

\$1.00

# PROLETARIAN REVOLUTION

Winter 1991  
No. 38



Re-Create  
the Fourth International

X-523

Published by the LEAGUE FOR THE REVOLUTIONARY PARTY

## Imperialism's Criminal War



The war to make the world safe for imperialism is on. We are told that the forces of peace under the authority of the United Nations are arrayed against a new incarnation of evil, the "sick" government of a "madman." The truth is that a cabal of imperialist powers led by the United States, along with their Middle Eastern junior partners, has unleashed the terrors of modern technology against the population of an underdeveloped country.

The U.S. working class has no interest in supporting this criminal war. It was launched by the world's dominant powers to crush our fellow workers in Iraq, the Middle East and, by example, throughout the world. Its billions of dollars of destruction and waste every day come at the expense of our lives and living conditions. The capitalist ruling class is using this war and the "New World Order" to keep the world safe for profits and exploitation.

Bush having declared war on our class brothers and sisters, our side must fight to defeat imperialism and drive its military forces out of the Middle East. In the U.S. that means encouraging strikes against the war, workers' boycotts of war shipments and proletarian leadership of the protest movement. It means putting forward clear-cut political ideas and intransigent alternatives to the patriotic barrage.

We do not appeal for U.S.-dominated negotiations or peace conferences under the imperialist-run U.N. We demand not that both sides leave Kuwait but that imperialism get out of the Middle East. We reject the two-faced "Support Our Troops" slogan, which distorts human concern for Bush's cannon fodder into imperialist patriotism. We stand for "Defend Iraq," the main target of imperialism's present war. Our answer is not to appeal to the Democrats or so-

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Above: Pablo Picasso's *Guernica* (1937). The painting was inspired by the bombing of a Basque town during the Spanish Civil War by Hitler's air force, at the fascists' request. Today Baghdad is a new *Guernica*.

# Imperialism's Army: A Call to the Colors

When newspapers everyone knows are racist begin hailing blacks, you know there's a con game going on. While most of their war coverage is devoted to drooling over the saturation bombing of Iraq, there is plenty of space given to defending the large numbers of blacks and Latins in the U.S. armed forces. Swine who constantly moan that "blacks get everything" are not at all perturbed about their grabbing an unfair share of this particular occupational category.

The august *New York Times* usually takes care to hide the more vulgar forms of bigotry. Therefore we read with interest its January 27 editorial, which said:

**"That American blacks may suffer disproportionate casualties is indeed troubling; so is the potential loss of social welfare funds. But it is also true that the proportion of blacks in the armed services reflects how the services have become instruments of remarkable change, giving minority groups fairer chances to rise, right to the chairmanship of the Joint Chiefs of Staff."**

Ain't capitalism grand! True, it has been systematically destroying education, health services and other social benefits won by labor and black struggles in the past. True, every vestige of illusion in upward mobility is being shaken by the new austerity. But never fear, the Army is here!

It once seemed that the only way out of the ghetto was basketball, but U.S. capitalism now offers black youth a new horizon. They can look at the world from six feet under instead of from seven feet up. The *Times* doesn't let its saccharine acknowledgement that "disproportionate casualties" are "indeed troubling" interfere with its ecstasy over the new opportunities for blacks.

But what disquiets the *Times* slightly doesn't faze its hero one bit. Colin Powell, four-star general de luxe and the first black chieftain of the Joint Chiefs, says: "The fact that we have a higher percentage than the percentage that exists in the general population doesn't trouble me at all." After all, why should it? "That's why I came in. To get a job, two-twenty-two-thirty a month," he modestly notes. Now he pulls in \$101,829.60 a year, plus perks.

We have to admit that he worked hard to get there. Learning to kill and maim thousands of people without a

quail takes diligence and training. Moreover, there is a connection between the overabundant casualties suffered by black youth in the armed forces and Powell's fat paycheck.

Ancient Rome saved itself from being overrun by its external enemies, the "barbarians," by recruiting some of them into their legions. They flattered barbarian generals by making them Citizens of Rome. Their task? Entrap their brothers into fighting Rome's battles, against their other brothers across the borders.

Today, U.S. imperialism uses blacks and browns, people it holds in contempt, to fill its army. They are trained to kill other blacks and browns abroad — as in Grenada, Libya, Panama and now Iraq. Tomorrow's "enemy" will perhaps be Cuba, Syria, or an African country. And when U.S. workers, blacks and browns in the forefront, rise up against the intensifying capitalist attacks upon them — this too the U.S.'s hired "volunteers" will be called on to repress.

Any human being can sympathize with black parents who fear that no matter how hard they work, chances are their kids will not get decent jobs, let alone afford college. They may not get off the ghetto streets alive. Who cannot understand the desire of black youths for a role model, a black person at the pinnacle of his profession who is world famous and publicly hailed by the white media?

But it is also necessary to see, as growing numbers of black workers and youth do, that their ambitions are being used to lure them to kill or be killed by other victims of the same imperial system. Colin Powell, so cynically hyped by the capitalist rulers and their media tools, is nothing more than sucker bait. And anyone with street smarts knows that while his new buddies call him "General" to his face, behind his back they still sneer "nigger."

Barbarians still have their uses. Salutes from false friends can't hide the fact that U.S. capitalism is inherently racist. This war was launched not simply to crush Iraq and the restive masses abroad. Washington is also using patriotism to deepen exploitation at home. Divide and conquer is its chosen device: black and brown workers are subject to greater attacks than others.

Capitalism will attempt to recruit ever greater numbers of blacks into its armies through economic devastation. But given their history, stretching from slave revolts to ghetto rebellions, it is certain that black workers will join the leadership of the coming proletarian revolutionary party even far more out of proportion to their numbers. The chief purpose of such a party will be to overthrow this bestial, racist, imperialist society which now uses yellow ribbons to refashion the nooses of its lynch mobs. ●

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Price: \$1.00 per issue; \$30.00 for a full set.

## Proletarian Revolution

Published by the Socialist Voice Publishing Co. for the League for the Revolutionary Party. ISSN: 0894-0754.  
Editorial Board: Walter Daum, Evelyn Kaye, Sy Landy, Eric Nacar, Bob Wolfe.

Production: Leslie Howard, Jan Mills.

Subscriptions: \$7.00 for 8 issues; \$15.00 overseas airmail, supporting subscriptions and institutions. Pay to Socialist Voice. Send to: Socialist Voice; 170 Broadway, Room 201; New York, NY 10038, USA

Special Subscription Rates: Workers currently on strike may subscribe at the special rate of \$1.00. Thanks to a special donation, prisoners may subscribe at no charge.



# Death Agony of a Deformed Theory

The deformed workers' state theory is on its deathbed. The stampede of the "socialist" East European countries toward explicit capitalism dealt the final blow to this relic of pseudo-Trotskyism. Although various organizations stick to the deformed workers' state formula, they prove it useless by their floundering rationalizations of world-historical events that it gave no warning of and cannot explain.

One long-time advocate, George Lormin, writing in the British Workers Revolutionary Party's *Workers Press* (Dec. 6), at least recognized a problem:

**"Trotskyists need to go back to the origins of the so-called 'deformed workers' states.' What exactly was the class nature of these states and why did the bureaucratic rule collapse suddenly in a number of them?"**

Little has been done to probe the roots of these questions. One reason is that a deeper investigation is required than even Lormin acknowledges: whether Trotsky's theory of the USSR as a *degenerated* workers' state retained its validity after the 1930's. Since Trotsky is treated by his avowed followers as an icon, not a mentor, they are unlikely to dig too deeply. On paper at least, they remain "defensists," partisans of the progressiveness of the Stalinist system over traditional capitalism.

Meanwhile, the Soviet economy and empire are self-destructing. Class and national rebellions are breaking out; East European societies are rapidly polarizing. At this time of crisis, the press of the would-be Trotskyists reveals that their abysmal theoretical confusion has disastrous political consequences. Amid revolutionary events, all have trouble deciding what side they are on, and why.

## THE PSEUDO-TROTSKYIST DILEMMA

Devised in the late 1940's to account for the unexpected spread of Stalinism, the deformed workers' state theory was a mockery of Marxism from the start (see box on page 5). The East European countries purportedly became proletarian when the Stalinists took over — but were "deformed," not "degenerated" like Soviet Russia, a label that evasively admits that the workers never held state power.

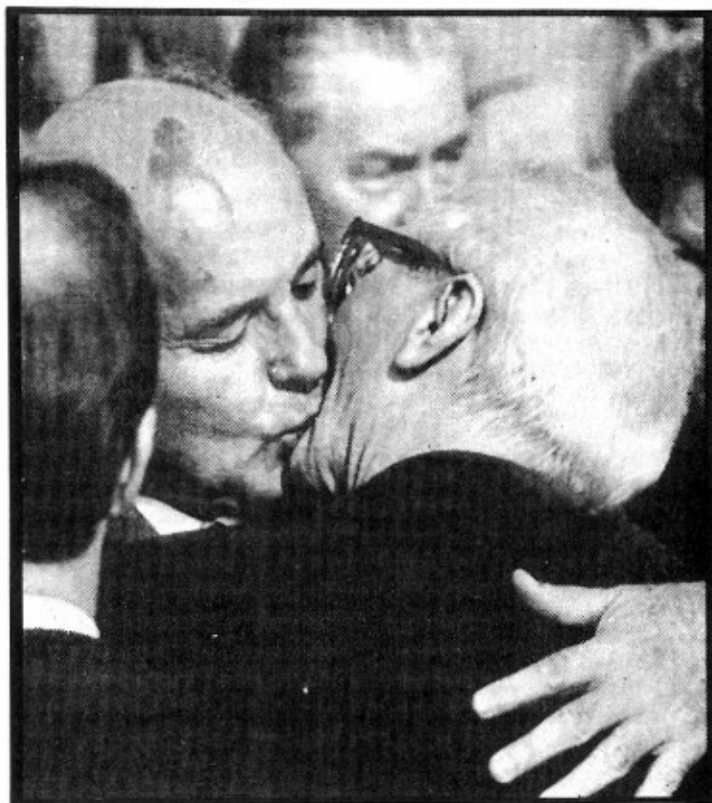
The theory credits revolutionary social change to the petty-bourgeois Stalinists, who not only didn't lead the working class to power but in fact *smashed* workers' anti-capitalist struggles in order to set up coalition governments with the bourgeoisie. Only when the workers had been crushed did the Stalinists dare oust their bourgeois partners to create their fraudulent "people's democracies." The theory also denies that the bureaucrats running the state and the economy were exploiters of the working class.

The governmental changes today go in the reverse direction: the Stalinists are being replaced by would-be bourgeois types. ("Bourgeois" refers to the traditional capitalism of the West, as distinct from the statified version of the East.) Both transformations took place without forcible confrontations between the two ruling elements. To call them *social* revolutions amounts to reformism, the notion that power can be transferred from one class to another peacefully and gradually. This contradicts the central teaching of Marxist theory that a state is the instrument of a particular ruling class and defends the rule and economic forms of that class with its armed power.

Moreover, if the current changes really mean capitalist restoration, then they are *counterrevolutions* — and should necessarily have been opposed, not supported, by Marxists.

That would have meant siding with the most reactionary sections of the Stalinist bureaucracy: the Honeckers, Husaks and Ceausescus (along with fascist allies like Pamyat) who, however brutally, opposed the "counterrevolutions." Few defensists followed the logic of their theory consistently.

The reason is that they are caught on the horns of an



Gorbachev and East German Stalinist ex-leader Honecker. One down, one to go.

unresolvable dilemma. On the one hand, the old-line Stalinists try to defend their state property, the key to the so-called "workers' states." On the other, the bourgeois types proclaim "democracy"; as well, the working classes backed the 1989 upsurges against Stalinism and made up the main fighting forces. Torn between two loyalties, some Soviet defensists openly endorse the marketeering phony democrats and their Walesas; others lean toward the Stalinists; many waver in between.

The roots of this dilemma go back to the aftermath of World War II. In brief: because of the severe defeat of the working classes, the Trotskyist organizations gradually adapted to middle-class reformism in the West, which they saw as insufficiently progressive rather than counterrevolutionary. They interpreted the Stalinist overturns in East Europe similarly, as progressive but incomplete social revolutions. (For details, see our articles, "How Not to Defend Trotskyism," *Proletarian Revolution* Nos. 32 and 33.) But today in the East, Stalinism and reformism are at odds. The pseudo-Trotskyists' middle-class outlook attracts them to the post-Stalinist reformers, not the Stalinist side their "theory" says they should favor.

## THE MYTH OF NATIONALIZED PROPERTY

The deformed workers' state creed faces insoluble contradictions. First, Stalinism has been universally rejected by

the workers living under it — even at the cost of risking unemployment and lower living standards. That is because the Stalinist economies failed to advance the productive forces and have become shamefully retarded and unproductive — which alone says that they were not more progressive than capitalism. Second, the Stalinists and their states proved *not* to be defenders of nationalized property, nor of any other gains of the working class.

Decisively, the fact that the East European economies have proved capable of devolving gradually into open capitalism suggests that they could only have been capitalist all along. Unfortunately, it is assumed by most Trotskyists that a country with a nationalized economy cannot be capitalist. Obvious though it may seem, however, it wasn't accepted by Marx, Engels — or even Trotsky:

**"Theoretically, to be sure, it is possible to conceive a situation in which the bourgeoisie as a whole constitutes itself a stock company which, by means of its state, administers the whole national economy. The economic laws of such a regime would present no mysteries." (The Revolution Betrayed, p. 245.)**

In other words, even a totally state-owned economy can be capitalist. And its economic laws can be fully grasped, despite the absence of a free market. Trotsky didn't think that the traditional bourgeoisie in practice could fully nationalize an economy. He was right: it required the proletarian revolution, later usurped by the Stalinist bureaucracy. Nevertheless, he made it clear that a state with a nationalized economy was not automatically a workers' state.

This idea, taken directly from Marx and Engels, should not surprise Marxists. But it inevitably shocks those who swallow the bourgeois notion that capitalism is founded on competition, not the exploitation of wage labor. Nationalized property is a proletarian property *form*. The market too is a surface form, crucial to a healthy capitalist economy if exploitation is to be carried out most efficiently. But just as a workers' state can coexist with markets, so can capitalists tolerate full statification for a time, if the state belongs to them. The crucial questions are bypassed by the "deformed" theory. Which class rules the state? Whose interests does it protect, the exploited or the exploiters?

The dialectical method reminds us that form does not determine content; the relation between the two can be contradictory, even qualitatively so. Nevertheless, property forms are equated with property relations by nearly everyone today, just as "socialism" is identified with nationalization. But popular myth merely testifies to the degradation visited upon Marxist theory by social democratic and Stalinist reformism.

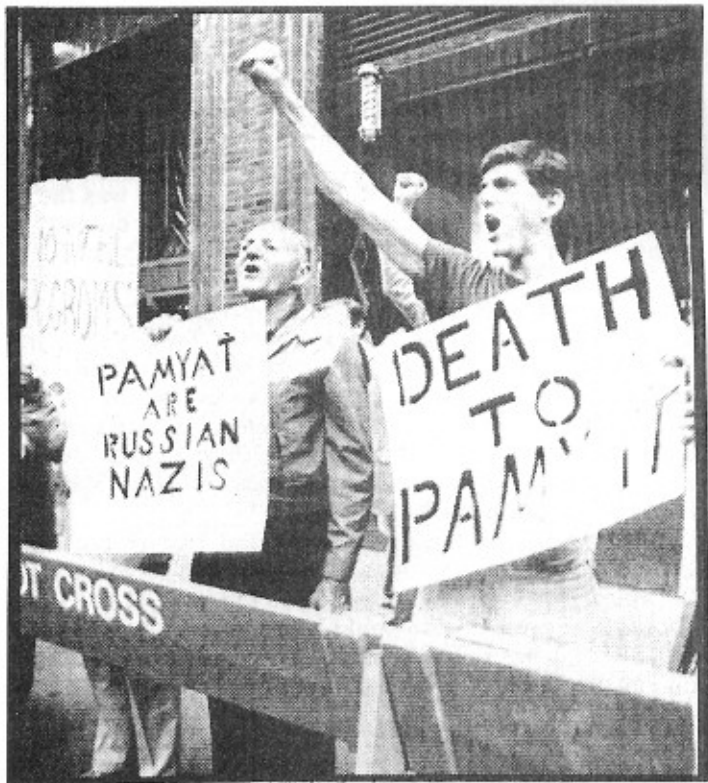
### STALINISM AS DEFORMED CAPITALISM

The only analysis consistent with Marxism and reality is the one presented over the years in this magazine and in detail in our new book: Stalinism is a deformed variant of capitalism. It came into being as a result of the backwardness and isolation of the Soviet workers' state; it seized power through an internal counterrevolution culminating in the late 1930's. The particular forms of its contradictions derive from its usurped proletarian heritage.

In power, Stalinist capitalism served to perpetuate the decadent system by crushing the proletariat and abusing its property forms. It used the state to both concentrate capital and police the working class. But its attempts to reorganize capitalism's laws of motion to stave off crises were doomed to fail. After brief periods of development the inevitable crises reappeared, and now the crippled statified economies

have been forced to turn to undisguised bourgeois forms. (We refer readers to our book, *The Life and Death of Stalinism: A Resurrection of Marxist Theory*. See ad on p. 10.)

In the explosions of late 1989, the Stalinist bureaucracies lost political power or were forced to share it with the growing bourgeoisies. Exploitation will intensify as the concessions won by the working class through its past upsurges



*New York picketers jeer Russian right-wing/Stalinist chauvinists, honored guests of U.S. government.*

are eroded. But the mode of exploitation — the extraction of surplus *value* from the working class — is the same. In essence, East Europe is undergoing political, not social, revolutions because they remain within the realm of capitalism. The USSR is lurching in the same direction.

The flight from state ownership reflects the fact that state property embodies remnants of working-class gains; it hinders the all-out exploitation the bosses need. The privatization schemes of East Europe, China and the USSR aim to centralize capital internationally as well as nationally, and to fully subordinate the workers. Both wings of capital, state and private, have to become compradores of the West.

In fact, few enterprises have been successfully privatized so far. But that does not prove, as some argue, that the states of East Europe are proletarian. Rather it shows graphically that mass unemployment and accelerating poverty can co-exist with state property. Again, nationalization alone does not make a workers' state.

The devolution of statified capitalism towards traditional bourgeois forms, as well as its limits, were foreseen by our tendency from the start (see Nos. 1 and 2 of our magazine). A decade ago we pointed to the downfall of Stalinism when others were still touting its progressiveness and flexibility. We warned as well that if proletarian communist leaderships did not emerge in time, the capitalist political revolutions would result not in an ephemeral democracy but in Bonapartism and fascism.

In contrast, all the deformed workers' state tendencies



expected that socialism would develop from a democratic political revolution. Trotsky's theory of permanent revolution – that democratic gains can be achieved only through proletarian revolution – applies to all capitalism in our epoch, to Stalinist as well as bourgeois states. To the pseudo-Trotskyists it is a sealed book.

### THE IMPORTANCE OF THEORY

The revolutions against Stalinism, based on the social power of the working classes, are being hijacked. So far workers appear to accept the path of privatization as the only alternative to Stalinist tyranny and privation. The new rulers are also taking advantage of nationalist sentiments to convince workers to sacrifice.

But sooner rather than later, capital's need for intensified exploitation, factory shutdowns and mass austerity will force the workers to resist. Then the choices will come

down to two: either the workers build independent, fighting class organizations (unions, councils, above all, revolutionary parties) – or the rulers will keep them in place with organized repression by fascist and nationalist thugs.

Decades of Stalinist oppression have discredited socialism and Marxism in the East. Yet only authentic Marxism, the science of proletarian revolution, can show the way forward. The workers will have to relearn the lessons of more than a century of proletarian history in order to orient themselves for the coming class battles. The central requirement is to re-create the proletarian Fourth International, combining the most advanced theoretical clarity with revolutionary practice.

But the left on the scene has failed even to begin this task. On the contrary, the various Left Alternatives and similar groups lined up in support of the provisional post-Stalinist governments – and most of the would-be Trotsky-

## A Theory Deformed from the Start

When the deformed workers' state theory was first invented, its implication that East Europe had turned from capitalism to pre-socialism without a proletarian revolution was pilloried by Jim Cannon, the American Trotskyist leader:

**"If you once begin to play with the idea that the class nature of the state can be changed by manipulations in top circles, you open the door to all kinds of revisions of basic theory."**

Cannon was right. For what does "deformed workers' state" mean? "Workers' state" is just shorthand for Marx's "dictatorship of the proletariat." It describes a state run by the working class, transitional to the classless society of communism. Moreover, it is socially progressive as compared with capitalism, since it is capable of overcoming the barriers to development created by bourgeois social relations. The modification "deformed" says that the state is not ruled by the working class as a whole but undemocratically by the Communist Party – and also that Stalinist power retards society's development toward socialism.

In fact, only the "deformed" part of the definition makes sense. Look what its proponents had to swallow. First, that "workers' states" had been created not only independently of working-class struggles but *against* them. Workers' upsurges after the war to seize factories and form revolutionary councils were smashed by the Soviet Army and local Stalinist forces. All opposition in the working class, notably the Trotskyists, was eliminated. These steps permitted the Stalinists later to oust the old bourgeoisies and statify the means of production. As Trotsky had foreseen, nationalized property was "too tempting" an object for a mobilized, fighting proletariat.

Secondly, the theory claimed that the Stalinist coalitions with the old bourgeois parties, which had enforced capitalist property relations up to a point (1947-49), could then switch their class allegiance and choose to create "post-capitalist" relations of production. This was a gross violation of the Marxist understanding of the state as the executive body of a specific ruling class.

Despite these contradictions, the deformed workers' state theory was accepted by the majority of the Trotskyist movement. The reason was not just the "logical" deduction that since Trotsky had called the Soviet Union a degenerated workers' state, the states modeled after it also had to be some kind of workers' states. Logic alone

permitted the reverse conclusion: that the remnants of the Soviet workers' state had already been destroyed.

The real reason was the defeat of the working class carried out by Nazism, "democratic" imperialism and Stalinism. That led to the demoralization of the revolutionary forces, their turn to the social-democratic and Stalinist parties in the West, and therefore to the implicit belief that these forces were capable of historically progressive deeds. Hence the petty-bourgeois-led Communist Parties could be seen as making, in effect, socialist revolutions – ending capitalist rule and creating workers' states – in place of the working class.

The deformed workers' state formula was not only contradictory in theory. It soon proved to be a poor guide to action, too. When China became Stalinist in 1949, the Trotskyists could not agree whether it was yet a workers' state – or if it was, whether it was deformed or not. When workers' upsurges broke out in East Europe, Trotskyists disagreed about supporting them: were the workers against the deformations or against the states? When the Castroites took power in Cuba, rationalizations that had patched over previous problems failed to stretch across the oceanic holes in the theory.

Worst of all, the same class adaptations convinced Trotskyists that even a non-Stalinist petty-bourgeois force, the nationalist MNR of Bolivia, could pave the way to socialism. The Trotskyist POR tied itself to the MNR and helped strangle a real proletarian revolution. All factions of the Fourth International endorsed its course of action. (The one exception is described in our pamphlet, *Bolivia: the Revolution the Fourth International Betrayed.*)

Over the years, deformed workers' statista have squabbled over which countries actually fit the category. Most accept East Europe, China, Vietnam and Cuba. Some add Angola, Mozambique, Ethiopia, Burma – even Pol Pot's Cambodia. No wonder: the theory gives no guide to telling the difference between a workers' and an anti-workers state.

Although there have been many political disputes about the "workers' states," in recent decades there have been no theoretical debates. Defensists bicker over the origin and identification of these states – without ever challenging each others' theoretical premises. To do so would force them to confront the fact that authentic Marxism is at odds with their theory in any form. ●

ists supported them. (See "The Left and East Europe" (*Proletarian Revolution* No. 35.) Unless a determined struggle is waged against the pseudo-left leaders on the levels of theory and practice, Trotskyism will appear to the workers of the East as another ideology of oppression.

### MANDEL'S FLEXIBLE REFORMISM

Ernest Mandel of the United Secretariat (USec) is the foremost exponent of the deformed theory, as well as of the notion of democratic reform of Stalinism. For years he justified the "workers' state" label by pointing to the Stalinists' supposedly progressive, expanding and crisis-free economies. Now he pats the Stalinists on the head for at last recognizing the crisis whose existence he previously denied. Until yesterday he insisted that his workers' states do not face the "restoration" of capitalism:

**"The main question in the political struggles underway is not the restoration of capitalism. The main question is whether these struggles head in the direction of an anti-bureaucratic political revolution or of a partial or total elimination of the democratic freedoms acquired under glasnost." (*International Viewpoint*, Oct. 30, 1989.)**

That is, the only real possibilities were either forward to socialism or back to Stalinism. Capitalism was out of the picture because the bureaucracy was too tied to its privileges, and the petty bourgeoisie was too weak, for either to do the job. Some such logic was necessary to rationalize the deformed workers' state theory; otherwise capitalism could be established peacefully. Mandel continued:

**"Today, whatever impressionable journalists or people who confuse their desires with reality may say, in Poland and Hungary it is the bureaucratic nomenklatura and not the 'pro-bourgeois forces' that control the state apparatus."**

Few assertions made with such assurance have been refuted so quickly. And few observers, impressionable or not, were able to miss the fact that the nomenklatura in Poland and Hungary was as pro-bourgeois as anybody else.

Now the far-seeing champion of Marxist science has turned completely around:

**"A process of restoration of capitalism is under way in several East European countries. . . . Literally no one in these countries, or in the world, denies the evidence." (*International Socialism*, Winter 1990.)**

Right. No one at all.

### FROM 'THEORY' TO CAPITULATION

The USec took Mandel's long-held non-restoration thesis to its inevitable conclusion: rely on the reformers. One theorist, Steve Bloom of the Fourth Internationalist Tendency in the U.S., argued that the pro-capitalist program of the Mazowiecki government of Poland was only a dream because imperialist investors would not offer much to a government so devoted to the working class.

**"If capital is going to be attracted by the Walesa/Mazowiecki team it will be necessary to allow capitalists to make superprofits. Superprofits, however, require superexploitation of the Polish workers and of Polish natural resources. But such a process is completely incompatible with the development of the economy in the interests of the Polish people, which Solidarity is committed to. And besides, the government remains too close to its social base amongst the workers to allow such a thing." (*Bulletin in Defense of Marxism*, March 1990.)**

Really? The Solidarity regime (then a coalition with the

## Reform vs. Revolution

**"Yet, precisely because the bureaucracy is not a new ruling class but a parasitic cancer on the working class and society as a whole, its removal through a political revolution by the workers does not require the type of armed conflict which until now has accompanied revolutions in class societies, including modern capitalist ones." (Ernest Mandel, *Socialist Register* 1989, p. 176.)**

**"All indications agree that the further course of development must inevitably lead to a clash between the culturally developed forces of the people and the bureaucratic oligarchy. There is no peaceful outcome for this crisis. The Soviet bureaucracy will not give up its positions without a fight. The development leads obviously to the road of revolution." (Leon Trotsky, *The Revolution Betrayed*, p. 287.)**

Stalinists) was so committed to the workers' well-being that it imposed a ferocious austerity policy demanded by Western bankers — leading to a 30 percent fall in industrial production, over a million unemployed and a 40 percent drop in real wages.

Walesa & Co. will indeed have a hard time finding investors, given the crises of world capitalism and the historical militancy of Polish workers, but that shows no devotion to their working-class base. The government is hell-bent on privatization and deregulation, and if Western imperialists won't invest heavily, then Poland is doomed to a third-world standard of living. But that, as a Trotskyist ought to know, is the true capitalism of today.

With such confidence in the solidity of the "workers' states" and their defense of workers' interests, USec leaders are certain that an infusion of democracy into existing institutions is enough to achieve the "anti-bureaucratic political revolution." Thus Mandel writes of the bureaucratic soviets (governing councils) in the USSR:

**"Real Socialist democracy, real exercise of political power by the working masses, genuine soviet power are incompatible with the single-party regime. The soviets will become sovereign and real organs of 'popular power' only when they are freely elected, only when they are free to decide on political strategy and political alternatives." (*Beyond Perestroika*, p. 82.)**

The current soviets, of course, have nothing in common with revolutionary councils that represent "real exercise of political power by the working masses" — like the soviets the workers built in 1905 and 1917 and which won power in the Bolshevik revolution. They will be rebuilt only through class struggle *against* the bureaucracy, not by reforming the bureaucrats' parliamentary forms.

### DISPENSING WITH TROTSKYISM

The deformed workers' state label excuses the USec's path of bureaucratic reformism, of tailing not too critically behind petty-bourgeois pseudo-democrats and Bonapartes like Mazowiecki, Havel and Walesa. The disputes within the USec will lead to different conclusions on the practical level: who to tail and how closely. Many will draw the *truly* practical conclusion, like the SWPs of Australia and the U.S., which dispensed with the Trotskyoid charade for good, the better to accommodate to Stalinist and reformist forces. Mandel's "theory" has served not as a guide to practice, not



even to practical capitulation, but as a smokescreen for those who really think theory is a waste of time.

### THE SPARTACISTS' INCONSISTENT PRO-STALINISM

The true logic of the deformed workers' state theory is represented by the Workers World Party in the U.S., which consistently credits Stalinist butchery with defending "socialism." The WWP began life by supporting the Soviet invasion of Hungary in 1956, then Czechoslovakia in 1968; it naturally admired Jaruzelski's smothering of the Polish workers in 1981. Along the line, thankfully, it abandoned its pretense to Trotskyism — and landed in the Rainbow room of the Democratic Party. Recently it sided with the Chinese

the top; it requires a violent counterrevolution." (Joseph Seymour, *Why the USSR is Not Capitalist*.)

Now, however, such a straightforward application of Marxism to the contradictory deformed workers' state theory runs afoul of reality. So Seymour asserts that Trotsky "projected that such an overturn need not provoke a full-scale civil war"; he only objected to the notion that it could be done gradually. (*Spartacist* Winter 1990-91.)

In fact, Trotsky analyzed at length the gradual degeneration of the Soviet state. But he knew that the process, if not halted by the working class, would culminate in a decisive moment of counterrevolution, when quantitative change became qualitative (see below). That meant a civil war:



Polish auto workers protesting Mazowiecki government's capitalist attacks. But their choice for president, Walesa, will continue austerity policy against workers.

rulers' murderous crackdown against workers and students in Beijing, and then with those beloved working-class heroes, the Ceausescu of Romania.

Less consistent pro-Stalinists are found in the Spartacist tendency. Like all pseudo-Trotskyists, the Spartacists are caught in the dilemma between the Stalinist thrust of the workers' state theory and middle-class adaptation to reformism. Their special contribution to confusion is the notion that the pre-Stalinist states of postwar East Europe had "indeterminate" class content because it was not clear which form of property they would defend. Of course, these states defended *both* private and state property from the workers. The only indeterminacy is in the theory, not in reality.

The Spartacists defended Hungary and Czechoslovakia against the Soviet attacks but backed the mugging of Poland. Today they endorse Gorbachev's assault on the Baltics but not his capture by the Stalinist right wing (even though they have the same line as the reactionaries on property forms and national independence).

On the level of theory, their theorist-in-chief once mocked "impressionistic leftists" who envisaged "a gradual, organic and peaceful return to capitalism":

**"Capitalist restoration cannot occur either through gradual evolution or a mere reshuffling of personnel at**

there is an irreconcilable class difference between capitalism and a workers' state. It is the Spartacists who think class rule can be indeterminate, not Trotsky.

### WHAT ARE THE STATES OF EAST EUROPE?

To reconcile the deformed workers' state notion with the Marxist theory of the state, Seymour has to distort reality as well.

**"Who today would argue that the governments of East Germany, Poland, Czechoslovakia and Hungary have been *gradually* changed from (deformed) proletarian to bourgeois? East Europe is manifestly in the throes of a capitalist counterrevolution of a catastrophic character with massive social convulsions and radical changes in the political sphere."**

Well, the changes in these countries *have* been gradual. One regime has handed over power to another, with large carryovers of leading personnel. Property has been denationalized only partly. Factories have the same bosses, but now they're subject to less central control. The post-Stalinist states, like their predecessors and the postwar regimes, defend both private and state property from the working class. There were massive convulsions by the workers, but these were aimed at getting rid of their "socialist" masters,

not (unfortunately) at keeping the bourgeoisie at bay.

Trying to avoid the fact that one capitalist regime has replaced another, the Spartacists have invented a convulsive change of ruling classes. And to escape the burden of defending the Stalinist reaction, they have to be coy about when (or whether) this counterrevolution was completed.

Two examples show the superiority of our method and its accurate grasp of events. Last year, after the fall of the Berlin Wall threatened the East German regime so hated by East German workers, the Spartacists placed high hopes in the "reforming" Stalinist party, reasoning that the Stalinists and their state were bastions of nationalized property. We warned in contrast that "the 'means for selling out the DDR' is not just social democracy, as the Spartacists say, but above all the CP." (*Proletarian Revolution* No. 36.)

History clearly proved us right. Now the Spartacists admit that "the Stalinist regime collapsed . . . and its remnants, rather than see the proletariat in power, delivered up the East German deformed workers state to German imperialism." (*Spartacist*, Winter 1990-91.) But their illusions in Stalinism had helped mislead the working class in a revolutionary situation.

When Poland's Stalinist rulers agreed to share power with Solidarity politicians in 1989, the Spartacists breathed



Former Communist Party building that will become the new Warsaw Stock Exchange. New stocks, same bonds.

a sigh of relief that counterrevolution had been prevented: "The Stalinists still head the police and army, those 'armed bodies of men' which constitute the core of state power." (*Workers Vanguard*, Sept. 1, 1989.) This, despite the public promises by the Stalinist ministers that the army would support the bourgeois turn.

We warned that the armed forces, whether led by Stalinists or bourgeois "democrats," would be inevitably used against workers defending their past gains against the new regime. (It has already happened at least once: military drivers were used in Cracow last fall to replace striking bus and tram workers.) We asked at the time:

"What form of property will the army then be defending? What state will it be the army of? And which side will the Spartacists be on? Certainly their *theory* gives no clue." (*Proletarian Revolution* No. 35.)

The questions are still appropriate. Seymour writes that East Europe is "in the throes" of capitalist counterrevolution, implying that workers' states exist still. Should Spartacists support the army against the workers, as they did in 1981? Is Poland's strikebreaking army still the core of "proletarian" power? Or has it somehow (gradually?) become the bosses' instrument, as if it never was before? Seymour dangerously misleads the workers: "In the face of a workers uprising, it is likely that the army and police will be passive or will split/splinter." Bourgeois-restorationist regimes ruling through pro-worker police is a fantastic scheme reflecting what in reality remains an indeterminate state theory. At least the Spartacists are consistent in their inconsistency.

#### LRCI: NO WAY OUT

Between the USec's virtually naked reformism and the Spartacists vacillating pro-Stalinism lies the British Workers Power group (and its affiliated international, the LRCI) They too wobble between the pro-Stalinist implications of the workers' state theory and democratic reformism.

LRCI supports national independence for the Soviet Baltic republics. But the Baltic leaders promise to "restore" capitalism, while their pro-Moscow opponents want to preserve the Union and nationalized property. It is correct for revolutionaries to defend bourgeois nationalists from imperialism, but how do "Trotskyists" support bourgeois nationalists against those who defend a "workers' state"?

On the other hand, LRCI backed Gorbachev's crack-down on Azerbaijan in January 1990, following the Stalinist "workers' state" logic:

"As troops of a degenerated workers' state, [the Soviets] have the right and duty to defend the borders of the USSR . . ." (*Workers Power*, Feb. 1990).

Of course, the same reasoning applies to the Baltics.

The sharpest formulation of the workers' state theory's impasse was expressed in LRCI's statement on the Soviet assault on Lithuania in January, 1991. After calling the economic radicals' market reforms "decisive restorationist measures," the statement reads:

"This legal coup d'état is not a defense of the planned economy and the dictatorship of the proletariat against restoration . . . Bureaucratic conservative counterrevolution, whilst it may temporarily slow or modify the moves to the market, can wreak an even greater damage to the proletariat, the only living force capable of defending the workers' state."

That is, counterrevolution is of course bad for the working class — but it also prevents the changes that are "decisive" for restoring capitalism! No wonder these bewildered defensists can find no way out!

#### PEACEFUL SOCIAL COUNTERREVOLUTION

The collapse of the East German "workers' state" forced the LRCI to try to rationalize the theory's incongruities. A few years ago, before events so sharply challenged their world view, they could say clearly what a change of class rule would mean:

"In these post-capitalist societies, the transition in the Marxist sense (from capitalism to communism) has been thrown into reverse by the bureaucracy. These states are degenerating back towards capitalism, a process that can, of course, only be completed by an actual social counterrevolution." (*The Degenerated Revolution*, p. 93.)

Of course. But now that it is occurring without an "actual social counterrevolution," LRCI approaches the problem as academics and lawyers, not Marxists.



“Does the GDR prove that a peaceful overthrow of a workers’ state is possible? If the answer is yes, and we believed it must be at least for Eastern Europe, this appears to bring us into head-on collision with Trotsky.” (*Workers Power*, July 1990.)

Only “appears”? Trotsky’s insistence on the necessity of violence for the overthrow of the Soviet workers’ state is well known. But lawyers are paid to find loopholes, so they tell us that Trotsky’s most categorical statement on the question of violence dates back to 1929, when the Soviet workers still could have ended Stalinism by reformist methods. In 1936, they argue, he changed his mind because of the Stalinist constitution.

“The new constitution seals the dictatorship of the privileged strata of Soviet society over the producing masses, thereby making the peaceful dying away of the state an impossibility, and opens up for the bureaucracy ‘legal’ roads for the economic counterrevolution, that is, the restoration of capitalism by means of a ‘cold stroke’ . . .” (Trotsky, *Writings 1935-36*, p. 358.)

This “cold stroke” is *Workers Power’s* loophole; they say it means a peaceful counterrevolution. But it doesn’t. Trotsky is saying, first, that the bureaucracy’s *political* counterrevolution had been completed, thus closing off the peaceful transition to socialism. Second, that the capitalist, or *social*, counterrevolution had been placed on the bureaucratic agenda and that the new constitution would provide it with a legal facade. But this in no way meant that he thought social counterrevolution could be *peaceful!*

Proof: in the same article Trotsky observes that one alternative facing the Soviet Union was “to be flung back into conditions of decomposition and, by means of a civil war, to fascist capitalism” (p. 356). Later, more explicitly: “Without a victorious civil war the bureaucracy cannot give birth to a new ruling class.” (*Writings 1937-38*, p. 37.)

Trotsky’s 1936 article foretold history. When the great purges of 1936-38 arrived, he labeled them a “preventive civil war,” and rightly so. Millions of workers and party members were killed; the state apparatus (army, party, bureaucracy) was decapitated and replaced. But it was done “legally,” by abuse of the secret police and the courts, not from outside the state structure. This was the “cold stroke.”

The civil war culminated on the eve of World War II with the smashing of the workers’ state and the consolidation of statified capitalism. Unfortunately Trotsky did not recognize that this was precisely the completion of the bureaucratic social counterrevolution he had foreseen. But he was fully aware of the direction of the process – and that it was violent in the extreme. *Workers Power’s* loophole proves exactly the opposite of what it was supposed to.

#### WHAT’S LEFT IN EAST EUROPE?

*Workers Power* not only misrepresents Trotsky’s position; it cannot make up its mind about its own. The cited article asserts that peaceful counterrevolution is possible “at least for Eastern Europe.” But the editorial in the same issue argues that East Germany is a special case (because of “the exceptional circumstance of a pre-existing German bourgeoisie”). Thus the possibility of peaceful counterrevolution elsewhere is left unclear.

LRCI faces an impossible dilemma. The East European counterrevolutions began with the overturns of 1989-90, which it had hailed as working-class political revolutions. For us there is no difficulty understanding that a worker-based revolution can be derailed by its petty-bourgeois leadership and stop halfway, thereby reconstituting capi-



talism in a different form. Similar halfway revolutions have occurred before: for example, Portugal 1974, Nicaragua 1979. But the deformed workers’ statisticians have to explain how a progressive movement can suddenly (and peacefully!) turn about and produce a whole new class society more reactionary than where it began.

The problem is avoided by postponement. Whereas the Spartacists saw the survival of the Stalinist army as proof that the “workers’ state” was not yet dead, *Workers Power* holds that the governments and the state apparatuses are farthest down the capitalist road. It relies on the slowness of privatization as the savior:

“Although there is considerable disintegration, economic relations between the state ministries and factories, and between the enterprises themselves, are regulated through the half-crippled bureaucratic plan. Despite the progress of the counterrevolution in the last half year, all the countries drawn into the events of 1990 – except East Germany of course – remain degenerate workers’ states.” (*Workers Power*, Jan. 1991.)

This is a desperate argument. The state apparatus (including many ex-Stalinists) is at the head of the privatizing capitalist forces. Sooner or later, *Workers Power* will recognize that capitalism dominates East Europe – and then it will have to claim that the same state apparatuses can rule both workers’ and capitalist states. And they’ll invent a “Marxist” loophole for that, too.

#### NOTHING WORTH DEFENDING?

One reason why would-be Trotskyists cling to the discredited workers’ state theory is the failure of the prominent alternatives. The state capitalist theory of Tony Cliff and the International Socialism (IS) tendency, like Mandel’s, has to be cosmetically revised because reality is disproving one of its central contentions.

Cliff originally argued, assuming its extreme centralization of capital, that state capitalist bureaucracy is the “truest personification of the historical mission” of the capitalist class. (*State Capitalism in Russia*, p. 182.) He never understood that full centralization was impossible for capitalism and could only occur in a genuine workers’ state; his decentralist view of the workers’ state is parallel to the “small is beautiful” dreams of new-left radicals.

Since state capitalism is the highest form of capitalism, it was easy for Cliff to conclude, like Mandel, that there can be no internal restoration of traditional forms:

“Before the experience of World War II, it was an understandable if incorrect assumption that private capitalism could be restored in Russia without its occupation by an imperialist power. But the victory of the concentrated, statified Russian economy over the German war machine silenced all talk of such a possibility.” (Same book, p. 326.)

Cliff, like the deformed workers' theorists, overlooked the fact that statified forms are contradictory. While they made major industrial projects possible, under class rule they masked the anarchy and decentralization of capitalism. To overcome the heritage of the revolutionary workers' state and more successfully exploit the workers, Stalinism was compelled increasingly to adopt forms and methods of the traditional bourgeoisie. The devolution inherent in the system is now in full force, and although state property remains predominant, private capitalism *is* advancing.

The ISers' view that Stalinism is only an extreme form of capitalism, not a variant deformed by the workers' conquests it once took over, leads them to insist that the workers have nothing to defend. The "transition from state capitalism to multinational capitalism," despite the burgeoning inflation and unemployment it brings, "is neither a step forward nor a step backward but a step sideways." (*International Socialism*, Spring 1990.)

An IS journalist mockingly asked, "So why aren't Russian workers striking or demonstrating against the threatened 'restoration' of capitalism?" (*Socialist Worker Review*, Feb. 1990.) In fact, the massive Soviet miners' strike in mid-1989 was largely directed against the false promises and worsening conditions caused by Gorbachev's perestroika. That's not the restoration of capitalism, but it is the intensification of capitalist exploitation, and some workers clearly understand that it means a step backward for them. There have also been major strikes against capitalist assaults in Poland and East Germany.

The French Lutte Ouvrière (LO) group, which contradictorily considers East Europe capitalist but the Soviet Union proletarian, is more explicit:

"The working class, for its part, has no reason to

defend these regimes — not even the aspects which the rulers have presented over the past few decades as being 'socialist.' Neither these regimes nor their 'achievements' result from a proletarian victory over the country's bourgeoisie." (*Class Struggle*, December 1989.)

True, the East European states are in no way socialist or proletarian, and the regimes merit no defense. But social gains for the workers did result from proletarian struggles. The power of the working class even in defeat compelled the new rulers to offer sops to get social stability. There is ample "reason to defend" them, just as workers in the West defend gains like social security, civil rights and abortion rights when reactionaries try to remove or restrict them.

The notion that workers have nothing to defend under Stalinism is an error as disastrous as the "workers' state" illusion. Ironically, these seemingly opposite theories lead so often to the same solution: workers must fight for democracy first; socialist revolution comes later. Both notions leave workers open to the broad anti-Stalinist groups dominated by the bourgeois-democratic free-marketeers.

Even those who call for a "democratic revolution" make the same class-collaborationist error. Only the socialist revolution can fulfill the masses' democratic demands, as permanent revolution should teach all who claim to be Trotskyist. Anything less uses "democracy" as a cover for exploitation and is a Trojan horse for chauvinism and fascism.

If the corruption of theory prevents the creation of an authentic Fourth International, the consequences will be devastating. There are elements in what passes for world Trotskyism for whom it is not too late. Many feel that they have rejected Mandelism and Cliffism, especially their concessions to the middle class and reformism. But without an understanding of Stalinism that demonstrates how and why these "authorities" are wrong, they will not be able to chart a revolutionary path. ●

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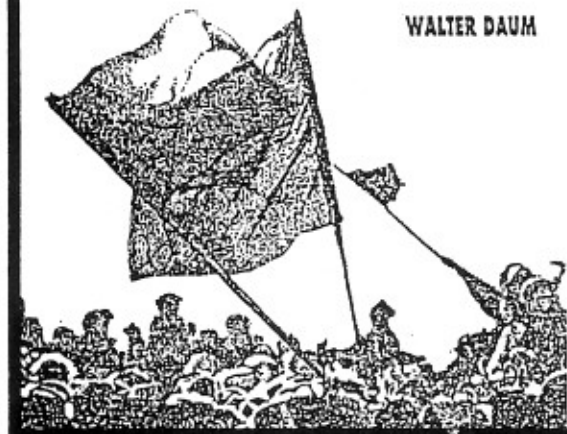
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# Natalia Trotsky's Break with the Soviet Defensists: In Defense of Trotskyism

The letter below was written by Natalia Sedova Trotsky, widow of Leon Trotsky, on May 9, 1951 in Mexico City. It was addressed to the leadership of the Fourth International and the U.S. Socialist Workers Party. We take the text from *Labor Action* of June 17, 1951.

You know quite well that I have not been in political agreement with you for the past five or six years, since the end of the [Second World] war and even earlier. The position you have taken on the important events of recent times shows me that, instead of correcting your earlier errors, you are persisting in them and deepening them. On the road you have taken, you have reached a point where it is no longer possible for me to remain silent or to confine myself to private protests. I must now express my opinions publicly.

The step which I feel obliged to take has been a grave and difficult one for me, and I can only regret it sincerely. But there is no other way. After a great deal of reflections and hesitations over a problem which pained me deeply, I find that I must tell you that I see no other way than to say openly that our disagreements make it impossible for me to remain any longer in your ranks.

The reasons for this final action on my part are known to most of you. I repeat them here briefly only for those to whom they are not familiar, touching only on our fundamentally important differences and not on the differences over matters of daily policy which are related to them or which follow from them.

Obsessed by old and outlived formulas, you continue to regard the Stalinist state as a workers' state. I cannot and will not follow you on this point.

Virtually every year after the beginning of the fight against the usurping Stalinist bureaucracy, L.D. Trotsky repeated that the regime was moving to the right, under conditions of a lagging world revolution and the seizure of all political positions in Russia by the bureaucracy. Time and again, he pointed out how the consolidation of Stalinism in Russia led to the worsening of the economic, political and social positions of the working class, and the triumph of a tyrannical and privileged aristocracy. If this trend continues, he said, the revolution will be at an end and the restoration of capitalism will be achieved.

That, unfortunately, is what happened even if in new and unexpected forms. There is hardly a country in the world where the authentic ideas and bearers of socialism are so barbarously hounded. It should be clear to everyone that the revolution has been completely destroyed by Stalinism. Yet you continue to say that under this unspeakable regime, Russia is still a workers' state. I consider this a blow at socialism. Stalinism and the Stalinist state have nothing whatever in common with a workers' state or with socialism. They are

the worst and the most dangerous enemies of socialism and the working class.

You now hold that the states of Eastern Europe over which Stalinism established its domination during and after the war are likewise workers' states. This is equivalent to saying that Stalinism has carried out a revolutionary socialist role. I cannot and will not follow you in this.

After the war and even before it ended, there was a rising revolutionary movement of the masses in these Eastern countries. But it was not these masses that won power and it was not a workers' state that was established by their struggle. It was the Stalinist counterrevolution that won power, reducing these lands to vassals of the Kremlin by strangling the working masses, their revolutionary struggles and their revolutionary aspirations.

By considering that the Stalinist bureaucracy established workers' states in these countries, you assign to it a progressive and even revolutionary role. By propagating this monstrous falsehood to the workers' vanguard, you deny to the Fourth International all the basic reasons for existence as the world party of the socialist revolution. In the past, we always considered Stalinism to be a counterrevolutionary force in every sense of the term. You no longer do so. But I continue to do so.

In 1932 and 1933, the Stalinists, in order to justify their shameless capitulation to Hitlerism, declared that it would matter little if the fascists came to power because socialism would come after and through the rule of fascism. Only dehumanized brutes without a shred of socialist thought or spirit could have argued this way. Now, notwithstanding the revolutionary aims which animate you, you maintain that the despotic Stalinist reaction which has triumphed in Europe is one of the roads through which socialism will eventually come. This view marks an irremediable break with the profoundest convictions always held by our movement and which I continue to share.

I find it impossible to follow you in the question of the Tito regime in Yugoslavia. All the sympathy and support of revolutionists, and even of all democrats, should go to the Yugoslav people in their determined resistance to the efforts of Moscow to reduce them and their country to vassalage. Every advantage should be taken of the concessions which the Yugoslav regime now finds itself obliged to make to the people. But your entire press is now devoted to an inexcusable idealization of the Titoist bureaucracy for which no ground exists in the traditions and principles of our movement.

This bureaucracy is only a replica, in a new form, of the old Stalinist bureaucracy. It was trained in the ideas, the politics and morals of the GPU. Its regime differs from Stalin's in no fundamental regard. It is absurd to believe or to teach that the revolutionary leadership of the Yugoslav people will develop out of this bureaucracy

or in any way other than in the course of struggle against it.

Most insupportable of all is the position on the war to which you have committed yourselves. The third world war which threatens humanity confronts the revolutionary movement with the most difficult problems, the most complex situations, the gravest decisions. Our position can be taken only after the most earnest and freest discussions. But in the face of all the events of recent years, you continue to advocate, and to pledge the entire movement to, the defense of the Stalinist state. You are even now supporting the armies of Stalinism in the war which is being endured by the anguished Korean people. I cannot and will not follow you in this.

As far back as 1927, Trotsky, in reply to a disloyal question put to him in the Political Bureau [of the Soviet Communist Party] by Stalin, stated his views as follows: *For the socialist fatherland, yes! For the Stalinist regime, no!* That was in 1927. Now, twenty-three years later, Stalin has left nothing of the socialist fatherland. It has been replaced by the enslavement and degradation of the people by the Stalinist autocracy. This is the state you propose to defend in the war, which you are already defending in Korea.

I know very well how often you repeat that you are criticizing Stalinism and fighting it. But the fact is that your criticism and your fight lose their value and can yield no results because they are determined by and subordinated to your position of defense of the Stalinist state. Whoever defends this regime of barbarous oppression, regardless of the motives, abandons the principles of socialism and internationalism.

In the message sent me from the recent convention of the SWP you write that Trotsky's ideas continue to be your guide. I must tell you that I read these words with great bitterness. As you observe from what I have written above, I do not see his ideas in your politics. I have confidence in these ideas. I remain convinced that the only way out of the present situation is the social revolution, the self-emancipation of the proletariat of the world.●

*Editor's note: Since we hold that Stalinism is capitalist ("even if in new and unexpected forms") and that the Fourth International was dead as a revolutionary organization by 1952, we agree substantially with the content of Natalia Trotsky's letter.*

*We disagree, however, with her no-support position on the Korean war. Despite Stalinist rule over North Korea and its allies, China and the USSR, this was a war of national liberation. Marxists should have given military support to the side fighting imperialism. In contrast, the new idol of both wings of the degenerated Fourth International, Tito, supported the side of Western imperialism.●*



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# Imperialism's Criminal War

*continued from page 1*

cial democrats in Congress but to build the revolutionary workers' party, the re-created Fourth International.

In this epoch of deepening capitalist crisis, the peace that humanity yearns for is impossible. War will follow war until imperialism has subjugated the world's workers or they overthrow their masters. Our stance of class war against the war is not popular today with the liberal peaceniks or their "socialist" clones. But it remains necessary to arm the working class with the truth, patiently but aggressively, so that it can destroy the war machine.

## 'NEW WORLD ORDER' ON THE MARCH

Why is George Bush so eager to "kick Saddam's ass"? Certainly not to preserve democracy or self-determination – in Kuwait and Saudi Arabia! Nor is it to halt aggression, which our leaders continually approve when carried out by butchers on "our" side. Obviously it is not to defend the prerogatives of the U.N., which the U.S. inspires or thwarts at will. It is not even solely to control oil prices and supplies. Our rulers had to switch excuses time and again because they cannot state their real goals in plain words. They come closest to the truth when they talk of the need to "preserve world order." They just don't point out that this means world domination by the imperialist powers, with the U.S. at their head.

But why *war*? After all, a year ago the U.S. capitalist class stood astride the globe. After the retreat of the Soviet

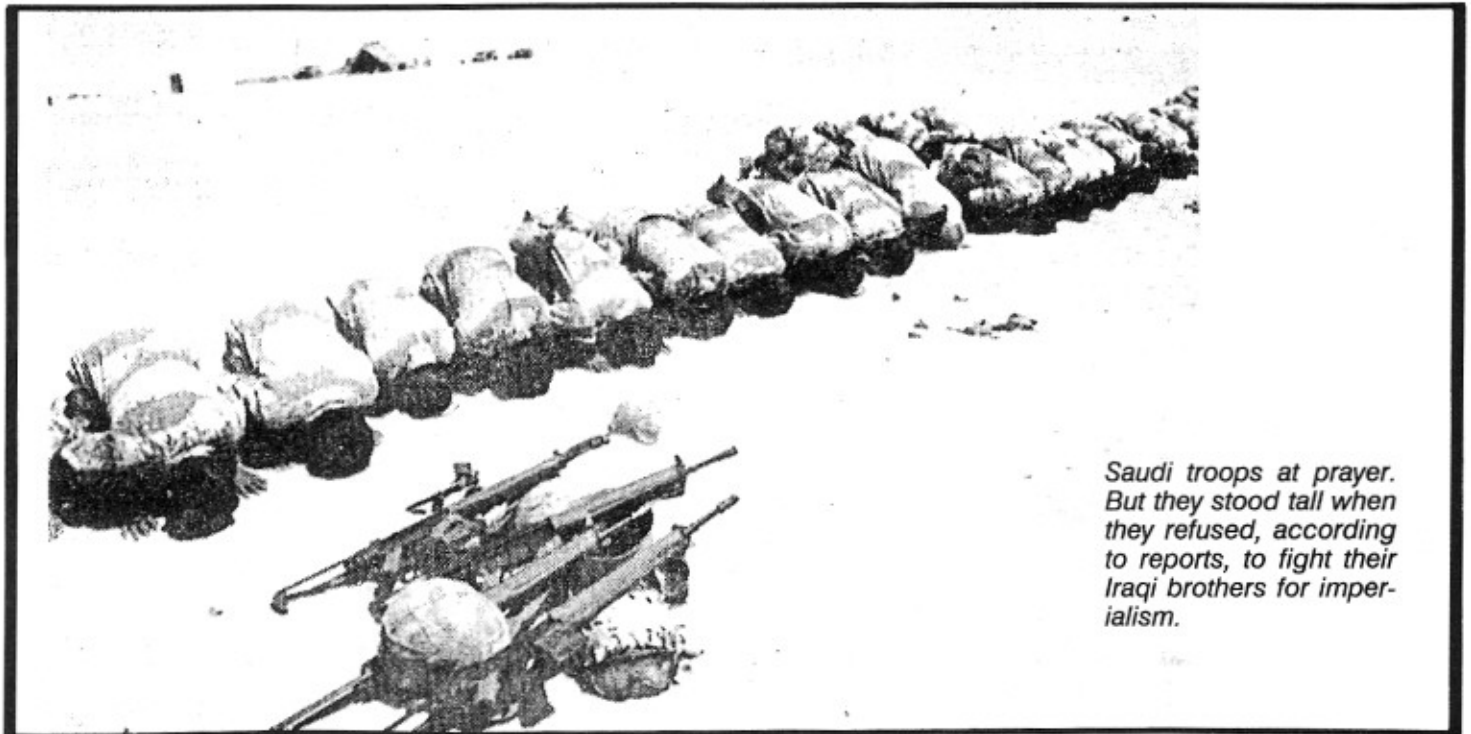
trouble, despite their military prowess. After a decade-long binge of piling up enormous debts, looting the economy, borrowing capital from all over the world, wiping out the savings banks and undermining all the others, U.S. capitalism faces an economic abyss. Recession is already here and a new Great Depression will follow today or tomorrow. Wars and depressions are capitalism's major tools for dividing workers and making them accept their own exploitation.

As we write, it seems to be working. All the imperialist powers saw their interest in allowing the U.S. to take the lead in making sure no "third world" upstart claimed a greater share of their booty. Non-combatants like Japan and Germany are contributing billions to the U.S. and British war effort. The U.S., however, hopes to get a chokehold on Mideast oil supplies, which are more vital to its allied imperialist competitors than to its own economy.

Bush taught a new lesson to complacent neo-colonial allies like the Saudis and Egyptians. These compradores are too weak to crush mass discontent in the region, so they now have to welcome an open imperial presence in their midst. The eras of nationalist independence and the covert neo-colonialism that succeeded it are over.

The Gulf war also provided a cover for the Soviet regime's sharp right turn and bloody crackdown on the Baltic republics, just as in 1956 the British, French and Israeli invasion of Egypt and the Soviet suppression of the Hungarian revolution protected each other. Bush needs Gorbachev's support over Iraq; Gorbachev cooperates because of his desperate need for Western economic aid.

At home, the Administration won early support for war through its spectacular air assaults and its virulent patriotic



*Saudi troops at prayer. But they stood tall when they refused, according to reports, to fight their Iraqi brothers for imperialism.*

Union and the collapse of "communism," it was ideologically victorious. Since August, as its massive military and diplomatic campaign of sanctions against Iraq built up, it was the undisputed leader of the imperialist world. Couldn't the U.S. ruling class enjoy its triumph in peace?

The fact is that war is imperialism's only answer to the world crisis of capitalism. Bush and his class are in grave

propaganda. Bush routed his Congressional opponents, who climbed onto the bandwagon of belligerence as soon as the bombs started dropping on Iraq and Kuwait. He has punctured the liberal and pacifist illusion that an era of peace is possible under capitalism.

In sum, Bush's New Order is meant to keep the old order alive. Since its war machine is the U.S.'s only strong

suit, that is what is being brought to bear. If Saddam had not provided the opportunity, some other villain would have been anointed, in all likelihood Cuba's Fidel Castro – and a Cuban war may still be next on the agenda.

### WORLD ORDER IN DISORDER

Nevertheless, his triumph will be short-lived. Working people are already fighting back. With the Cold War ended, ex-colonial peoples are demanding an end to desperate poverty. The workers of the post-Stalinist stratified capitalist countries are defensively reacting against the deeper bourgeois onslaught. In Western Europe there have already been short but massive strikes against the war. Dockworkers in Spain and railworkers in France halted shipments of goods for the Gulf forces. Hundreds of thousands have demonstrated in Germany, and tens of thousands in Australia. At home too, the working class is already uneasy at the war's immense costs, and polls show less war enthusiasm in the working class than in other strata.

Washington is most worried about mass protest in the Middle East itself. The Arab regimes arrayed against Iraq fear the wrath of their subjects. As reporter Jim Hoagland wrote in the *Washington Post*, "The greater danger is that the Kurds, Shiites and others oppressed by Hussein's brutal regime will simultaneously rise up against a new, weakened central authority." Perhaps to prevent such an event, the "allied" forces have not forgotten to bomb Kurdish areas of Iraq, forcing thousands more refugees across the border to Turkey (although Turkey's dictatorship is notorious for its harsh repression of the Kurds).

Protests by hundreds of thousands have swept across the Moslem world. Mass actions have shaken the pro-West regimes of Morocco, Algeria, the Sudan, Jordan, Pakistan, India, Bangladesh and Malaysia. In Syria, hundreds of workers and urban poor were killed when rallies were attacked by the army. Transport workers from Algeria, Libya, Mauritania, Morocco and Tunisia agreed last September to boycott American and British planes. In Turkey anti-war actions were linked with a general strike (see p. 21). To really fight imperialism, protesters should demand the repudiation of their countries' blood-draining debts to Western banks.

### GUNS, NOT BUTTER

Last summer the U.S. ruling class was still making up its mind about economic policies. Should it undertake an all-out attack on workers' living standards and risk extending the "middle-class" tax revolt? Or should it try to preserve social stability by tempering its assault, despite its grave need to boost profit rates? Would war solidify the public behind these "sacrifices," or would it set in motion social explosions? Well, now the policy has been decided.

In the 1960's the U.S. was able to wage war on the basis of "guns and butter." Capitalism still had the capacity to support the buffering middle layers, in particular to foster some expansion of the black middle class. This kept up the hopes of better-off workers and helped contain the ghetto rebellions. The Vietnam war undermined the workers' gains of the '50's and '60's, but the system still propped up the union bureaucracy to avoid a class confrontation.

Today, however, the U.S. and world economies are in far worse shape. The decaying system can no longer afford to prop itself up by subsidizing its buffers as it once did. The rulers recognize that a prolonged war would blow up the already enormous budget deficit, prevent critically needed investment in public works and the "infrastructure." That means an all-out attack on workers' living standards. The bourgeoisie needs to put *all* working people in their

place, not just the poor who were Reagan's main victims.

Bush's war is least popular among blacks, who make up a disproportionate number of the troops, especially the front-line infantry. In mid-autumn, only 43 percent of African Americans supported the war policy; by New Year it was down to 23 percent. In late January, only 50 percent of blacks backed the war, compared to 80 percent of whites. Blacks and many working people see little interest in the U.S. policing the world and wasting billions in the Gulf that they feel should be used at home.

### LIBERALISM AND WAR

In the build-up period before the war, the liberal wing of bourgeois opinion, normally dovish since Vietnam, divided and wavered. Ardent pro-Zionists were even more warlike than Bush. The rest cautiously went along with "Desert Shield" in craven fashion, many calling for relying on the U.N., that cabal of despots and exploiters dominated by the imperialists, to provide a facade of legality.

Left liberals like Jesse Jackson endorsed Bush's military moves at the start. They couldn't come out cleanly against



*Anti-U.S. rally in India. Millions of Asian, African and Latin American workers have protested imperialist war.*

Bush's war build-up because they are advocates of the same U.S. imperialism, and they agreed that upstarts like Saddam have to be squashed. But now that the war's costs to middle-class and working-class constituents have become clearer they preach peace, under imperialist auspices.

As the Gulf war drew nearer, more liberals turned to the "anti-war" pro-sanctions camp. Their strategy showed who their true enemy was, since Saddam and his entourage weren't hurt by the navy's seizures of food and medicine shipments to Iraq. Now the bombings are depriving the Iraqi population of food and water: the pre-war "starve 'em, don't shoot 'em" policy is being enforced by more direct means. Those who championed the right of the U.S. to intervene by approving the sanctions should relish, and take responsibility for, the deadly result.

In Congress the liberals made equivocation a high art. They hesitated to confront Bush, trying to position themselves so as to take credit for criticizing the war policy if it failed and for endorsing it should it turn out successful. The much ballyhooed "historic" debate finally occurred



when Bush demanded it. The debaters divided between Bush's backers, who approved giving him a free hand to use force, and the liberals who preferred to crush the Iraqi people through sanctions plus the threat of war later. There was no genuine anti-war side. And of course, now that the war has started, nearly all back the murderous bombing.

### STOPPING SADDAM?

Many workers see that the war is being waged at their expense but think nevertheless that something must be done to stop an aggressive dictator like Saddam. To see why that is wrong, we consider the invasion of Kuwait in context.

Iraq, despite its oil wealth and million-man army, is a "third-world" country, economically dependent on the industrial powers. With imperialist backing, in 1980 Saddam attacked Iran, seeking to deter the revolutionary wave in the Middle East and dominate the Gulf by eliminating his main rival. Afterwards, bled dry by their eight-year war, the two regimes desperately needed to increase their revenues. Both pressured Kuwait, Saudi Arabia and the Gulf Emirates to restrict production and raise prices.

Having failed to smash Iran and cow Kuwait, Saddam tried to muscle his way into the role of imperialism's junior partner in the Gulf, once held by the Shah. He made this desire clear as late as this January, when his foreign minister told the press: "Concerning the new world order . . . I have no problems with that order. And we would love to be partners in that order."

Prior to his invasion, the U.S. ambassador gave him the green light to take over border oil fields. Saddam then raised the stakes. With Arab nationalism against Israel and the West as his leverage, he took over Kuwait, an imperialist enclave hated by the masses. But ousting the emirs and intimidating the Saudi potentates was too much for imperialism to permit. The West intervened in force, making him a hero to the Arab masses everywhere despite his record. But the working class should take no side on the choice of whether the bloody Saddam or the oil-soaked emirs should rule Kuwait.

Like Noriega, Saddam got greedy at his masters' expense. The moralizing imperialists condemn him for crimes they commit regularly. Thus Iraq is outlawed for taking over a tiny neighbor — whereas the U.S. conquered Grenada, invaded and still runs Panama, and finances Israel's permanent occupation of Palestine. Saddam is called a "new Hitler" — by those who subsidized, armed and advised him when he slaughtered oppositionists, Iranians and Kurds, and who are killing and maiming tens of thousands by carpet bombing and missile raids on Baghdad, Basra and Mosul. (The numbers have been hidden and falsified by the Pentagon, the servile U.S. media, and the Iraqi regime.) History will know Bush, not Saddam, as the bloodiest "Butcher of Baghdad."

Iraq's future ability to make nuclear weapons was belatedly turned into a key *casus belli* — while the U.S., the only country ever to have *used* nuclear arms (on civilians!), already has a thousand warheads in the region. Israel has a few hundred, too. General Schwarzkopf, U.S. commander in the Gulf, reportedly requested permission (unsuccessfully, for now) to employ them. Some Congressmen have also demanded the use of tactical nuclear weapons to reduce U.S. losses in the coming ground war.

### ENVIRONMENTAL HYPOCRISY

The hypocrisy of the U.S.'s denunciations of Saddam is matched by its criticism of Iraq's conduct in the war. The Iraqis are condemned for mistreating captured pilots, a violation of the Geneva Convention on war prisoners. But the U.S. repeatedly violated these principles in Vietnam and looks the other way as Israel constantly ignores provisions against the collective punishment of civilians in Palestine. Israel is openly planning harsher reprisals against the Palestinians, especially if the West wins the war triumphantly.

The oil spill in the Persian Gulf, blamed on Iraq, is labeled an outrageous threat to the environment and to Saudi civilians whose water supply is endangered. A major threat it is, but it doesn't compare to the devastation of the U.S.'s mass bombing campaign (whose toll already includes the water supplies of Iraqi cities). Moreover, the previously most extensive oil slick was caused by Iraq in 1983 in its war against Iran, whose coast is still polluted from the spillage. Since the U.S. was then backing Iraq, we saw no pictures of dying seabirds and never even heard of Norwuz.

It would be the height of folly to entrust the removal of the Noriegas and Saddams to the imperialists who created them (and who are always creating more, and making them allies). Remember, stopping Saddam is not Bush's underlying aim. His war and his New Order are an effort to pacify — that is, repress — the world's working people so that the next, more murderous round of exploitation can be secured. *They* are the target of the drive against Saddam; their revolutionary potential must be crushed at all costs.



## PATRIOTISM AND THE WAR

Communists disdain to hide our politics. In the present war we stand for the defeat of imperialism and therefore for the defense of Iraq. Iraq alone cannot defeat the U.S. militarily, of course. But political gains against imperialism are very possible. Each blow to the imperial war machine, each day that the Iraqi people survive without a U.S. victory, each mass protest in the Middle East against the West and its junior partners — all are gains for the world proletariat.

We make no pretense of being U.S. patriots. For the moment, the majority of our fellow workers cheer the American flag, which to them symbolizes their right to speak their minds and achieve a decent life. But the truth is that these promises are a snare through which the bosses are daily tightening their exploitation. The U.S. flag has long been the primary symbol of imperialist oppression across the globe. Today it is also the flag of unemployment and increased inequality, of private affluence and public squalor. And now the flag is draping coffins of working-



*Egyptians defy ban on demonstrations to protest war. Arab masses will settle with imperialism's lapdog regimes.*

class and minority youth, while the children of the rich are always granted free passes out of the army.

We sympathize with the working people in the imperialist armies who are made to serve as pawns for Bush's New World. We are saddened by civilian casualties in Tel Aviv and Riyadh. We are sickened, however, by the slimy media campaign to lament the handful of Israeli deaths while ignoring or justifying the deaths of thousands of Iraqis under the U.S.'s murderous bombing campaign. And by the dismissal of the Palestinians who live and die under Israeli guns on the West Bank, where a deadly 24-hour curfew was in force for weeks after January 16.

We defend Iraq but are not Iraqi patriots either. We are internationalists, relentless opponents of Saddam's regime and his comprador capitalist class; his fraudulent anti-imperialist stance is an obstacle to the struggle. Only because we align ourselves with the workers and oppressed in Iraq and the Middle East in the struggle against imperialism do we briefly find ourselves on the same side of the fence as their rulers. In particular, we back the class struggles of the Iraqi workers and the liberation of Iraqi women. We call for the national self-determination of the Kurdish people in Iraq, Iran, Syria, Turkey and the USSR. We demand that Saddam arm the civilian population of his coun-

try, including the Kurds, for their self-defense. people in Iraq, Iran, Syria, Turkey and the USSR.

The pro-war American patriot applauds the smashing air assault against Iraq and gloats. How pathetic! The most powerful armed force in world history, backed by all the imperialist thieves including the Soviet rulers, batters a small country. What incomparable glory. Only Ronald Reagan did better in Grenada.

The anti-war American pacifist who prays for a diplomatic solution is no better. He urges compromise over the future of Arabia — between Arabs and Americans. How noble! Why not a similar "compromise" over the United States? The fact that this inequality is never noticed by advocates of a "negotiated peace" shows that they too are partisans of imperialism. And less honest than the overt imperialists, too.

In contrast, we salute the spirit of the Iraqi masses who survive not as victims on their knees but as fighters on their feet. And despite the media blackout, we are aware of the seething hostility and massive outbreaks against imperialism of the masses across the region. We hope that the current war shows them the need and the means to overthrow the dictators, emirs and princes who now rule them for imperialism's gain. In the past, war has often stimulated revolution. It can happen again, if the working masses join in a revolutionary struggle against imperialism to build a socialist federation of the Middle East.

Likewise, we know that the U.S. "volunteer army" is not simply an elite mercenary legion. Working-class youth, many of them people of color, enlisted not to fight the working people of the oppressed countries but to get an education and a job. We know there are thousands who have no wish to fight the Iraqis. We certainly support them in this determination. And we hope that their struggle proves to them that American imperialism is their real enemy.

## CLASS WAR VS. IMPERIALIST WAR

Imperialism succeeds in preserving the rule of a handful of giant capitalists only by dividing the working classes. At home, racism serves to turn white working people against people of color. It helps train them to be malleable victims of exploitation and now, cannon fodder. To resist, the proletariat needs to dedicate itself to internationalism and interracialism. The growing conflict with Japan has led to anti-Asian chauvinism, which also reflects capitalism's fear of the masses of the Middle East, Africa and Latin America. Anti-Arab poisons are already spreading. In the present conflict, a firm line must be drawn by the working class against anti-Arab demagogy.

We place great hopes in the strike movements that have broken out because it is vital that the working class consciously fight for leadership of the anti-imperialist struggle. Past "anti-imperialist" movements led by middle-class elements and supported by the Stalinist criminals, were class-collaborationist. Even when they established their nations, they did so on a bourgeois basis and stayed tied to imperialism. Many of the exploited masses, fed up with the phony promises of the secular, even "socialist" liars, are turning to Islamic fundamentalism and the clerico-fascist right. But as Iran proves, that too means an inevitable capitulation to imperialism despite its radical demagogy.

The answer to imperialist war is not peace — that is, peaceful reconciliation between exploiters and exploited. It is class war. The working class must lead, and its most conscious elements must lead it, to form the revolutionary vanguard party, the re-created Fourth International. ●



# The Real Anti-War Scandal

Since January 16, hundreds of thousands have taken to the streets across the United States to demand an end to the war against Iraq. Opposition ranges from a majority of American blacks, who know they will do a big share of the fighting and dying in the desert, to Catholic bishops who deny the war is just. It includes trade unionists who have broken from the AFL-CIO's super-patriotism. But the protests have been led mainly by middle-class liberals with leftist pretensions who work overtime to prevent anti-war sentiment from becoming anti-imperialist and anti-capitalist.

Nevertheless, the liberals have been unable to prevent the political differences among those who oppose the war from having their impact. One example: in December the movement was shaken by a scandalous split: the two organizations that led initial anti-war activities announced rival Washington demonstrations a week apart in January. Although they claim to believe that united mass protests are necessary in order to stop the war and save thousands of lives, the leaders put their own petty rivalries ahead of united action.

Before and after the two rallies, many activists denounced the split and demanded a truce. We fully share their outrage over this contemptible sectarianism. But the pleas for unity generally ignore the real problem: the liberal politics of the "Coalition" and "Campaign" that made the split possible and even inevitable. A warning is necessary: this scandal will have been only a way-station on the road to disaster, if the liberal peace forces maintain their domination over anti-war activities.

## COALITION VS. CAMPAIGN

The Coalition to Stop U.S. Intervention in the Middle East tries to position itself as the more left of the two groups. Fronted by Ramsey Clark (Attorney General under Lyndon Johnson) and run by the Workers World Party, it was the main builder of the October 20 rallies, especially in New York, and the January 19 march in Washington. The Coalition adds a "third-world" gloss to its liberal stance by avoiding criticism of the Iraqi regime, on Arab nationalist grounds. But its stifling internal life prevents any discussion of genuinely radical alternatives. This reflects the pro-Stalinist WWP's admiration for "socialists" like Deng Xiaoping and Nicolae Ceausescu.

The rival Campaign for Peace in the Middle East contains students and leftists repelled by the WWP's handling of the Coalition. Its main base, however, is among middle-class peace groups who oppose the Coalition from the right. Thus its pre-war Draft Political Statement condemned Iraq's invasion as well as the U.S. build-up; ostensibly this was a "plague on both your houses" stance, but it allowed the Campaign's backers to endorse the U.N. sanctions against Iraq. Since these were war measures against the Iraqi population, this amounted to supporting imperialist militarism while rejecting an all-out war.

The Campaign still invokes the imperialist-led U.N. as the authority that can provide a solution. And it calls for "respect for the self-determination of the Kuwaitis, Palestinians and all other people in the region." This equates the mass *intifada* struggle with Bush's defense of Kuwait's rulers and implies that the oppressor Israeli state has the same rights as its Palestinian victims.

The decision to hold two separate marches was made at the Campaign's December 1 meeting in New York. The Coalition had already chosen January 19, and there are

conflicting claims over whether Campaign organizers had agreed to this date. The Campaign majority gave various arguments for January 26, but its real aim was to outflank Workers World. Sentiments expressed included anti-communism by the right as well as justified outrage by the student and left groups at the WWP's top-down rule and race-baiting.

Ironically, the Campaign's right wing lost a vote to include condemnation of Iraq and reliance on the U.N. as slogans for January 26. That meant that the rival marches had identical official platforms. Nevertheless, despite this



LRP contingent in Jan. 19 march in Washington. Construction workers give "V" sign in solidarity with demonstration. The '90's aren't the '60's.

vote, the most prominent speakers on January 26 delivered the patriotic pro-imperialist line.

## THE COALITION'S PHONY LEFTISM

When the Coalition and the Campaign presented their differences in the *Guardian* (Dec. 19), the Coalition made a seemingly strong case by attacking the pro-U.N. views of Campaign elements. It cited Campaign-led demonstrations in the fall that chanted "Sanctions, Not War," "Support Our Troops," and "Embargo Yes, War No." A published response denied the first of these slogans but not the others. And all are compatible with the positions of Campaign loyalists like the Communist Party, the Democratic Socialists, SANE/Freeze and the War Resisters League.

The Campaign's open toleration of sanctions is good reason why no revolutionary could endorse it. Of course, attending its demonstrations while voicing opposition to its pro-imperialist politics is a different matter. But if the decisive thrust of specific rallies was to support sanctions rather than oppose the war, as the Coalition suggested, then they would have been objectively pro-war actions, and counter-demonstrations would have been called for.

In any case, the Coalition has no right to criticize the Campaign over sanctions. Its record is little better, only more ambiguous. For five months its literature and banners did not denounce sanctions; even its *January 19 Mobilizer*, didn't mention the word. Speakers from its platforms have reinforced illusions in the U.N., not combatted them. Ramsey Clark, in an article the Coalition distributes (*Los*

*Angeles Times*, Aug. 24), called for U.N. action and urged "Full support for regional, Arab and United Nations diplomatic efforts and actions to end and not escalate the crisis" — as if making peace is the U.N.'s real role.

One of the Coalition's initial five principles was "Support for peaceful diplomatic efforts to end the Gulf crisis." This accepts the legitimacy of the U.S. presence in the Gulf and running the show, a "right" due only to its imperial might. It means that the imperialists, their pawns and Saddam Hussein get to decide the fate of the peoples of the Middle East and recarve the turf and the profits. So much for self-determination and popular rule.

The best to be said of the Coalition is that it did not openly support sanctions. But it takes nerve to claim credit in the radical press for a firmness against sanctions it did not exhibit in public. Clearly it came up with its anti-sanctions gambit in the *Guardian* as an after-the-fact cover for its liberalism and its share of the mutual sectarianism.

Like the Campaign, the Coalition is dedicated to keeping the anti-war movement safe for liberal politicians who may eventually decide that this war is not in the interests of imperialism. That is why the Coalition muffled its objections to sanctions, and why it strengthened illusions in the Democrats by calling for "legislation to prohibit the president from usurping war powers delegated to Congress" (another of its original principles.)

Subsequently the Coalition altered its political stance. Once the war started, with sanctions no longer the issue, it finally came out against them for all to see. It also dropped its demand for legislation defending the War Powers Act. (See its *Stop the War!* bulletin issued Jan. 19.) But it kept the "peaceful diplomacy" principle and now demands an "international peace conference" to end the war, according to coordinator Gavrielle Gemma (*Newsday*, Feb. 5.) These unexplained partial changes are cheap maneuvers to justify the Coalition's claim to be more radical than the Campaign.

#### PACIFISM IS NO ANSWER

Exasperated by the two coalitions' moderation, other blocs took shape. One, the Stop the U.S. War Machine Action Network, was launched by the Revolutionary Communist Party and included some student activists and radical celebrities. Its special interest is support for soldiers seeking conscientious objector (CO) status and otherwise resisting going to the Gulf.

The Network also claimed to be a firm left wing, based on its statement that "only the world's people — not the governments — can stop this impending war." True, it didn't endorse U.N. diplomacy, but it didn't denounce sanctions either. One leader pointed to its statement that the war must be opposed "no matter who sanctions it," but this was an evasive formula designed at best to give the impression that the Network opposed sanctions without doing so.

As to conscientious objection, the Marxist view has always been that pacifism in any form is a poison for the working class. (See the LRP's pamphlet, *'No Draft' Is No Answer!*) Working-class youth need to learn the use of guns and other weapons — not to fight in the bourgeoisie's wars but to defend their own class in the class struggle. We oppose all capitalist armies and will volunteer for none. But when drafted for imperialist wars, communists and other class-conscious fighters take their turn with their fellow workers and use the opportunity to proselytize and organize in the armed forces for the defeat of imperialism. The net effect of draft dodging is always that the upper and middle classes leave working-class youth, especially blacks and Latinos, to do the fighting and dying.

The anti-Vietnam war movement in its early years generally advocated seeking CO status (as well as escaping to Canada). This had the terrible consequence of condemning, as implicit supporters of the war, the vast majority of black and working-class draftees who had no such option. Only later did a substantial wing of the movement gain enough class consciousness to work among the soldiers and help crystallize their opposition to the war.

At present, the military is not drafted but is recruited, mainly among working-class youth who see it as the only route to better their skills and gain an education. No wonder the proportion of minority youth is high. While we defend anti-war soldiers who risk jail by refusing to go to Saudi Arabia, we argue against this strategy and against conscientious objection. Here too it is working-class youth, who cannot afford the job risks that come with CO status, who remain to do the fighting. Today's army is not a typical "foreign legion" of mercenaries; the struggle for the minds of the working class needs revolutionaries among the exploited and deceived "volunteers" in the desert.

Today as always, the pacifists try to mobilize students against the war by raising fears of a draft. But in reality the capitalists will be reluctant to move to a draft even if the war stretches out. A drafted army in an unpopular war is a time bomb — they know it, we know it, and all anti-war activists should understand it. As well, pacifism is no way to fight imperialism. Opposition to the war recruited on pacifist grounds will be part of the problem, not the solution, as the state turns up the patriotic pressure to deepen exploitation and class war intensifies.

#### IMPERIALISM AND PATRIOTISM

Much of this article is adapted from one written before the war for our pamphlet, *The Politics of War*. In it we said:

**"The refusal by all the coalitions to take a clear stand against sanctions is a political crime. Majority opinion among the American public is turning against Bush's war-mongering, but it tends to fall back on 'Let the sanctions work.' If popular sentiment stays at this level, it can be turned into pro-war opinion should the sanctions fail to force Saddam to withdraw.**

**"Moreover, public acceptance of the U.N. embargo is dangerous even if it doesn't lead to immediate war. Accepting sanctions amounts to accepting American imperialism and its right to decide on governments, war or peace in the Middle East (and everywhere else)."**

This proved precisely true, as public opinion swung behind the war. But the movement leaders continued their adaptations to imperialist patriotism.

The question of imperialism defines a decisive line of difference among those who oppose the Gulf war (but not between the Campaign and Coalition). There are those who oppose the war to save U.S. imperialism from unpopularity at home and further hatred and mass uprisings abroad. They want to cut imperialism's losses, not its throat. Then there are those who know that imperialism is the cause of war and must be uprooted. The problem is that the main anti-war organizations' political programs are presented as "least common denominator" agreements but in reality promote liberal imperialism.

Given the Campaign's implicit support for sanctions, it is remarkable that several "communist" organizations (FIT, FSP, ISO, Socialist Action, Solidarity, SWP) chose to work in it. We do not suggest abstaining from actions against the war because they may include people who have illusions about Congress, the Democrats or the U.N. But to build an outfit whose program encouraged enforcing the embargo is



nothing short of a capitulation to imperialism. That left-led coalitions do their best not to offend the Democrats confirms the old Leninist point: middle-class "peace" protests set the stage for war.

At the January 26 rally in Washington, a major slogan was "Support Our Troops; Bring Them Home Now," accompanied by a panoply of U.S. flags. For many activists this sentiment expresses their hatred of sending American youth to kill and die for an unjust cause. But the liberals use these feelings to create a defensive adaptation to the patriotic propaganda flooding the country. "Support Our Troops" is above all the warmakers' motto. To them it means "Support Our War"; it corrupts and dulls human feelings against war and turns them into their opposite. The slogan also promotes the poison of American chauvinism: the idea that American lives are more valuable than others'.

Worse, working-class activists should have no feelings of solidarity with some of "Our Troops." The officer corps, the "lifers," the elite pilots and others whose life missions include killing for imperialism *are* mercenaries in the true sense and enemies of humanity. Anti-war leaders who push "Support Our Troops" have a lot to answer for.

### THE ANTI-VIETNAM WAR SYNDROME

Bush & Co. are gloating over the supposed end of the "Vietnam Syndrome," the unwillingness of the American public, after going through an unjust and unwanted war, to accept any more such ventures. Today's peace leaders have their own Anti-war Syndrome, the assumption that current anti-war sentiment will shape up as a replication of the Vietnam-era peace movement (or at least their image of it).

Liberal politicians were at first absent from the anti-Vietnam war movement, even when they were ready to forsake the war as a losing effort for imperialism. That was true even though "the movement" was raising only demands that they could readily accept ("Bring Our Boys Home"). The liberals did not join until they could be assured that a "peace police" was in charge, in the form of the SWP, the CP and others who thought it necessary to keep the movement from becoming too radical for bourgeois tastes.

These leaders machined the movement into a tool for liberal Democrats. Organizers who saw themselves as rad-

icals and revolutionaries ensured that the movement turned a moderate face toward the public. Their conception that they were working for a higher cause enabled them to reign in the militancy of a movement which instinctively sought to go further. Their own ostensible views – for example, that imperialism and war could be overcome only by socialist revolution – were pushed aside. Their rationalization was that the public was not ready for hard, jarring alternatives: people moving from right to left had to pass through liberal anti-war positions first, they imagined.

### LIBERAL IMPERIALISM SURVIVED

But that is not how political development necessarily occurs. Many joined the anti-war struggle through a radical leap. "Make love, not war" gave way to revolutionary rhetoric. Black followers of Martin Luther King's pacifism turned to the militant anger of Malcolm X and later the gun worship of the Black Panthers. Students got fed up with vapid liberalism and its support for imperialism: SDS transformed itself from a broad reformist melange into a nest of varied tendencies whose self-conceptions were adamantly revolutionary. Many students joined groups which called themselves Trotskyist, Maoist or Fidelista.

Tragically, the political limitations of all wings of the movement meant that the war ended without imperialist liberalism having been exposed. The left anti-war leaders proved to be the vanguard of the middle class, not of working-class socialism. True, the U.S. did not face the prospect of an immediate socialist revolution. Nevertheless, if the left had fought for a revolutionary opposition to imperialism rather than filling the liberal vacuum, the war would have ended a lot sooner, since a revolutionary threat always forces bourgeois concessions more rapidly than reformist protests. The liberals would have been gravely weakened, and the left would have created a far more powerful force than the handful that now exists committed to building a revolutionary working-class party.

Instead, liberalism's new lease on life led to the bleak political landscape of today, where only six members of Congress voted against Bush's war – and anti-war organizations are led by Vietnam-movement veterans who no longer know that the enemy is imperialism.

## Centrist Vacillation on the Left

Lenin and Trotsky took every opportunity to expose "centrism," that multi-hued political tendency that uses revolutionary rhetoric to defend reformist positions. Despite its radical analyses and postures, centrism typically flinches and vacillates instead of drawing clear-cut conclusions. We offer some examples.

First, the International Socialist Organization's paper *Socialist Worker*, January issue. In an article headlined "The real enemy is at home," the ISO argues against the mistaken evenhandedness that would condemn Iraq as well as the U.S. But it doesn't cite the U.S.'s imperialist role as the fundamental difference between the combatants, although it boasts of its own "anti-imperialist politics" elsewhere in the issue. More significantly, it doesn't draw the anti-imperialist conclusion: defend Iraq!

Apparently the ISO thinks it tactically wise to leave unsaid what "the real enemy is at home" really means: side with the non-imperialist enemy of your ruling class. That equivocation reveals centrism in bold colors.

Another example is the Workers Socialist League,

which also pulls back from going all the way. "We give no support to Saddam Hussein," says *Workers Review*. "At the same time, the role of imperialism in the Middle East is the primary question for U.S. workers."

So it is. But why so shy about the primary answer?

The Freedom Socialist Party built an Internationalist Contingent in Seattle in January, before the war was under way. Despite an arm-long program, these "internationalists" forgot to oppose the imperialist sanctions against Iraq. When they brought their creation to New York, they added "No Sanctions," but by then the war was on and they neglected to mention "Defend Iraq." They'll get around to *that*, maybe, when the U.S. has already invaded somewhere else.

We point out these derelictions from honesty and principle because we stress building the revolutionary party. That requires revolutionaries not to follow an all-wise leadership but to develop a firm understanding of capitalism and the methods of authentic communism. As Trotsky noted, revolutionaries "say what is." Others don't. ●



*Times Square TV screen and recruiting station. Telecast shows General Powell, Defense Secretary Cheney. The area is known for other degenerates as well.*

### THE RIGHT-WING DANGER

If imperialism is not combatted, the result will be even more dangerous today because economic conditions are far worse. With the bourgeoisie launching a new assault on all layers of the working class, the need to fight back becomes desperate. Many working and middle-class people are drawn to pro-war positions because they want to hit back; at least "we" are not letting Saddam get away with his attacks. If workers do not see a way to battle Wall Street and the rich, many will be induced to "kick ass" against those who seem to be the problem — blacks, Hispanics, Arabs, Japanese or Koreans. Pacifistic banners strewn with doves will be rejected with scorn. The only force that can offer a hard alternative is a revolutionary party that tells the truth about class relations and world politics.

Fascist groups in the U.S. today are small, but it is important to note that they oppose the Gulf war — for their own reasons. They demagogically raise anti-war slogans against Wall Street, big oil, the banks — and the Jews, whose support for Israel allegedly drew the U.S. into war. As well, the reactionary (but not yet fascist) wing of conservatism represented by Pat Buchanan supports the war but doesn't like it. Their program is a Fortress America freed of foreign entanglements that can crack the unions and stand up to Germany and Japan economically. Under

conditions of mass war weariness, these forces can reap the harvest of plebeian anger, for which the pacifists and liberals offer no solution. A similar development is occurring in some Islamic countries, where religious fundamentalists have taken the leadership of explosive anti-war struggles.

The revolutionary answer can come only from authentic communists. Our alternative to imperialist war is civil war, the class war against the bosses. The right-wing demagogues cannot advocate such a struggle, but neither can the pro-liberal left. As the masses grow more desperate and society polarizes, the moderate left will become even more so. We are not yet in the situation of Germany in the early 1930's, when the reformists moved to the center and let the Nazis win the middle classes and many workers. But our period can stage the dress rehearsal for such a scenario.

### WAR AND THE WORKING CLASS

The first obligation of revolutionaries is to tell the truth. We do not hide our answers to the horrors of capitalism and imperialism. We say that the underlying problem of the current anti-war movement is its overwhelmingly middle-class nature and its domination by bourgeois politics. A movement that can halt imperialism's military adventures will arise when the working class finds the true connection between the intensifying attacks against itself and capitalism's war drive.

A working-class anti-war movement will be a genuine united front, unlike the Campaign and Coalition. United fronts are based on *unity in action*: all who oppose the U.S. war should build common protest actions, with no requirement for political conformity, not even a common slogan. No agreement is needed except on the time and place. In joint action, all have the right to raise their political programs and slogans and to criticize others. There is nothing sectarian about this: all who oppose the war, whatever their illusions, are welcome.

In contrast, the present coalitions have specific platforms, but the people who attend their rallies do not share — or even care about — their "principles of unity." The purpose of official slogans is prevent critics of the liberals from reaching the podium and to ensure that the public faces of the movement voice only patriotism and pacifism.

As the need for real action grows more apparent, many of the best activists are drawn into anarchist violence (e.g., flag-burning) that has no more consequence than the pabulum parades. Working-class politics demands class action as well as formal marches. That is why we work for labor strikes against the war, labor embargoes against war goods and protests led by the working class.

Unlike the Coalition and Campaign, we do not call for "an orientation toward" the working class and the unions by the current movement. We do not ask workers to follow liberal programs; the working class must build its own political leadership, the revolutionary workers' party. To this end we fight inside the working class to raise its consciousness of how the world works. We explain that U.S. workers have far more in common with workers in the Middle East than with their class enemies at home. We make no secret of our intention to urge our fellow workers to take the leadership of the anti-war struggle and turn it into an all-out class war so that imperialism can be halted for good.

The working-class's self-mobilization — to defend its living standards, to end racism and oppression in all forms, to prevent war — opens the door to transforming society. The fighters who understand that imperialist war can be fought only by class war should join with us in the struggle to build the revolutionary proletarian party. ●



# Turkish Miners Spark General Strike

The following article is condensed from reports by our Australian comrades in their paper, *Workers Revolution*.

A militant strike by Turkey's coal miners was the decisive factor in sparking one general strike and is inspiring preparations for another. As *Workers Revolution* (Winter 1990) foresaw:

**"The instinctive response of Turkey's workers to the country's problems points the way forward: a general strike of all workers in Turkey is certainly the next logical step in rebuilding their self-confidence and honing their combative skills."**

Almost 50,000 miners of Zonguldak, a mining town on the Black Sea, went out on November 30 after the breakdown of negotiations with employers and the reactionary, pro-imperialist government of President Turgut Ozal. The regime opposes the miners' demand for a 60 percent wage raise, while inflation is running at 70 percent per year.

Turkish miners are among the lowest-paid workers in the country. They work in primitive conditions, which the government refuses to improve; 35 die each year, and their average life expectancy is 57 years. The government plans to shut down unprofitable mines, leaving 150,000 jobless and with no social security benefits.

The strike was launched when the leader of the cowardly Turk-Is labor federation, faced with massive support for the miners across the country, finally arrived in Zonguldak and expressed support. Turk-Is leaders had been openly booed at union rallies in Istanbul and Izmir earlier this year, when workers chanted "Workers unite for a general strike!"

When the miners' strike spread to other industries in early December, the fearful government considered the reimposition of martial law. It declared the movement illegal and threatened to fire all participating workers and investigate their activities. It cited the Gulf crisis as the reason for harsh measures.

## THE JANUARY GENERAL STRIKE

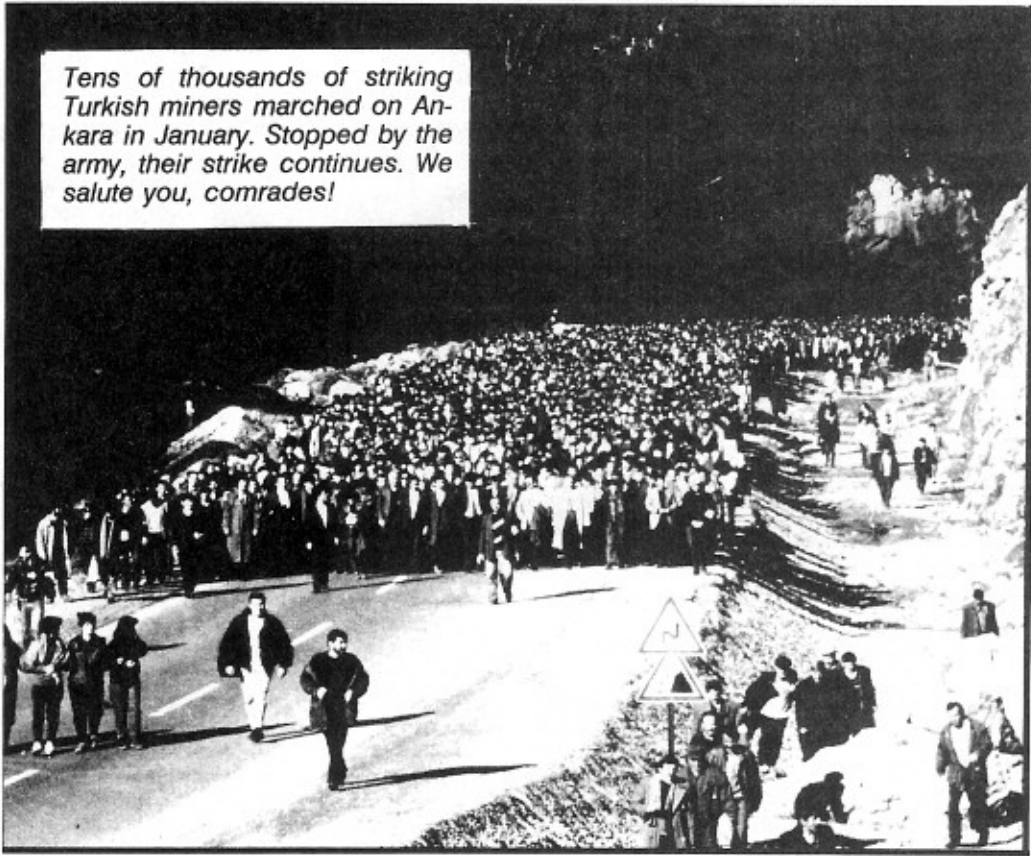
In late December the miners were joined by 125,000 metalworkers and 75,000 other unionists. Then on January 3, a general strike called for by the miners was joined by a million and a half workers, 95 percent of all trade union members in Turkey. University students throughout the country supported the strikers. Life in the larger provinces came to a standstill, with public transport and domestic air flights especially hit.

The aims of the general strike and the Zonguldak strike are improved living and working conditions, the lifting of laws banning general strikes and preventing union involvement in politics, the resignation of the Ozal government, and no war in the Persian Gulf.

Following the general strike, miners and their support-

ers began a march on the capital, Ankara, nearly 200 miles away. It doubled in size in a few days. Thousands of troops and police, together with U.S. servicemen, were waiting for the marching workers outside the town of Mengen. Barbed wire barriers were set up across the road, barring entry. The troops repeatedly attacked the marchers with water cannon. Because of the size of the protest, 10,000 marchers could not find accommodation and had to sleep in open fields — in sub-zero temperatures! Authorities blocked the distribution of blankets and food to many.

After two days of harassment, 186 marchers were arrested and the march was abandoned. Their union insists that



*Tens of thousands of striking Turkish miners marched on Ankara in January. Stopped by the army, their strike continues. We salute you, comrades!*

the miners' strike will continue until successful. And even as they returned to Zonguldak, workers in large cities are supporting them with what is in effect a "legal" mass rolling strike. In Iskenderun, for example, 250,000 workers are striking. The issues are defense of the miners and opposition to Turkey's participation in the Gulf war.

In the Zonguldak area, each mine has a strike committee made up of 20 to 70 members. Strike leaders from all committees meet after each action to assess and plan further actions. Women and children have been enrolled in strike-support activity. Some popular singers and movie stars are also supporting the strikers.

## UNIONS UNDER WORKERS' PRESSURE

The miners have called on Turkey's workers to begin preparations for a further general strike. The reaction so far indicates the breadth of the mass strike movement. The metalworkers' union, Metal-Is, has responded especially well, whereas only ten years ago Metal-Is had become notorious for breaking miners' strikes.

The union bureaucrats have stated that they will agree

to a further general strike if they believe that President Ozal is pushing Turkey into a military attack on Iraq. (Ozal has allowed U.S. aircraft to fly raids on Iraq from Turkish bases.) But they might not have to wait that long before being forced by workers to support another general strike.

But the social democrats, Stalinists and other labor bureaucrats are doing their best to limit the strike movement. In some areas the new, legal pro-Soviet Turkish United Communist Party, nominally more left than the established Social Democratic Populist and Democratic Left Parties, advised workers not to shout slogans like "Workers unite and take the government."

In December the General Secretary of the Petroleum Workers Union, Petrol-Is, responded that "Saying the masses are not ready for a general strike is not having faith in the class." Turk-Is had to put the general strike on the agenda because of pressure from Petrol-Is and other unions.

Kurdish political prisoners also gave support to the miners strike. One message in particular united members and supporters of a wide range of illegal Turkish and Kurdish leftist organizations. As a national minority, the Kurds have been under intense pressure from the regime. Clashes between the Kurds and government forces have

resulted in many massacres. The repression has escalated sharply most recently, under the pretext of "maintaining national security" during the Gulf crisis.

#### ALL-OUT GENERAL STRIKE NEEDED

Turkish workers need the fighting unity in action which can only come from an indefinite general strike. The preparations now being made for a new one-day generalized work stoppage must be extended to enable an all-out strike. But as the debacle at Mengen showed, workers will need to organize their own trade union self-defense groups to guard against the attacks of the vicious state machine.

Turkey's workers also need their own revolutionary party. The series of strikes has made clear that the established union and political organizations are inadequate for the tasks at hand. A new political leadership has to be constructed which understands the burning need for forging the fighting unity of all the oppressed and is not weighed down by nationalist narrow-mindedness and Stalinist conservatism. Turkey and Turkey-Kurdistan need a genuine revolutionary communist party, part of a re-created Fourth International. The demand for national self-determination for the Kurds will be high on its list. ●

## Letter: On the Question of 'Tribalism'

Concerning the article entitled "The Contradictions of Nelson Mandela" in *PR* No. 37, with regard to the use of the word and concept of "tribe": My problems with your employment of the concept come from two directions.

1. In Australia at least, various political tendencies claiming to be Marxists (particularly the Socialist Labor League, the Australian section of the ICFI, and the Spartacist League) have, in relation to the recent township violence in Natal and Johannesburg, used the term "tribe" to describe what they see as some sort of "primitive" sentiment. This implies a deeply racist and supremacist attitude (hardly inconsistent with other commentaries by the Spartacist League).

As Colin Leys wrote in reference to a number of "Marxist" scholars: "In the past people frankly declared that Negroes had smaller brains. Today it is said more cautiously [that] what bedevils the African scene is the Africans' inveterate attachment to 'primordial sentiments'." While your use of the term clearly does not fall into this trap, unconscious and careless use of such a specific word is dangerous.

#### TRIBALISM OR ETHNICITY?

2. The other direction of criticism on the use of the word "tribe" is that of questioning what a tribe is. One African scholar, Aidan Southall, wrote in his article "The Illusion of Tribe" (*Journal of Asian and African Studies*, 1970) that "whichever definition [is] made, empirical divergences are so gross, widespread and frequent as to render the concept of tribe as it exists in the general literature untenable."

And he continues, arguing — in my opinion quite convincingly — that tribes can only be groups which are relatively self-contained and autonomous entities pre-dating capitalism and colonialism, pre-dating "the beginning of [the] long transitional period in which their members were in varying degrees becoming incorporated into wider systems, yet continued to retain strong elements of their former state." More useful for a class analysis of current situations, argues Southall, is the concept of "ethnicity."

To conclude my argument, I shall quote liberally from the article "The Ideology of 'Tribalism'" (*Journal of Modern African Studies*, 1971) by Arcie Mafeje:

**"The term 'tribe' has no scientific meaning when applied not to a relatively undifferentiated society, practicing a primitive subsistence economy and enjoying local autonomy, but to societies that have been effectively penetrated by European colonialism, that have been effectively drawn into a capitalist money economy and a world market."**

In fact, to Mafeje, it is a "serious transgression" to so use the term "where the new division of labor, the new modes of production, and the system of distribution of material goods and political power give modern African societies a fundamentally different material base." Of course, he continues, "this is not to deny the existence of tribal ideology and sentiments in Africa."

There is a real difference between the man who, on behalf of his tribe, strives to maintain its traditional integrity and autonomy — and the man who invokes tribal ideology in order to maintain a position of power, not in the tribal area but in the modern capitalist city, and whose ultimate aim is to undermine and exploit the supposed tribespeople (e.g.: Gatsha Buthelezi).

The fact that it works, as is often pointed out by tribal ideologists, is no proof that "tribes" or "tribalism" exist in any real or objective sense. If anything, it is a mark of false consciousness on the part of the supposed tribespeople, who subscribe to an ideology that is inconsistent with their material base and therefore respond to the call for their own exploitation. On the part of the new African elite, it is a tactic or a distortion they use to conceal their exploitative role. It is an ideology in the original Marxist sense.

In discussing social groupings such as the Inkatha movement of Buthelezi, a class analysis is a must, in order to avoid the pitfalls discussed earlier.

*Matthew Robertson*

**Reply:** Comrade Robertson's point on the question of tribalism is well taken.

*The Editors*



# S&L Swindle Exposes Capitalist Decay

Ronald Reagan rode into office in 1981 trumpeting the virtues of free enterprise and promising to eliminate government controls over business. Within three years his administration had to satisfy the failed Continental Illinois bank, then the U.S.'s eighth largest. A few years later it began a wave of takeovers of collapsing Savings and Loan institutions (S&L's, or "thrifts"). As of now the federal government owns at least a third of the remaining S&L's and is thus the owner of one of the world's largest nationalized banking systems.

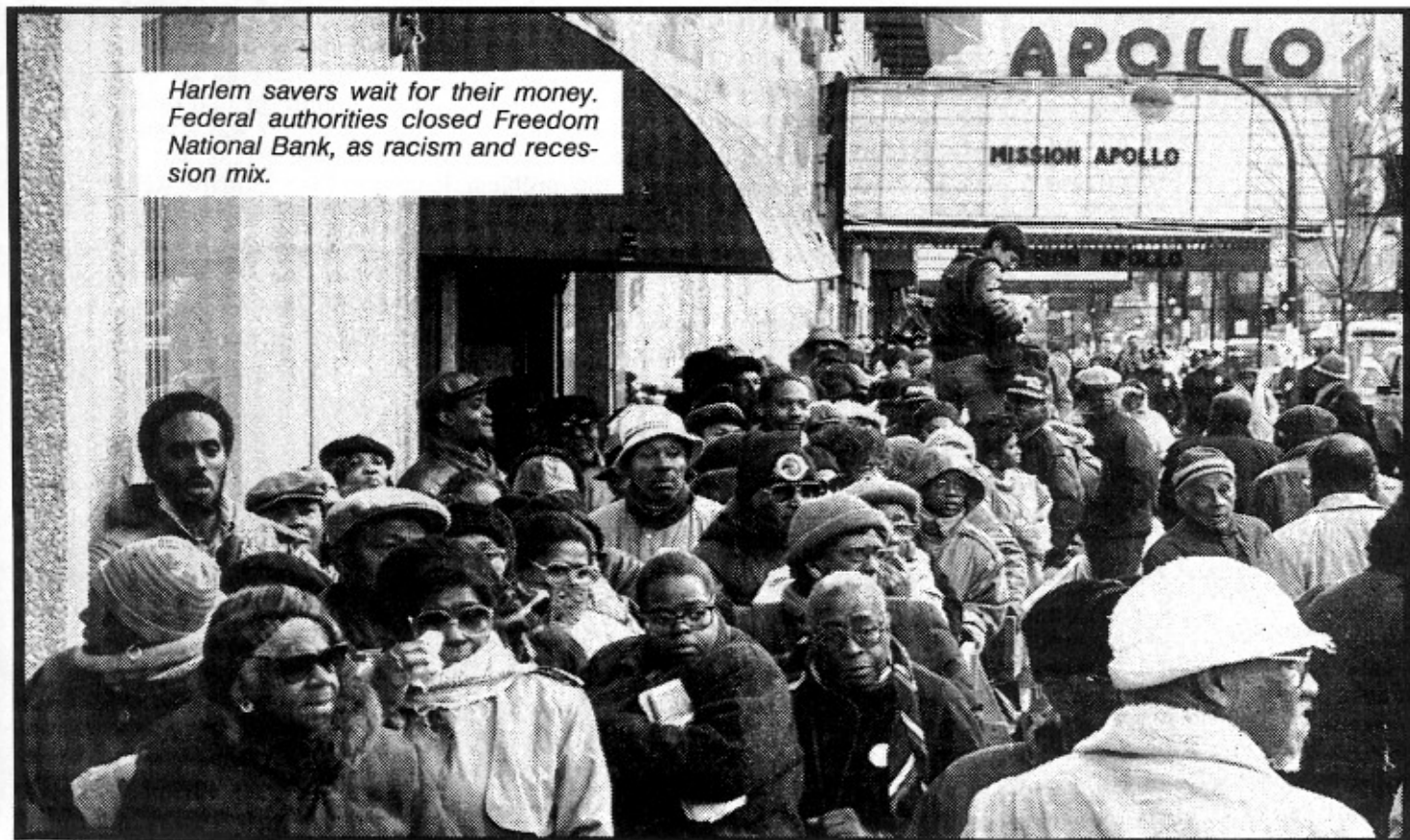
The S&L scandal has stirred profound suspicions and hostility among working-class people. Democrats, populists and even supposed socialists complain that the government bailout of the S&L's is a rip-off that benefits wealthy criminals. That is true, but the larger truth is that swindling on such a massive scale is inherent in capitalist economy: it is

upper bourgeoisie. The only alternative is the socialism of the working people, an authentic communist world.

The basis for the present collapse was laid during the last great depression, in the 1930's. In the U.S. as elsewhere, the 1920's was a decade of rampant speculation. In the stock market, investors sought the high profits that productive plant and equipment no longer provided. The selling and re-selling of stocks and the floating of loans brought ever higher returns, divorced from the actual process of production. But since only production creates surplus value, the inflated paper profits represented only claims on future production. The total return expected was many times the capacity of the productive economy to produce: it was *fictitious* capital, and it helped bring about the crash of 1929.

Like those of today, the speculators of yore were driven by personal greed. But such greed is a necessary survival

*Harlem savers wait for their money. Federal authorities closed Freedom National Bank, as racism and recession mix.*



necessary for the system's survival in this epoch of decay. The solution is not just prison terms for a handful of thieving bankers and brokers but the disempowering of the capitalist class as a whole.

## ORIGIN OF THE S&L's

The popular mythology of today says that "free enterprise," exemplified by the West, has triumphed over statism and "socialism" in the East. In reality, under the banner of free markets, monopolization and even statification are both rampant in Western capitalism. The economic collapse of the East and the crises engendering further statification in the West are both forms of the mortal decay of world capitalism. The only socialism we have had is Reagan's "socialism of the rich": the use of the state to further enrich the

mechanism in the capitalist system, which demands that big investors seek the highest rate of return on their capital or face ruin, expulsion from the capitalist class.

In the early years of the great depression, production dropped by about a third. Thousands of banks failed as borrowers defaulted and depositors rushed to withdraw funds. Franklin Roosevelt's New Deal government took steps to get the banks back on their feet. The Federal Reserve got greater powers to set interest rates and create currency. Government insurance for bank deposits was set up. New laws forbade banks from dealing in stocks and long-term capital investments, and prevented brokers from making loans. These measures remained in place for half a century.

Federally guaranteed bank insurance attempted to regularize the chaotic bank system of the '20's. The Federal

Deposit Insurance Corporation (FDIC) supervised the banks, insuring deposits up to \$5000 at first. Commercial banks could make loans in almost any field and could offer checking accounts. Their rates on loans tended to be high for working people and therefore went largely to businesses.

The second tier, the S&L's and savings banks, concentrated on loans to low-income people. The S&L's were insured by the Federal Savings and Loan Insurance Corporation (FSLIC). Like the FDIC, it was financed by small premiums paid by the banks. The thrifts were more restricted, partly in response to the mistrust of banks by working people who had lost their life savings in the depression. They offered only savings accounts (but at rates above the commercial banks') and could generally only make home mortgage loans, at lower rates than the commercial banks. State-chartered thrifts had more liberal rules.

#### U.S. ECONOMY'S RISE AND FALL

This system worked quite well through the 1950's and '60's. U.S. imperialism had emerged victorious from World War II, with two-thirds of world industrial production in 1945. Prices were stable, rising by only one or two percent per year. Industry expanded and took out loans at rates that seem unbelievably low today. Employment was fairly high, and wages rose steadily through the strength of a confident working class which won several major strikes. Workers bought more houses and saved more money than at any time before or since. The S&L's thrived by offering savings accounts at 4 percent and mortgages at 5 percent. Their prosperity rested on working-class gains during the bubble of imperialism's postwar boom.

But by the late 1960's, the U.S. economy was overheating. The Vietnam war drew more capital into the parasitic "defense" sector. At the same time, the rising capitalist rivals, Germany and Japan, were stepping up competition via their newer postwar industrial plant. The U.S. bourgeoisie, unable to erect new, more capital-intensive factories, responded by investing more abroad and raising prices at home. Inflation rates moved to 5 or 6 percent and rose even more sharply during the 1970's.

One effect of price inflation was to devalue interest earnings: if interest is paid at 5 percent but inflation is 8 percent, the lender is losing 3 percent (more, in fact, since taxes have to be paid on interest earned). While the Federal Reserve allowed and eventually forced commercial banks to raise their loan rates (as high as 20 percent by 1980), the S&L's were stuck with fixed rates still as low as 6 percent. They were doubly squeezed: depositors fled to commercial banks and elsewhere, while their income from loans was well below inflation rates. And they were banned from escaping to more lucrative investments.

Meanwhile the commercial banks and brokerage firms were nibbling away at the restrictions placed on them in the '30's. Flexible interest rates ("money market accounts"), interest-bearing checking accounts and high-interest short-term savings accounts ("certificates of deposit") pulled funds away from the S&L's. With their increased assets, the commercial banks turned to less secure loans, for example, to third-world and Eastern bloc countries. When you include Carter's and then Reagan's enormously stepped-up arms spending and the junk-bond financing of leveraged buy-outs, the volume of fictitious capital now surpassed that of the 1920's.

The end of imperialism's prosperity bubble meant a harder line toward working-class gains by the capitalists in order to shore up profit rates. Workers fought back on the

job, but union leaderships kept the struggles divided and undermined militancy by channeling it into electoralism and the Democratic Party. One consequence of capitalism's turnaround was the body blow suffered by the S&L's, whose fortunes were based on leeching off workers' gains. But it wasn't only the S&L sector of finance that was hit.

#### THE CONTINENTAL COLLAPSE

The case of Continental Illinois is illustrative. It had been one of the most solid commercial banks in the country, traditionally tied to Midwestern heavy industry. But steel, auto, etc. had been sinking into depression since the mid-'70's, so Continental had to turn elsewhere, buying loans from other banks to resell them. The loans were mainly for oil drilling in the Southwest, a notoriously risky enterprise. One small Oklahoma bank, Penn Square, lent millions of dollars for allegedly oil-rich land and oil production, and Continental traded in these loans at a mark-up. But very little oil ever materialized, and when the bubble burst, Continental was caught short. The FDIC seized it in 1984 to prevent a linchpin of the industrial economy from cracking. The federal regulators bent their own rules out of shape by guaranteeing *all* deposits, not just those below the insurance limit (by that time \$100,000).

The Continental Illinois takeover was a watershed that pointed to the direction of future events with the S&L's. First, the problem loans by Penn Square were not just highly speculative; they were downright crooked. Second, the buying and selling of loans was a business previously restricted by the regulations abolished by the Carter and Reagan administrations. Third, the Penn Square types were rising elements in the U.S. bourgeoisie, conservatives with only local holdings and influence before deregulation who were linked with Democratic oil politicians like former House Speaker Jim Wright and who also provided the troops for the Reagan wing of the Republican party.

Finally, once the extent of the skullduggery and bankruptcy became evident, the feds moved quickly to nationalization with barely a murmur from "free-enterprise" ideologists, businessmen or politicians (let alone the remaining liberal interventionists). Where Roosevelt's New Dealers, denounced as crypto-Communist statifiers by the Reaganites, never dared nationalize a single bank, Reagan, Bush & Co. have taken over hundreds.

#### S&L's JOIN THE PARTY

As Continental was going under, the S&L's were clamoring for the same deregulation as the commercial banks. Congress was happy to grant it, lifting almost all the restrictions on interest rates, loans and deposits. In reality, their areas for investment were still limited, since U.S. industry was not profitable and the commercial banks (with earlier deregulation, greater size and international reach) had sewn up the jazzier speculative opportunities. The S&L's were still left with real estate.

The newly deregulated S&L's had to take their chances in a shaky market, especially in the Southwest. No replacement for oil was at hand, and competition for deposits was stiff. In this situation the soundest investment could only have the shortest term and highest yield possible. That meant pyramid financial schemes and outright theft, often tied to bribery — the only way the thrifts could survive. The federal regulators estimate that at least half of the failed or shaken S&L's were run by outright crooks. But it was the whole economy's ballooning fictitious capital that drove it to such a pass.



The first big failures came in Texas in 1987-88. Two S&L chains had built themselves up through construction and loans for new office buildings in Houston and Dallas — but in the semi-depressed economy there was no market for office space. When these chains failed, on paper they were the two largest banks in Texas, although their assets were largely fictional. The FSLIC seized them and set the pattern of keeping the non-performing loans and empty office buildings for itself, while paying private interests handsomely to receive the profitable loans and assets.

These deals did not arouse the same scandal that later blew up around one James Fail, who grabbed a large chain of bankrupt S&L's with a mere \$1000 of his own cash — plus a loan of tens of millions from the banks he was buying. He was then given billions in federal subsidies. This rip-off was scandalous only because Fail had *already* admitted fraud in previous security dealings. Swindling complicit government agencies is the “free-market” norm.

### DAYS OF THE PIGS

In 1985 we described the Reagan era as the “day of the pigs.” (*Proletarian Revolution* No. 23.) As the systemic crisis gnawed away beneath the surface glitter, the big bourgeoisie swilled at the trough. In this climate, Neil Bush's fronting for over \$100 million in the Silverado S&L's bad debts might have passed unnoticed had he not been the president's son. Of course, eagle-eyed regulators overlooked the problem until the day after the 1988 election, thereby multiplying the cost of Silverado's clean-up.

Another illuminating tale is that of Charles Keating, who “developed” several thousand acres of empty Arizona desert and one almost-completed hotel. His Lincoln S&L then put together certificates of deposit based on these properties and sold them by implying they were insured by the FSLIC. Many older people fell for this line and bought such CD's for their retirement, only to lose their life savings when Lincoln failed.

That's pretty standard for the S&L crisis. What makes the Keating case stand out was its political connection. Keating had contributed tens of thousands of dollars to five U.S. senators (four of them Democrats) who, when FSLIC auditors found Lincoln near bankruptcy in 1987, used their influence to suppress the report and have the auditors removed from the case. With their help Lincoln kept making bad loans and fleecing depositors for over a year more. The corrupt involvement of liberals like California's Alan Cranston as well as the oil politicians shows why Democrats as much as Republicans hold back from attacking the Bush administration for papering over the scandal.

The trade union leaders should be delighted that their huge contributions to Democratic politicians, taken out of workers' dues, have now been matched by further gifts from the S&L's — also taken largely from workers. Better yet, the government is now prepared to tax away even greater sums from the working people to bail out the S&L's.

### CAPITALISM ON THE BRINK

In late 1989 the government rearranged the regulation of the S&L's. The now-bankrupt FSLIC was dissolved and

two new agencies were set up: the Office of Thrift Supervision to carry out auditing and other functions, and the Resolution Trust Corporation to acquire, manage and sell off failed S&L's and their devalued assets. (The governmental RTC thus becomes the largest financial institution in the world.) It's a safe bet that this property, much of it unoccupied housing and other buildings, will not be used to house the tens of thousands of families made homeless by prices that skyrocketed during the real estate boom.

The Bush Administration has said that financing the

# JAIL



A JNB Production

## Neil Bush

**The \$500 billion bailout of the savings and loan industry will cost every child, woman and man over \$2,000. These crimes were committed by the rich, for the rich and THEY SHOULD PAY.**

*Justified anger against the rich and powerful. But the capitalists will pay only if the working class forces their expropriation.*

S&L crisis would cost at least \$500 billion over thirty years; in fact, the figure escalates every time it is reported. Moreover, the FDIC as well has only a tiny fraction of the funds needed to cover any trouble in the commercial and savings banks. This adds to the banks' shakiness. New regulations require them to set aside a greater proportion of total assets as a reserve against defaults. And the bigger ones have already written off some of their worthless third-world loans. For the S&L's to finally go under, it took only a depression in U.S. real estate. What has so far saved the commercial banks is their more diversified exposure.

The commercial banks depend more on the world economy. Take the rush to find profits in East Europe. In Hun-

gary, the banks (mostly German, but U.S. as well) are owed \$20 billion. But according to one Hungarian economist, the total value of Hungarian industry is only \$10 billion, considering the backwardness of the Stalinist "planned" economy. That's at least \$10 billion in fictitious capital. If profits are to be squeezed out here, they will only come from superexploiting Hungary's workers.

The immense balloon of fictitious capital continues to expand because no government can afford to risk the new great depression that would ensue if only a few giant banks or businesses are allowed to collapse. But that only makes the impact of the eventual collapse more devastating. Without the needed catharsis of a depression, capitalism cannot enter a new cycle of productive investment. In the meantime, the savings and taxes of working people are funneled to parasites like Keating, Cranston, Neil Bush and junk-bond crooks like Ivan Boesky and Michael Milken. Even the CIA is involved: it has reportedly used Texas S&L's to fund its gun-running and drug-smuggling operations.

The proliferation of this swarm of locusts is no mere failure of personal morality. Their feeding frenzy is the inevitable outgrowth of the measures capitalism requires to fend off a "solution" to its crisis which could turn out worse than the crisis itself.

The S&L scandal exposes the class-divided essence of U.S. society, along with the class loyalties of all federal administrations and both major parties. As American economic hegemony declined, the U.S. bourgeoisie transferred industrial jobs out of the country to take advantage of cheaper labor, then used the rising unemployment to force concessions out of workers at home. In all this it was aided by the AFL-CIO bureaucracy, the loyal lapdog of capitalism. The only program to escape from the S&L crisis can come from the working class — but it will take a leadership having no commitment to bourgeois interests to do it. Otherwise it is guaranteed that the workers will be the ones to pay for the S&L bailout.

#### WHAT IS TO BE DONE?

The capitalists' fear of depression is linked to their fear

of working-class unrest and potential revolution. While a depression will initially have a conservatizing impact on workers, the bosses know that deepening class consciousness and radicalization would not be far behind.

As the U.S. economy unravels, the bourgeoisie will increasingly turn its full-force attack on the "middle-class" mainstream of the working class. It has already squeezed all it can out of the lowest rungs, as the mounting numbers of destitute and homeless people testify. Even many unionized workers believe the bureaucrats' line that they are too weak to fight the system, because they have seen the losses engendered by their misled and isolated actions.

Nevertheless, the bourgeoisie has been well aware of working-class power. That's why, after Reagan crushed PATCO in 1981 as a warning signal, few other unions were eliminated; it sufficed for the bourgeoisie to rely on the bureaucracy's internal betrayals. But now capital requires a frontal attack on labor.

To defend itself the working class needs class-wide unity. We as revolutionaries have no hesitation in urging our fellow workers to fight for a general strike against the capitalist attacks. Through such action the class would recognize its own power, not just to resist attack but to go on the offensive for its own interests. The ideas of revolution and revolutionary leadership would then look not so quixotic but very real.

Even in misled mass strikes like those at Eastern Airlines and Greyhound, workers who know they face defeat have been determined to bring their bosses down with them. A united working class dedicated to changing the way the system operates could build its own workers' state and replace the capitalists' monstrosity.

The first step is to expropriate the entire banking industry and combine it into one unified state bank. Under a workers' state, the management of the expropriated bank holdings by workers' representatives would be a start toward an economic plan to supervise all production. Only working-class rule can ensure that the economy is run for productive uses and not for capitalistic exploitation and the scams and corruption it breeds. ●



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# Gulag in Southern Africa

"Among the most unpleasant labor forced on the prisoners was to have to push a 1,200-liter water tank down a rough and rocky road while being beaten. The task was known as 'stoot hom gelyk,' which in Afrikaans means 'push it evenly' and was the song prisoners sang as they strained with the tank. . . . So bad were conditions at Quatro that the mere threat of re-detention there was apparently enough to drive some former prisoners to suicide."

Black South Africans know Quatro. It is the Johannesburg prison where the most damned among them encounter the most inventive and concentrated brutality that apartheid has to offer. But there is a second Quatro — unknown until a report from its victims, quoted above — was published in the London *Sunday Correspondent* on April 8, 1990. This Quatro is a secret prison camp near Quixabe, Angola. There members of the ANC guerrilla operation, Umkhonto we Sizwe, were imprisoned, tortured, and murdered — not by the South African regime but by their own security forces.)

In December 1990 the ANC released ex-guerrillas from Quatro and other camps in Angola and Tanzania. Five who made their way to Nairobi, Kenya — Bandile Ketelo, Amos Maxongo, Zamxolo Tshono, Ronnie Massango, and Luvo Mbengo — spoke out publicly for the first time through the British press.

## ANC AND SWAPO FIGHTERS VICTIMIZED

The testimony of these ANC victims echoed the horror stories told by ex-SWAPO detainees who returned to Namibia from exile in 1989. (See *Proletarian Revolution* No. 36 for details.) In both cases, the "spy dramas" began in Angola in 1984. Like the ANC cadre, the SWAPO fighters had been accused by their military leaders of being South African spies, as a cover for a clampdown against internal dissension. They had also been held in secret "rehabilitation centers," detained for years without trial. The victims in both cases were often younger recruits who had joined up as part of the wave of the black consciousness movement. Both victimized groups have been demanding an independent international commission of inquiry into the atrocities.

Some headway has been made in the Namibian campaign. In August 1990, Amnesty International published a report detailing SWAPO's crimes against its members and calling upon SWAPO to set up an inquiry regarding members who are still missing. As well, the Deputy Minister of Justice in Namibia has called upon the Red Cross to conduct the inquiry. It is reportedly an explosive issue within the Namibian regime and within the SWAPO leadership body itself.

## 1984 REBELLION IN THE ANC

According to the "Nairobi Five," their nightmare abroad began after a widespread rebellion in 1984: the ranks wanted democratic reforms, including a conference for the purpose of electing a new leadership. There had been no election in thirteen years.

Labeled "South African agents," they were taken to a prison camp. There, according to their testimony,

"Almost every day . . . prisoners were forced to lie with their faces flat on a cement floor while officers in heavy Soviet army boots allegedly jumped on their skulls to see if they would break. In another form . . . officers made inmates stand straight against a wall with

their eyes open as they hurled rocks at their faces."

The camp was nicknamed Quatro because of its successful replication of apartheid brutality. There was an added curse, however. The "officers" in this case were young South African Communist Party members trained in the Soviet Union — not only militarily but apparently also in the typical doublespeak of Stalinism as well.

The Nairobi Five have described this scenario in a report entitled *A Miscarriage of Democracy: the ANC Security Department in the 1984 mutiny in Umkhonto we Sizwe*. (This report and a number of other critical articles have been published in the British journal *Searchlight South Africa*.) According to the report,

"[Quatro] was supposed to be a rehabilitation center of the ANC where enemy agents who had infiltrated the ANC would be 're-educated' and would be made to love the ANC through the opportunity to experience the humane character of its ideals. Regrettably, through a process that still cries for explanation, Quatro became worse than any prison that even the apartheid regime — itself considered a crime against humanity — had ever had." (*Searchlight South Africa*, July 1990.)

## LETTER TO MANDELA

Last April the five ex-detainees in Nairobi also issued an "Open Letter to Nelson Mandela." Stating their loyalty to the ANC, they appealed to Mandela for an independent commission of inquiry which would lead to punishment of the responsible officers. They noted that "this, contrary to short-sighted ideas, will not weaken the ANC but will demonstrate to our people and the world the ANC's uncompromising commitment to justice and democracy."

In turn, Mandela issued one statement, which did contain the basic charge of the Open Letter:

"Unfortunately, it is true that some of these people who have complained were in fact tortured. But once the ANC became aware, immediate steps were taken to discipline those who were guilty of torturing other people." (*New York Times*, April 15, 1990.)

Mandela also promised, "It will not happen again." But he refused to support the pleas for an inquiry. Further he named not one officer who was disciplined. Nevertheless, he was praised by the radical *Guardian* as well as others for his "handling" of the scandal.

Men such as Chris Hani and Joe Modise, who played important roles during the 1984 roundup, receive Mandela's continued support. Hani is now Chief of Staff and Modise, a top commander, has been at Mandela's side during negotiations with South African President De Klerk. The ex-detainees wrote to Mandela:

"We receive with bitterness your praises showered at these corrupt and atrocious elements, whilst a shroud of secrecy wraps around the noblest sons and daughters of South Africa who perished . . . at the hands of these fake custodians of our people's political aspirations. It is this that pricks our conscience to remove this shroud. Nothing can be more treacherous than to allow such crimes to go unchallenged and unknown. Nothing can be more hypocritical when some of us even at this hour are languishing in those concentration camps. Even much more disturbing is that these enemies of democracy are to be part of that noble

delegation of the ANC to negotiate the centuries-long denied democratic freedoms of our people. What a mockery! What a scorn to our people's sacrifices for freedom! Support the Campaign!"

Rather than a coverup, the Nairobi Five argue that ANC supporters should wish to cleanse their organization of corruption:

**"However bitter . . . however disagreeable to the fighters against the monstrous apartheid system it [the record of atrocities] is a truth that needs bold examination by our people, and the whole of the ANC membership. To examine the history of Quatro is to uncover the concealed forces that operate in a political organization such as the ANC."**

But many on the left argue that any criticism of the ANC automatically plays into the hands of the right wing. This argument falls particularly flat, now that Mandela has been proclaiming "national reconciliation" with admitted racist butchers from South African death squads and is negotiating the merger of Umkhonto with the South African Defense Force. Who is playing into the hands of the right wing? And what does it say when Mandela simultaneously denies elementary justice for black South Africans who fought against apartheid?

In reality, the left does not want to "uncover the "concealed forces" in the ANC for good reason. We believe that as more is learned about the reign of terror against black African militants, it will show that the repression was rooted not in the evil or inevitably "corrupt" nature of individuals. Rather it was in the need of the petty-bourgeois nationalist leaderships to stifle potential opposition to the deal with South African racism which is now in progress. (For details see *Proletarian Revolution* Nos. 36 and 37.)

In this regard, the British *Sunday Correspondent* noted: "Such opposition as there is to peaceful negotiations within the ANC appears to be grounded among the firebrands of MK (Spear of the Nation), the most elusive and secretive branch of the liberation movement." (April 8, 1990.) The paper described the ANC dissidents as "part of the radical generation which emerged in the aftermath of the 1976 student uprisings in South Africa and the death of the Black Consciousness leader, Steve Biko."

The revelations of ANC atrocities could shake that boat.

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## New York

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*continued from page 32*

tions stopped. Promises from the union bureaucrats ceased. Sellers of the scab Daily News spread all over the city, notably in the subways. Meanwhile Mayor David Dinkins and Governor Mario Cuomo took the spotlight with dire warnings of city and state bankruptcy, impending layoffs and shattering cuts. Nevertheless, in January Dinkins joined Feinstein and Hall to announce a contract settlement that was immediately lambasted by Wall Street as unconscionable and unaffordable. Had the workers triumphed after all?

### DINKINS' MAGIC SHOW

Hardly. The municipal workers' contract was a now-you-see-it, now-you-don't slippery fingers act perpetrated by City Hall, Wall Street and the union bureaucrats. The *New York Times* and *Post* initially referred to the pact as a 5 percent

Radicals in the U.S. heralded the ANC and SWAPO for decades as the exclusive and never-to-be-criticized champions of the African masses. They ignored the charges against SWAPO that surfaced last year. Now they are trying to shrug off the charges against the ANC.

In addition to previous articles in *Proletarian Revolution*, we made a direct appeal to over thirty left-wing organizations — asking not only for campaign endorsements but also that they publicize this issue in their own press, whether they agreed with our analysis or not. But the bulk of the left has chosen to maintain a wall of silence.

South African and Namibian ex-detainees believe that other ANC and SWAPO fighters are still imprisoned in Angola and elsewhere. The first consequence of ignoring their call for a commission of inquiry will be to allow the remaining prisoners to languish unknown and die.

### DON'T BURY MILITANTS AGAIN!

International pressure can also affect the conditions faced by returnees in their homelands. Militants who returned to Namibia last year were blacklisted from employment; many are now homeless. They also now live in fear of the "new" Namibian army and police, consisting of South African forces as well as notorious elements of PLAN, SWAPO's military wing.

ANC dissidents returning to South Africa face similar prospects. Siphon Phungulwa, one of a group of eight dissidents who returned to South Africa through Malawi last April, was machine-gunned to death in the Transkei shortly after. His murder, in fact, followed a press conference held by the group to announce their solidarity with the Nairobi Five. Mandela has refused to investigate.

The apparent assassination of Phungulwa exemplifies another critical point: blanket support for the past repression of internal dissidents in SWAPO and the ANC abroad strengthens the arm of repression in South Africa right now. It also strengthens the mechanisms for the future, as the events of negotiations and power-sharing make internal splits and more dissension inevitable.

SWAPO militants lived for years packed forty apiece into six-meter-square holes in the ground. ANC militants were buried in metal containers. That such things were done in the name of "socialism" and "black liberation" makes the crime all the worse. The militants urge that those who somehow survived not be buried once again. ●

wage hike — in order to make it appear close to the supposed 5½ percent deal the Teachers' union had reached two months earlier, which had been touted as a huge victory for labor. Of course, despite Wall Street's wailing, even the teachers' raise fell below New York's 6 percent-plus inflation rate, and it actually fit in with the 1½ percent the city had budgeted for wage increases. The difference came from the teachers' own pension fund.

More accurately, *New York Newsday's* headline marveled, "Dinkins Pulls Rabbit Out of the Hat, Gets What He Wanted." Indeed he did. First of all, the "5 percent" was really 4½ percent evened up. Second, the "4½ percent" was really 3½ percent for the first year, to be followed by 1 percent for three months of the second year, to be followed in turn by a wage freeze for the rest of that year. (Hill and Feinstein promised to fight the freeze "next time," but that's worth as much as their other promises.) That is, the 4½ percent was a two-year total, so the average annual raise was really 2¼ percent. Third, like the teachers, the municipal workers really only got 1½ percent in new money,



since the rest will come out of reduced payments to their pension funds, their own future livelihoods.

Worse, the minuscule wage gain comes at the expense of layoffs. In a Dec. 7 *Newsday* article, Feinstein swore, "I have no intention of trading wages for jobs." This was in response to a proposal for a wage freeze in exchange for a promise of no layoffs. But Feinstein went on: "When I asked for a written guarantee of no layoffs in exchange for a wage freeze, the Dinkins administration turned me down flat." In other words, it wasn't that the union leaders rejected a wage freeze: *they offered it!* The city just wouldn't guarantee it in writing.

Despite Dinkins' continuous three-card monte act over how many workers to be laid off and when — a performance designed to lull his angry, frightened employees — everyone knows layoffs are in the cards, and that the bureaucrats will finally accept them. Their role is to defend the narrow interests of higher paid, high-seniority workers, not even all their members and certainly not the working class as a whole, which vitally needs public services. And they do a miserable job even of that.

Stanley Hill, in contrast to his and all the bureaucrats' militant talk when they were rousing workers up for a big show, now said that this deal was the best that could be done because of the city's economic straits. "A strike at this time would be insane." For Wall Street, the mayor and governor and the union heads who somehow don't get fired when their members do, it would indeed.

#### ALL THE WAY TO THE BANK

In order to swindle the workers and not embarrass Hill and Feinstein, the contract was presented in vastly different ways. The city and the bourgeois media told two stories: 4½ percent to the masses, 1½ to the bankers. The bankers knew, of course, that the wage increases for 150,000 workers amount to a total of just over \$100 million — less than one-half of one percent of the city's \$28 billion budget. But the masses were gravely informed that the workers are bleeding the city dry.

Of course, not all citizens have to suffer from the crisis, not the lords of finance who so cavalierly inform their serfs that there just aren't funds available for incidental items like bridges and fire trucks. The *real* needs of the city have priority. Take the item in the Nov. 21 *Newsday*:

"Some of New York's wealthiest developers stand to reap millions of dollars in tax abatements after the City Council yesterday extended a controversial incentive program."

Or this from the issue of Dec. 12:

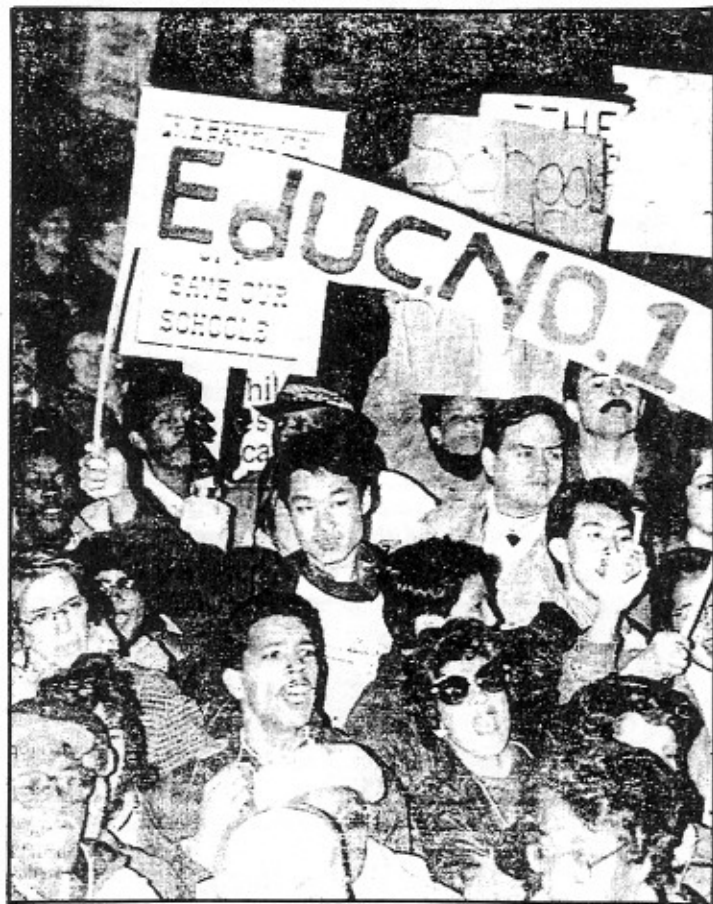
"Wall Street officials expect most of New York City's \$1.17 billion in long-term bonds to sell briskly today, buoyed by the high interest rates . . . 'They're getting down to the red meat in selling thousands,' said one financial leader. The city will be forced to pay higher interest costs than most other cities in the nation, however, to ensure this sale is a success. Wall Street traders expected the city to pay rates as high as 8.50 percent to lure investors."

And in case you're lured not by long-term but by short-term bonds, you'll welcome this Nov. 20 article:

"It wasn't easy but New York City successfully sold \$1.3 billion in short-term notes yesterday. City officials and Wall Street underwriters made sure the closely watched offering was sold despite investors' jitters about the yawning budget gaps at both the city and state levels. . . . The notes . . . will pay periodic interest of 7 percent. . . . That is much higher than other

tax-exempt notes in the market, and the extra amount of interest helped attract investors."

Of course, the 7 percent mentioned, like the city workers' 5 percent, is not the real figure either. In this case the true interest is *higher*, since these investments are tax exempt for business and wealthy individuals in the city. Our



*Thousands of militant working-class people protest school cuts at City Hall. There is a rising tide of anger.*

mayoral magician is dealing from a stacked deck.

We recommend, by the way, that fellow-workers who happen to have a few hundred thousand bucks to salt away put them in the city's short-term, not long-term, bonds, even though the rate is lower. In the long term the working class is going to rip this system apart.

#### WALL STREET'S DEMANDS

But the bourgeoisie, despite the luscious goodies the city offers, is not satisfied. The *New York Times* called the union deal "misguided," "dangerous" and "disturbing." The *Post* added "unrealistic" and "irresponsible." Felix Rohatyn, the Wall Street wheeler-dealer and theorist for financial capital who has been a leading promoter of and adviser to Mayor Dinkins, commented:

"It really does seem that there is no sense of impending crisis here because if there were, these negotiations would not have come to this conclusion. You don't have to be a pessimist to be extremely worried about where this is all going."

Walter Wriston, retired head of Citibank, gave the issue a new twist: New York City was excessively socialistic!

"New York City is the last area of the world that still believes in the socialist example. Even the Soviet Union has changed. But the city's expenses are gated to a socialist structure that is no longer viable."

By "socialism" Wriston meant not working-class state power, equality, freedom or any of the other principle aspects of Marxism, but rather rent control, street repairs, hospitals, education — things that capitalism is no longer willing to pay for. But terminology aside, he and Rohatyn are right — from the capitalists' point of view.

For the economy *is* in grave trouble. City, state and federal governments have huge debts and budget deficits. The mammoth "third-world" debt can be given up for lost. Banks are failing along with the Savings and Loans. An international trade war is in the cards. The entire U.S. economy is stuffed with valueless capital; it's not just a few wayward speculators pushing junk bonds. The average profit rate is tumbling. That's why the stock market crashed in 1987 and 1989. Wall Street rightly fears an avalanche.

And that's why the bourgeoisie's best spokesmen are complaining that the workers have to sacrifice even more. The name of the game is profits: the surplus value squeezed out of the working class. They put Dinkins in office to carry out this task as a black man with close ties to the labor bureaucracy (and a "Democratic Socialist" too). His friend Felix was explicit during the mayoral campaign:

**"It's impossible to govern with any requirement for sacrifice unless the people who are going to be asked to sacrifice feel they are being treated fairly. Dave has a lot of personal qualities that lend themselves to that kind of approach."** (*New York Times*, Sept. 26, 1989.)



*Greyhound, Daily News strikers hold joint rally and march. Workers' power vs. bureaucrats' pro-capitalist cowardice.*

So it proved. The left wing of the union bureaucracy adopted the motto "Who Elected Wall Street?" precisely to take the heat off the mayor. The answer to that question is "They did." The whole union leadership told their members to vote for Dinkins as a "man of the people." They convinced many workers and blacks that Dinkins is not only a decent man (especially in comparison to his swinish, racist predecessor, Ed Koch) but that he would be on their side. As we predicted, events have proved the opposite. They elected Wall Street's man, Koch with a human face.

Attacks on Dinkins from politicians and the media are often racist, but this does not mean he is our friend. The policies he is promoting are as deadly as Koch's in the past

and Cuomo's now. Remember, the union leaders who back Dinkins are the same geniuses who supported the anti-labor and bigoted Koch — even though he led all-out attacks on city workers. They also urged us, only yesterday, to elect Cutback Cuomo. They can't break from these enemies because they are all tied to the capitalist Democratic Party.

When Dinkins released his new budget in mid-January, he scheduled 25,000 jobs for elimination, along with the services they provide. The only agency to be expanded is the Police Department, notorious for its history of cold-blooded killings of black and Latin citizens (at an *increasing* rate under the current black mayor and black police commissioner). The purpose is not to stop crime, as the mayor pretends: studies prove that more cops do not produce lower crime rates. The real reason is to put down the strikes and protests that will proliferate.

More than 10,000 of the job cuts are to be in education. As Schools Chancellor Joseph Fernandez commented, "Even the most cynical or jaded budgeteers know that cuts of this magnitude are tantamount to mortgaging our children's future." But the labor officialdom, allegedly the leaders of the working class, offer only cosmetic, temporary answers, hoping that the deepest cuts come after the contracts are safely signed. Their concessions will only feed into more layoffs later.

As we write, New York's labor situation is still far from settled. The sanitation workers' and firefighters' contracts are still out. Their militancy and power poses enough danger to Dinkins that he has backed away from closing more firehouses. (Undoubtedly the mayor will grant concessions to the police unions, a treacherous fifth column inside the labor bureaucrats' "movement.") Whatever contract settlements result, new and wider layers of the working class have actively entered the struggle. After fifteen years of retreat, there is real hope that the bosses' attempts to divide the working class by racism, scab-herding and union-busting will trigger a serious fightback.

#### FOR A GENERAL STRIKE!

What could be done? The bankers, if the city didn't cave in to their demands, threatened to refuse all municipal loans — a strike of capital. The working class needs to counter with its own devastating weapons. A labor movement of millions could hold massive rallies at the Daily News printing plants and stop the presses. A one-day general strike by all unions in New York could point the way to an end to layoffs, union-busting and cutbacks, plus a living wage for all workers. It would smash the piddling 1.5 percent and the pension-fund robbery.

In response to the union leaders' early threats, Dinkins had threatened to use the Taylor Law against public employee strikes. But as Feinstein pointed out, "The Taylor Law prohibits strikes — it doesn't prevent them." In fact, it would be impossible to impose it if hundreds of thousands of workers struck at once. Such action would go a long way toward getting rid of the union-busting Taylor Law altogether.

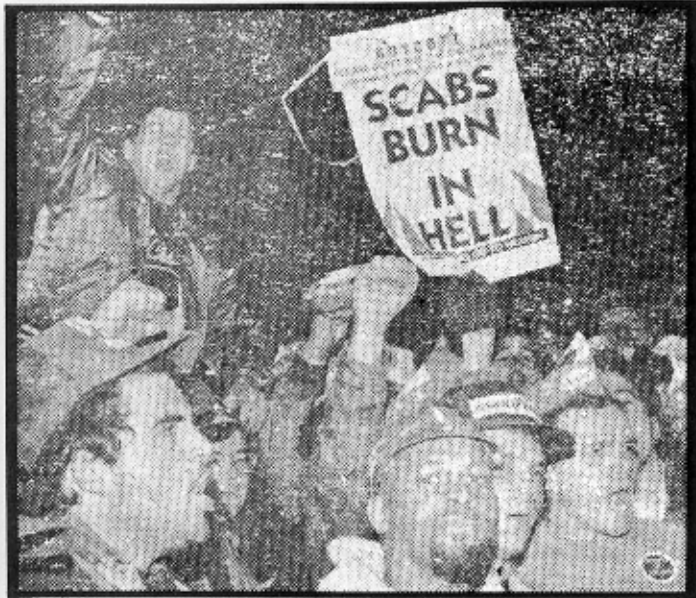
On top of this, a one-day general strike could show workers that when organized and united in action, our class has enormous power. It would preview the power that a full general strike could have — in the city, the state and nationally. In fact, it will show that workers have the potential to create a solution to the enormous problems we face — racism, poverty, war, and needless human suffering.

In 1980, then-Mayor Koch uttered possibly the only true words he ever said, observing that a general strike was a "nuclear weapon" too devastating ever to be used.



In 1981, Lane Kirkland was asked about defending PATCO, the air controllers' union being smashed by Reagan. He said, "I have never gotten as much mail on an issue. . . . About 90 percent are pro-controllers and about 50 percent of those denounce me for not calling a general strike." Kirkland declined, and PATCO was crushed.

In 1985, brother Kirkland was asked at a press conference if the workers were forever doomed to voting for the



Democrats. He replied, "What do you propose? A general strike? Hello, Mr. Trotsky."

Well, that *is* the alternative. And the time is coming when working people will listen more to us Trotskyists who fight for their real interests than to the Kirklands who defend those of capital. Pacifism by the unions is always a signal for aggression by the bosses. Next time no bureaucrat can be allowed to ban our bomb.

#### THE LEFT BUREAUCRATS' SHADOWBOXING

None of the left union bureaucrats took seriously their hints of a militant mass action. To do so would have meant openly fighting the center and right-wing leaders, for whom such ideas are anathema. In 1986, during the Hormel strike, a black union leader got up at a New York meeting and revealed that a "street fight" was going on in the labor bureaucracy but that "our side was shadowboxing." (See *Proletarian Revolution* No. 26, p. 15.) That's still going on, and workers still can't win that way.

But it doesn't stop the left from cheering on the shadowboxers. *Labor Notes* and the *Guardian* joined the bourgeois media in heaping praise on 1199's Rivera, the coordinator of the "corporate campaign" that dotes on public relations, not workers' action. The Communist Party's *People's Weekly World* (Nov. 17) exulted that "New York City's labor movement, the largest in the nation, is united in its determination" to stop the Daily News' union busting, denying that there were serious tactical disputes between the "progressives" and the conservatives.

The truth is that there are disputes, but the left bureaucrats won't fight, not in the open where the workers they supposedly represent can choose sides and battle for a winning strategy. Their "united front" is at the expense of the strikers. As in the Eastern Airlines and Greyhound strikes, the Daily News strikers have held out for so long *despite* the treacherous strategies of their leaders.

A sad symbol of the real situation was the sit-in at the

Daily News printing plant in Brooklyn on January 3 by ten workers, who were immediately arrested. It was a desperate publicity stunt taken by the militants, a far cry from the necessary mass action betrayed by the bureaucrats. Juan González, a News columnist who played a leading role in the strike, told the press, "We don't want to become like the Eastern strikers that everyone forgets."

#### "LEFT" COUNTER-BUDGETS

Some union officials and organizations put forward alternative, "progressive" plans to help save the city. One is the "Alterbudget" plan offered by a lobbying group backed by civic leaders including CWA Vice President Jan Pierce; another comes from CWA Local 1180. Both propose taxes on businesses and the rich plus other measures to take the burden off the working class.

If any unions actually fought for such plans, that would represent a stand against austerity that all working-class people would applaud and join. But the proposals are presented instead as appeals to Dinkins and the Democrats, making them hopeless. "Tax the rich" under capitalism is double-talk for more taxes on the working and middle classes — with "friends of labor" Democrats leading the way instead of Republican fat cats. The Dinkins administration, for example, intends to raise income taxes across the board (with the highest rate equalized from \$50,000-a-year families to millionaires) and *reduce* some business levies.

Some on the left have endorsed Cuomo's "deferral" of a week's pay for all state employees (except politicians!) and a similar scheme by Dinkins for city teachers. They argue that it will avert layoffs and that since it cuts wages proportionately, it is "fair." However, experience teaches that no-layoff pledges are worthless. The deferrals amount to a 2 percent tax surcharge on a selected population of mostly low-paid workers, not the rich.

The underlying problem with the left tax schemes is that in New York, like many other cities, the situation is desperate — tens of thousands of people live in the streets, and tens of thousands more are losing their jobs. Facing an emergency, the proposals aim only to keep the status quo; they are Band-Aids for a cancer. The Alterbudget and Local 1180 plans will raise a bit over \$1.8 billion. That will not even close the \$2.2 billion gap in Mayor Dinkins' budget for the coming fiscal year, much less address the festering sores on the city's body politic.

As long as capitalism exists, the bosses will not solve the crisis of profitability out of their own pockets. The Congressional Democrats retreated from their "soak the rich" rhetoric after the elections had passed. Hill, Feinstein & Co. quickly backed off from their militant talk because there are no reforms to patch things together: the only answers are radical ones. Capitalism can't be made fair. It is *founded* on inequality of classes. A reform solution for capitalism today is no more possible than it was in the thirties. Then capitalism stabilized itself, nationally and internationally, through depression, fascism and world war. That is its real program for the nineties as well.

When the working class learns its power, then it won't have to tax the banks: it will expropriate them and use the accumulated wealth of society to fund the critically needed public works and services. Socialist revolution — in which the workers' establish their own state and government — is the only alternative to banks and corporations running and ruining our lives. Join with the LRP in our struggle to build the working-class revolutionary party as an alternative leadership to the bureaucrats, right and left. ●

## New York at the Brink

The working class of New York City was on the march in November. Large rallies sponsored by trade unions demanded justice for the Daily News workers forced to strike by a union-busting management. Tens of thousands of angry city workers demonstrated at City Hall for a decent contract and against layoffs. One local, CWA 1180, led a march under the slogans "Tax the Rich!" and "Who Elected Wall Street?" In December 25,000 students, parents and teachers gathered to "Save Our Schools" — to halt the cuts threatening to destroy already collapsing public services. Sanitation workers went on a slowdown. Community demonstrations broke out protesting the closure of local facilities.

The conjuncture of the Daily News strike and the city contracts seemed to be a golden opportunity for united resistance. The city is plagued by crime, drugs and disease. Working-class neighborhoods see schools, hospitals and firehouses falling apart, overcrowded, closed down. Working people sensed that the News workers were the bosses' guinea pigs for a new, all-out attack. If better-paid and mostly white craft workers can get it in the neck, anybody can.

The League for the Revolutionary Party tested the mood of our class. At the rallies, LRP leaflets headlined "Unite for a One-Day General Strike!" were eagerly taken. Workers who saw a real need for mass working-class action volunteered to reproduce them and circulate more copies at their worksites. Our special bulletin in newspaper format, *Workers Revolution*, carried the same message and linked it to the bosses' attack at home and the impending war abroad; thousands were distributed. On November 29, the hospital workers' Local 1199 Joint Delegate Assembly of about 700 people voted almost unanimously for a one-day general strike motion raised by an LRP supporter. President Dennis Rivera, widely touted for energizing the bureaucracy's support to the Daily News strike, took no action on the decision, but the spirit of the ranks was unmistakable.

### LABOR BUREAUCRATS TALK TOUGH

In November the speeches of the labor bureaucrats had to reflect this mass sentiment. Barry Feinstein of the Teamsters, according to the *New York Post*, "vowed to 'do what we have to do,' including opening the bridges or a general strike." Gerald McEntee, national president of AFSCME told city workers, "We make [the city] work every day. And we have the power to shut it down." James Boyle of the Firefighters added, "If one firefighter is laid off, every firefighter is laid off."

At the Daily News headquarters, Feinstein repeated his militant rhetoric: "Brick by brick we put this building up, and brick by brick we can tear it down." George McDonald of the Allied Printing Trades proclaimed, "This is everybody's fight." Stanley Hill of the 140,000-member District Council 37 promised, "We will provide whatever is necessary in money, bodies and resources. Rest assured there will be no peace in this town until we win." Even Lane Kirkland, head of the national AFL-CIO, showed up with his two cents: "We'll be with you as long as it takes." Our favorite threat was from Sonny Hall of the Transport Work-



*New York workers rally outside scab Daily News building.*

ers: "If we see anybody selling the Daily News in the subways, their ass belongs to us."

Getting militant rhetoric from labor bureaucrats in support of your strike is like getting kissed on both cheeks by Mafia dons: you know you're about to get shot in the back. Sure enough, organized labor rallies at the Daily News became fewer and thinner. City workers' demonstra-

*continued on page 28*