do you agree people should have the right to do that?

We have bodies called socialist societies as an affiliated grouping. But that's interpreted rather narrowly—there is the Fabian society but not much else. It might be possible to look at the question of what can be accepted as eligible for affiliation as a socialist society. We've got the Social Democratic Alliance organising, so forming national bodies within the Labour Party itself can't be excluded. In general, I'm in favour of considerable freedom of action for Labour Party members and freedom to campaign for their views. I'm not someone who believes that expulsion and suppression of views leads to health in a political organisation, so I would extend this freedom to the right and to the left.

This is quite a different question from the one we were discussing earlier about Reg Prentice. I think that when people act as Labour MPs or in other representative ways, then the bodies which select them and help to secure their election should have the overriding say on whether they should maintain their positions. So I'm in favour of constituency parties and trade union branches having considerable power over their representatives. But this doesn't mean that I'm in favour of expelling those with whom I disagree. I wouldn't vote for Reg Prentice as a Parliamentary candidate, but I wouldn't vote to expel him from the Party. I want that kind of democratic attitude applied right across the spectrum.

# FIGHT YES - BUT HOW?

important role in building a movement that would break the back of the Pay Laws.

## ACTION NOW!

Furthermore the time to start such action is now. There are a number of small—but significant—strikes taking place which are in conflict with the £6 maximum. The Left MPs should help to initiate a national movement by coming out in support of these strikes.

This campaign has to be linked with the fight to remove the right-wing leadership of the Labour Party, who are trying to impose capitalist policies on the workers' movement. The struggle against Prentice is therefore more than a fight for a constituency party to impose its 'right to decide that it no longer wants its member of Parliament to be its future candidate.' Prentice and the Wilson leadership are acting on behalf of the ruling class inside the Labour Party. There is no possibility of reaching some compromise with these people.

## THROW OUT WILSON

To seriously oppose their measures means openly encouraging the rank and file to break from them and remove them from their positions of influence. That means giving all-out support to the members in Newham who want rid of Prentice. It means organising

similar campaigns in all the constituencies which have right-wing MPs. Above all it means a fight to the end against Wilson and his supporters inside the Labour Party.

Audrey Wise has invariably supported movements like Womens' Liberation, etc. But such movements are not controlled or under the direction of the Labour Party. After all the official Labour policy on the James White Amendments is for a 'free vote.' On Ireland, Chile, Shrewsbury the Labour Party has never officially built movements against the policies of imperialism. The *Red Weekly* insists that on all these issues to confine the struggle to the confines of Labour Party policy is disastrous. Furthermore this means it is not possible to change Labour's policy.

## STRATEGY FOR SOCIALISM

By openly associating with these movements the left Labour MPs can not only give them strength and viability but can build a real base of support to challenge the right-wing domination of the Labour Party and the trade unions. They can also unite the anti-imperialist forces and help them to establish a common socialist interest.

Audrey Wise wants to fight the pro-capitalist policies of Labour's right-wing. That should, and must be welcomed. What is both important and necessary is to develop a strategy that can not only challenge those policies but advance the struggle for socialism.



# MASS PROTESTS MARK INTERNMENT

Protests to mark the fourth anniversary of internment are being held throughout the north of Ireland this week. At more than 13 centres speakers will be calling for the immediate end of internment and the release of all political prisoners. Another major theme at the demonstrations and rallies will be the need to organise against any return to the days of Orange ascendancy, against any policy which involves the hand over of power by the British Labour Government to the Ulster Loyalists.

As internment enters its fifth year, 240 men and boys still inhabit the cages of Long Kesh. According to Merlyn Rees, Northern Ireland Secretary of State, these must remain imprisoned without trial until violence has ceased. To the Labour Government these men are 'desperate terrorists' and a threat to the community. One of these dangerous people is a young man, Hugh Trainor; Hugh is a spastic who has lost the power of both of his legs after injury to his spine. Others are grandfathers well beyond the age of

military service.

But all the 240 people in Long Kesh have one thing in common. They are all Republicans: no Loyalists are interned in the north of Ireland. This is yet another concession by the British Government to the Loyalist demands for a return to the Protestant ascendancy.

One of Merlyn Rees' first acts as Minister was to lift the ban on the Ulster Volunteer Force (UVF) as an illegal organisation, and since then this organisation has more than

once enjoyed his hospitality at Stormont Castle. But when not supping tea with Rees the UVF by its own admission is engaged in a campaign of assassinations of Catholics.

The horrific slaying of the Miami Showband, which even brought crocodile tears from Wilson and Cosgrave at the European Security Conference in Helsinki, was the work of the UVF and they were not slow to proclaim their responsibility. The following day their victims were a minibus of Catholic OAPs returning from a bingo session. Both these ambushes took place within the notorious 'murder triangle' of Portadown-Dungannon-Armagh, where Loyalist assassination squads, often decked out in British Army uniforms on sale in local shops, have claimed the lives of 29 Catholics in recent months.

Army harassment and murder aimed at intimidating the Catholic population into passivity.

**Belfast:** Charles Irvine, aged 16, was shot dead by the Scots Guards when a car backed fire on the Falls Road. Derrick McCarthy received 50 stitches to wounds on his back and several more to head wounds after being beaten up by the Black Watch in Turf Lodge.

**Newry:** An 11-year-old boy was punched on the face and kicked in the leg by a soldier of the Green Howards. The regiment claimed in a statement that the boy 'jumped from a wall and bit into a soldier's arm'.

**Derry:** Twelve trade union officials said in a statement that 'people are being physically and verbally abused by British Army personnel' and they complained at the increasing number of raids, checkpoints and foot patrols in the anti-Unionist areas. All 12 were members of the AUEW.

The list is endless but one thing is clear: the intention of British policy is to use the ceasefire to demobilise and to distract the anti-Unionist population from any sort of mass activity which might lead to resistance to the impending Loyalist takeover.

Meanwhile the confidence of the Loyalists continues to grow.

And why not? The Social Democratic and Labour Party, apparently oblivious to the rising tide of Loyalist violence, is up to its neck in 'informal' chats with Paisley, Craig and the rest of the Convention hawks. SDLP leader Paddy Devlin, frightened that Convention members publicly attacking each other might put 'jobs for the boys' at risk, is publicly pleading that 'each party's position is worthy of deeper respect than this'. Since the SDLP don't consider Loyalist attacks important enough to publicly denounce their supporters and instigators in the United Ulster Unionist Council, they are hardly capable of opposing the UUUC's takeover plans.

The anti-Unionist population can rely only on their own mobilisations and activity to resist a Loyalist takeover. The protests to mark the fourth anniversary of internment provide a splendid opportunity for a display of the united determination of the Republican working class to resist the takeover and end repression. Unfortunately the major anti-imperialist organisations decided to proceed with their own demonstrations and refused all attempts at a united front. But the threat is too great to allow for individual organisations going their own way. Resistance must be built from all groups acting together to destroy the British and Loyalists' intentions to re-impose a Stormont.

## UNITY NEEDED

For this reason a United Anti-Internment Committee has been formed in Belfast and has already received the support of the Irish Republican Socialist Party, Peoples Democracy and the Revolutionary Marxist Group (Irish Section of the Fourth International). It has agreed on a programme of protests over the next fortnight and called for the participation of all anti-imperialist organisations.

The need for unity was never greater. The SDLP are playing into the hands of the UUUC, the British Government is stepping up repression in the nationalist ghettos, the Southern Government has launched an onslaught on Republicans in the 26 Counties. The anti-Unionist population is at one in its opposition to all these measures. It must make that unity a real one and make it now. Then maybe the marches and rallies over the next fortnight might go a long way towards freeing Hugh Trainor and his comrades, ending internment and preparing to ensure there is no return to Stormont.

John Magee.

## ASSASSINATIONS

These assassinations are part and parcel of the Loyalist campaign for what they term 'majority rule' — the democratic phrase which for fifty years served as a coverlet for the sectarian Orange state. Present British policy, despite the Provisionals' ceasefire, is to aid this campaign. Each day produces dozens of reports from the anti-Unionist areas of British

The list is endless but one thing is clear: the intention of British policy is to use the ceasefire to demobilise and to distract the anti-Unionist population from any sort of mass activity which might lead to resistance to the impending Loyalist takeover.

Meanwhile the confidence of the Loyalists continues to grow.

# Major set back for British Leyland workers

Yet another nail was knocked into the coffin of British Leyland workers on Wednesday 6 August, when the national officials of the Confederation of Shipbuilding and Engineering Unions pushed through acceptance of the company's proposals for 'worker participation'.

In the shadow of the Healey measures, using the threat of 'a possible NVT in the car industry' coupled with the age-old bankrupt whine of the — trade union bureaucracy — 'we've done the best that we can' — AUEW executive member Bob Wright led the delegates up the garden path of 'participation' — in speed-up, rationalisation and bankruptcy.

The company proposals are nothing new. As Roy Fraser (AUEW Convenor, Cowley Body Plant) pointed out, the proposals differ not a jot from those made last year by Pat Lowry, BL Industrial Relations Director, before the *Ryder Report*. He emphasised the key point, quoting the *Financial Times* (6/8/75) which declared 'management should not lose control of executive responsibilities'.

The company had swept aside the last union delegate meeting's request for a right of veto, and Wright was at least honest enough to admit that the proposals amounted to 'a consultative, not a decisive process'. Greville Hawley, a TGWU National Official, responded by saying that the company would place 'where possible, alternative courses of action before union representatives'.

Tony Homer, CSEU 9b (Oxford) District Secretary, demolished this argument by asking 'what would happen if such "alternatives" included a choice between running down either Longbridge or Cowley? Homer said that a united response was necessary against any threat by the company against any section of the workforce. He concluded by stating that 'the way to achieve a solution in the interest of BL workers is to establish workers control — to have full access to all information, and to establish committees which decide what is to be produced and how it is to be produced — in a few words, to produce for social need and not for profit'.

Such a development can only be achieved by the complete public ownership of the motor industry with a national

transport plan developed by workers committees.

Several other speakers also argued against acceptance of the participation plan, but the bureaucracy brought their heavy guns to bear in the form of Bros. McGarry, Robinson and Parsons. McGarry waved his latest prized possession — a letter from Harold Wilson — which extolled the virtues of the *Ryder Report*, while Robinson was reduced to pathetic attacks on a leaflet handed out by the Workers Socialist League as 'one of the 57 varieties who expect socialism overnight'. With this stupidity, and with the nodding approval of the Communist Party regional organiser in the balcony, he urged acceptance of the latest betrayal.

The final accolade must go to turncoat Reg Parsons, one-time member of the Socialist Labour League, who is now an expert in witch-hunting following the Thornett affair. He urged delegates to reject those 'who wanted instant socialism on their terms', and accept the proposals because we had to be 'in there', since 'the sun was going to shine again'.

However, with 'leaders' like these, all the indications for BL workers are that 'the sun ain't gonna shine any more'.  
John Haine



Long Kesh where 246 internees and almost 1,000 "sentenced" Republican prisoners are held.

## WHAT'S ON

**LONDON SOCIALIST FORUM:** 'Revolution or counter-revolution in Portugal?' Tues 19 Aug, 7.30pm in Club Room, Conway Hall, Red Lion Sq. Speaker: Brian Stocock (IMG PC).

**BENGALI FRIENDS** in Europe and elsewhere, for Bengali books and 'Srani-Dal-Biplab' (Fourth International paper) contact: Bengali, c/o Internationalen, Box 3274, 10365 Stockholm, Sweden.

**NEW WORKERS FIGHT PAMPHLET** — For A Rank And File Movement — articles include 'Why a Rank and File Movement', 'A Programme for the Rank and File', and 'Lessons we have to learn'. Available from C. Whythead, 2 Saville Place, Bristol 8. Price 10p + 5p p&p.

**MANCHESTER** Revolutionary Communist Group public meeting: 'The Crisis and the Wage Freeze'. Speaker: David Yaffe. Basement Theatre, Town Hall Extension, 7.45pm, Tuesday 19 August.

**CHEAP ROOM** in London wanted, student from Sept: S. Maddock, Carr Croft, Bamford, Sheffield, tel. Bamford 524

**MANCHESTER PWCC** public meeting at the Hulme Labour Club, 12 Sept, 7.30pm. Speakers from Portugal and trade union movement. Organised by Manchester steering committee.

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# ABORTION REPORT DODGES ISSUES

The Third Special Report of the Select Committee on the Abortion (Amendment) Bill published ten days ago, makes a feeble attempt to make the James White Bill more palatable.

The Committee, which split on the most restrictive clauses, has been only able to agree on a few recommendations for Government action. Although the Report follows the original Bill in putting verbal emphasis on ending the exploitation of women in the private sector, the issue is dodged. There is one obvious way to end the economic exploitation of women seeking termination of pregnancies—extend the National Health Service and abolish the private sector completely.

But with the Labour Government hell-bent on slashing cuts in public expenditure, and naturally enjoying Tory support for this policy, the NHS is chronically and deliberately under-financed.

The Committee recommends that the Secretaries of State set up a 'white' list of so-called satisfactory agencies which approved clinics would have to use. As the National Abortion Campaign says: 'This sledgehammer clause, intended to deal with the very small number of agencies which have been known to exploit women, will, in fact, greatly restrict access to information and referral.' If a 'white' list is to be drawn up, then as NAC says, 'it should be clearly displayed in public places (railways, council notice

boards, libraries, etc) so that women know where to go.'

The Select Committee Report lists people from whom it has heard evidence. Noticeably absent from the list are representatives from women trade unionists and women's groups—but then they are only the people affected. However, even by taking selective evidence from organisations like the British Medical Association and other conservative medical groups, the overwhelming majority of evidence has been opposed to the James White Bill.

Clearly the Select Committee is both unrepresentative of the views and needs of millions of women. The only progressive measure it can introduce is a motion to dissolve itself. But that is an unlikely occurrence because there is no doubt that there is a bi-partisan agreement between the Labour and Tory leaders on the need to restrict the inadequate 1967 Act even further.

The big demonstration in London this June showed the enormous support that exists for building a movement against restrictive legislation on abortion. Since then the campaign has been taken into even wider circles as work gets underway to build the NAC Conference on 18 October. This work should now be stepped up to make the 18 October Conference as large as possible so that it can build a real mass movement on the right of women to take their own choice and control their own bodies.

## NVT - Demand Labour Nationalise!

As many as 5,000 workers in the Midlands motorbike industry face the dole queue as a result of the decision of Eric Varley, the Industry Secretary, to end all Government aid to the ailing motor cycle company Norton Villiers Triumph. Already NVT's Wolverhampton factory—employing 1,600 workers—has been put into liquidation. But with talk of a work-in rife, one of the likely victims of Varley's decision is the workers' co-op at Meriden—scene of a marathon 18 month work-in.

The crisis brought about by this sharp reversal of Government policy has highlighted all the weaknesses of workers' co-ops, both as a 'solution' to unemployment and a method of struggle. The workers at Meriden have just voted themselves a wage-cut in order to make 'their' company viable on the capitalist market.

While in occupation the Meriden workers carried out unpaid modifications on the major product, the Triumph Bonneville 750 'twin', to allow sales on the American market. Now only 350 workers are employed at the co-op, less than a quarter of the old work-force. At the same time the bikes produced are sold not by the co-op but by NVT itself under a two-year agreement.

Of course, now that other NVT workers face the sack, the co-op workers can take no action for fear of jeopardising their own jobs. This can only heighten the growing divisions between Meriden and the workers employed at NVT's Small Heath, Birmingham plant.

Far from providing a working class answer to unemployment, the NVT fiasco has shown that co-ops are a short-term road to disaster, getting workers to take responsibility for the fortunes of bankrupt capitalist industries, and isolating the people working in co-ops from their fellow workers in struggle.

At a time when a million are already out of work, with all industrial surveys predicting a further unprecedented rate of growth in unemployment over the next months, the Varley announcement also demonstrates the Labour Government's willingness to let unemployment rise still higher in its efforts to bail out capitalism.

After pouring £18 million into NVT itself without an iota of control over the activities of the firm, the Labour Government is now quite happy to force the workers onto the dole queue. With the picket lines out at Wolverhampton, the demand must go up throughout the labour movement for nationalisation of the motor cycle



## Social workers start fight against cut-backs

Labour's desperate struggle to prop up a decaying British capitalism has two sides. For the big companies there are lavish handouts; for the sick, the old, the infirm and the deprived there are reductions in the already inadequate social services.

In Labour-controlled Tower Hamlets, social workers are fighting back against intolerable conditions and thereby defending the interests of working people against Labour's cuts.

Last week, social workers in the Stepney area of Tower Hamlets refused to handle any new cases. They continued working with the cases that were already on their list. Any new cases that came in were noted down but were not dealt with. This decision was taken by the intake social workers—who deal with all new referrals and have to bear the brunt of all the problems that people bring to them.

The dispute was caused by the chronic under-staffing in the Tower Hamlets area, which is 21 percent under strength. In Area 2 the intake team has no senior social workers so the intake workers have to take decisions on their own. If money is required for any of the families, they are not able to give it without authorisation by a senior social worker.

Tower Hamlets is short of senior social workers because the Labour Council pays the lowest salaries in the whole of London. Very few are recruited from outside the Borough. The pay discrepancy is about £18 per week.

The situation escalated on 4 August when the intake workers were told to report to the Head Office and to be supervised by a member of the management (principal

officer). The intake workers refused to go on the grounds that they would be taken out of the area where they worked. They pointed out that this would also be scabbing on union policy because the principal officer who would be supervising them would be doing more than one job.

As a result of threats and intimidation against these workers a meeting of social workers and direct support staff resolved 'that all members of the Social Work Services group and direct support staff withdraw their labour on Friday, 8 August for a day of action, as the start of a campaign that should then be extended to other sections of the Directorate and other directorates in the Borough.'

The strike was supported by nearly every one of the 250 social workers in the area. No more than about eight reported for work. Pickets were set up at every social services office and hospital in the area. Leaflets were distributed in the market places explaining why they were on strike. A mass meeting of the social workers was held and then they marched to Bethnal Green Town Hall.

Red Weekly urges trade unionists in the area to give this action their full support. One step to take would be a joint enquiry conducted by social workers and other trade unionists into the local social services so that they could jointly determine what is needed to provide adequate social services for the Tower Hamlets working class.

Struggles like those in Tower Hamlets set an example of how working class unity must be established to defeat Labour's capitalist policies.

Janet Maguire

## RUSH OF SUPPORT FOR MCAPP CONFERENCE

Paul Stern, secretary of the Medical Committee Against Private Practice, reports that sponsorship and support for the 11 October Conference is steadily growing.

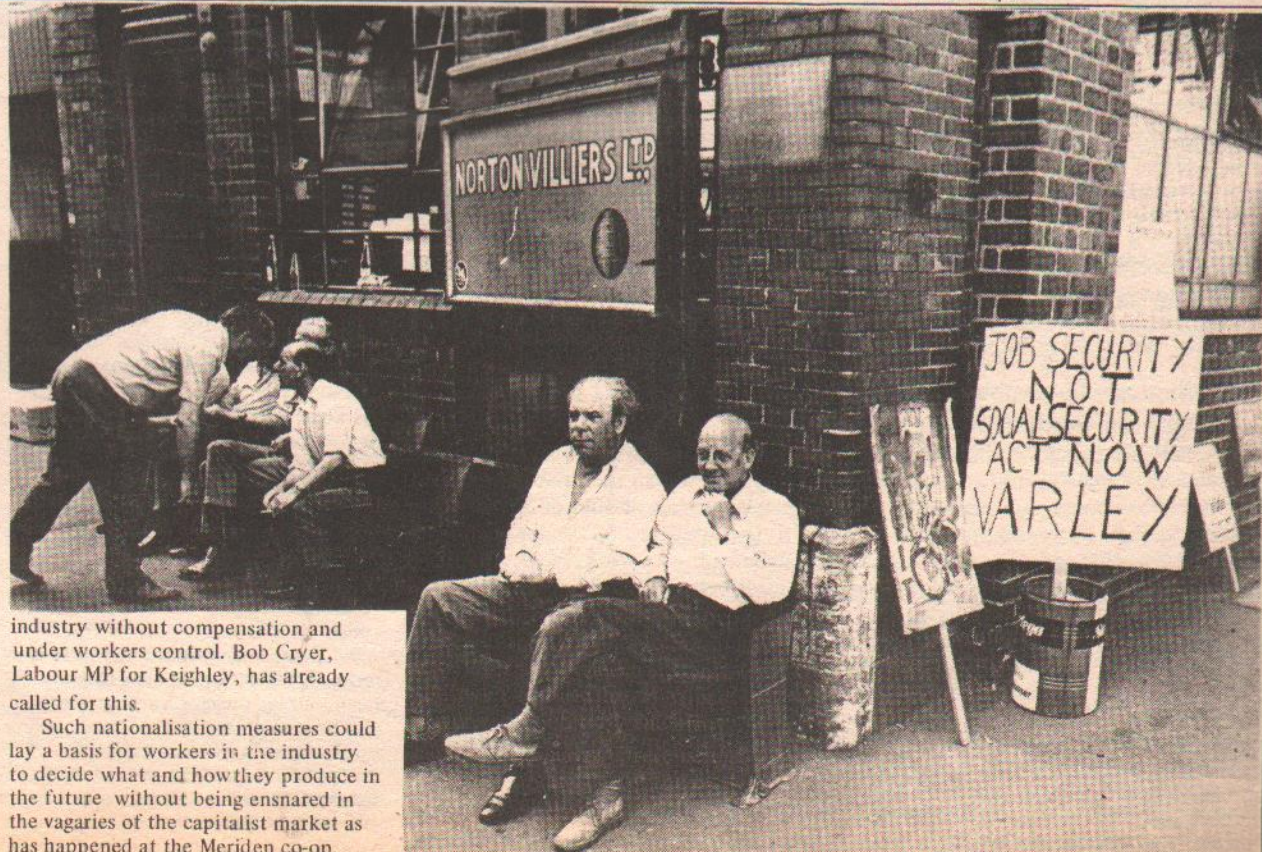
Tribunite MP Audrey Wise will be speaking at the Conference, and Jack Collins, a member of the national executive of the National Union of Mine-workers, will be chairing the afternoon session.

Sponsors which have come in since the last issue of Red Weekly include: Tribune Group

Jo Richardson MP  
Jack Collins (NUM)  
Ernie Roberts (Asst. Gen. Sec. AUEW)  
Brian Nicholson (TGWU Nat. Exec.)  
Camden Trades Council  
Addlestone & District Trades Council  
Nottingham Trades Council  
Newcastle-on-Tyne Trades Council  
Greenwich Trades Council  
Norwich Trades Council  
Basingstoke Trades Council  
Harrow Trades Council  
Bristol Trades Council  
NUPE Highcroft Hospital Birmingham

branch  
COHSE 643 branch, Oxford  
NALGO Gwent Health Services branch  
Sheffield Divisional Council of ASTMS  
Islington NALGO  
Laycocks Joint Shop Stewards Committee (Sheffield)

There is no doubt that this important conference is getting wide support in the working class movement. Again we urge readers to get support for the Conference in their shop stewards' committees, trades councils, union branches, Labour Parties, etc.



industry without compensation and under workers control. Bob Cryer, Labour MP for Keighley, has already called for this.

Such nationalisation measures could lay a basis for workers in the industry to decide what and how they produce in the future without being ensnared in the vagaries of the capitalist market as has happened at the Meriden co-op.

# SOLIDARITY WITH THE PORTUGUESE REVOLUTION



## TEXTILE WORKER'S APPEAL

Marcolino Abrantes, vice-president of the Portuguese Textile Workers Union, was recently in Britain to speak at meetings in solidarity with the struggle in Portugal. He told Red Weekly about the extent of imperialist pressures in the present situation and the desperate need for international working class solidarity.

Could you say something about the way in which international capital is trying to pressurise the Portuguese Government into meeting its wishes?

Various forms of economic pressure and sabotage are currently being used. The most recent example, and one with which I am especially concerned, is the decision of the Common Market authorities, at the request of Britain, to impose a special surcharge on imports of Portuguese textiles.

I think this is clearly a political decision. Because while its economic advantages for the British textile industry are few (most of the reduction in imports from Portugal, for example, will probably be made up by imports from other countries), its economic effect on Portugal will be very harmful.

The textile industry plays a big role in Portuguese exports, and Britain alone, not to mention the rest of the EEC, takes 35 per cent of what Portugal exports in textiles. The economic situation is already very grave in the textile industry, with many firms shutting down and widespread unemployment. These problems will now be made much worse, mainly in the area of clothing, and this will also have a serious effect on the Portuguese economy as a whole, which has grave balance of payments problems.

Another reason for considering this a political decision is its timing. This move was made just the day after the Socialist Party left the Government. I don't think it can be seen as anything but a means to put pressure on the Portuguese Government to make political concessions to the right wing.

I would like to appeal to the British working class, in the name of international solidarity, not to allow such actions — which will do little or nothing for their own problems, but will put into jeopardy the Portuguese working class. What is happening in Portugal will have repercussions throughout Europe. And a victory for the Portuguese working class is directly in the interests of the British workers.

### Why is international solidarity important?

Even if some immediate problems could be solved by making some money available, for Portugal to retain a capitalist relationship with the Common Market would always be to its disadvantage — Portugal being in the Common Market would just lead to a greater exploitation of Portugal. And we are already facing serious problems because of the economic pressure that the EEC countries are bringing to bear on us; if we make this relationship closer and more intimate it will just create a bigger problem and make Portugal more vulnerable to this kind of pressure.

So Portugal will have to try to carry on. The only help we can count on is that of proletarian internationalism, with the working class of Europe trying to prevent their Governments carrying out their acts of sabotage and pressure.

This is also the only way that we can deal with the problem of the multi-nationals, who are either reducing their activities in Portugal or pulling out altogether. Being in the Common Market wouldn't solve this at all. The only answer is for different countries who are exploited by the same bosses to come together to work out common strategies that can prevent the bosses moving their capital around to take advantage of cheap labour. It's their crisis, so they should have to pay for it.

### What can be done practically in Britain to support the struggles of the Portuguese working class?

There are two levels on which this can be done. The first is linked to practical things that are going on. I've already referred to the problem of the textile import surcharge. I think socialists in Britain should do everything in their power to bring this problem to the attention of the textile workers in this country: they should start debates in the workplaces, and raise the question in the working class organisations as a whole, particularly in the textile areas.

Secondly — and I don't know to what extent this is possible — direct expression of political solidarity with the Portuguese working class in these difficult moments would be very, very important. For example, if the British workers' organisations could organise a big demonstration of support for the process that is taking place and the advances of the working class this would be very valuable — not just for raising the internationalist consciousness of British workers and drawing attention to Portugal, but for the morale of the Portuguese working class.



Photo: ANDREW WIARD (Report)

On Saturday, 20 September, we will be calling a national demonstration in solidarity with the Portuguese working class. The march will assemble at Charing X Embankment at 2.30 p.m. and will travel to a rally at Speakers Corner, which will be addressed by representatives of the British labour movement and of the Portuguese working class. Our mobilising demands will be: An end to the economic boycott! Big Business, NATO, CIA—Hands off Portugal! Portugal must not become another Chile!

## SABOTAGE

Behind the anti-communist campaign that has received so much publicity in the media recently, lies the interests of the ruling classes of Western Europe and the United States. With substantial investments and influence at stake they are determined to stop, at all costs, the advance of the Portuguese workers towards socialism. Today these capitalist powers are relying on the leaderships of the European social-democratic parties to exert a maximum of political pressure. They have mounted a significant economic blockade. This aims to further increase economic disruption and unemployment and it creates the conditions for a rallying of reactionary, counter-revolutionary forces.

In a similar manner to its manipulations in Chile two years ago, international big business is using its weapons to crush the revolutionary process in Portugal. The leaders of the Portuguese Socialist Party have lent themselves to these man-

Solidarity Campaign with the Portuguese Working Class, 7 August 1975

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# RED WEEKLY

ALL OUT 20 SEPTEMBER!

oeuvres and, headed by Mario Soares, they have carried on with a divisive campaign within and outside Portugal. These activities have led to senseless riots and violent confrontations in the most backward areas of Portugal, the areas that traditionally supported the fascist regime.

Very little has been said of the achievements and of the strength of the revolutionary process in Portugal—successful moves such as the land reforms, the creation of a much needed social security system, and the nationalisation of the all powerful monopolies and banks, control of which are now in the hands of the workers and bank employees. The Portuguese working class have fought hard for their objectives and have made real advances. However, the first steps in controlling production and distribution, the movement for workers democracy, have been met by tremendous hostility from the Western powers, who have proudly announced their own conditions to Portugal and who are openly dictating their own narrow interests onto the Portuguese people.

## DEMONSTRATION

This intervention on behalf of monopoly capitalism can only be met by international action. The British people must firmly oppose such attempts to strangle the Portuguese working class. The demonstration on 20 September will be an expression of the solidarity of the British labour movement with the struggle of the Portuguese working class for socialism.

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