

TRUTH

A REVOLUTIONARY TROTSKYIST NEWSPAPER FOR

THE RECONSTRUCTION OF THE 4TH INTERNATIONAL

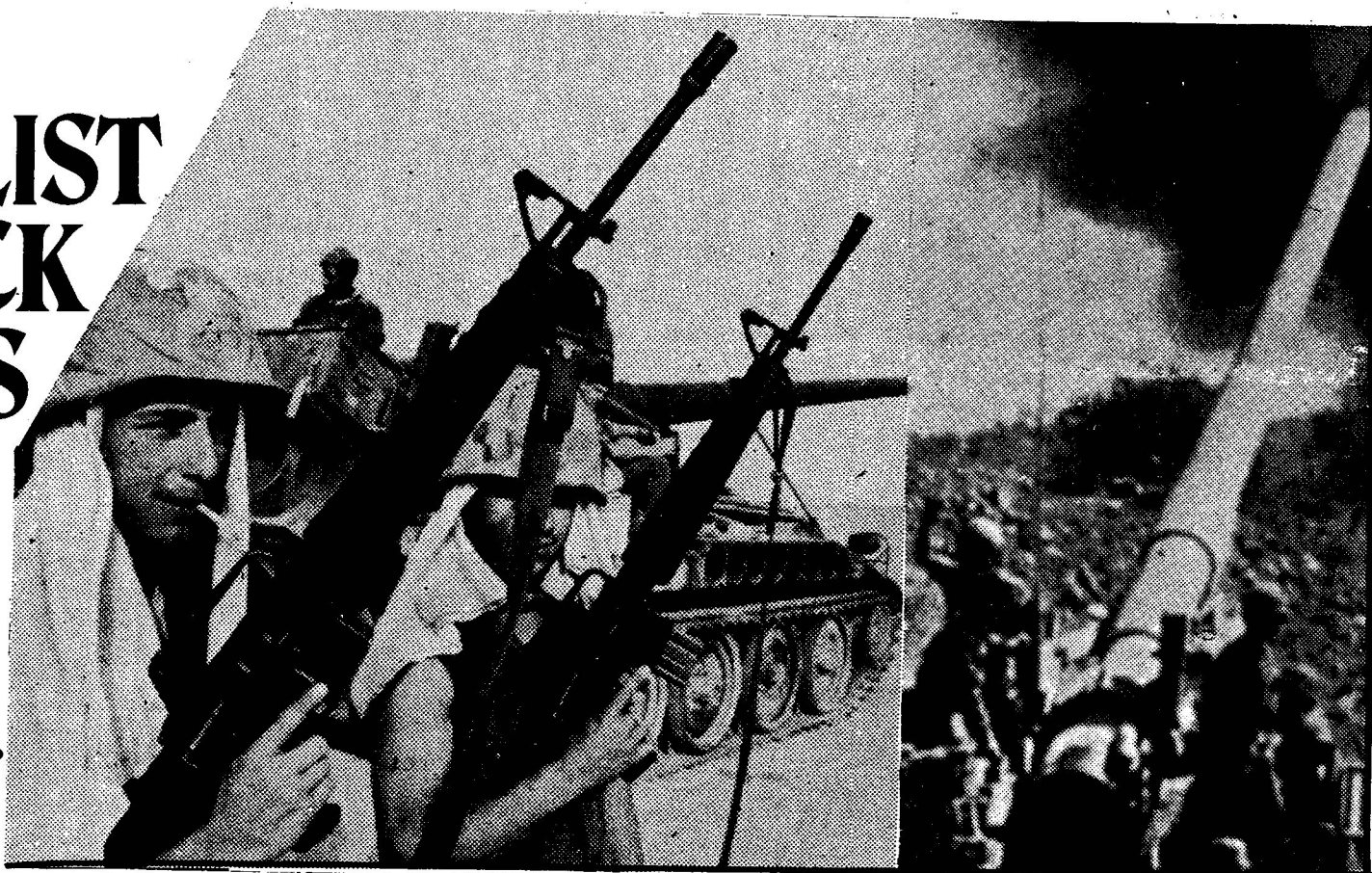
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CAPITALIST ATTACK MOUNTS

The drive must be
to seize the backward
countries
for the benefit of the
exploiting ... powers.



By KEVIN TRACEY

The capitalist class is trying to scramble out of this recession on the backs of the workers. In the short and long term sense the ruling class will ensure its prosperity only by making the proletariat and oppressed masses of the world accept the deepest poverty.

ATTACK

This attack is evident in the latest statistics available

now openly admitted -- since the Great Depression first recession -- as is The December unemployment rate stands at 7.1%, and this masks a figure for total unemployed unsurpassed since 1940 -- the last year prior to the war "boom." This unemployment does not represent merely the inability of the capitalists temporarily to sell their products. It means above all a drive by a profit-famished capitalist system to force large sections of the working class completely out of production, to replace them with machinery in order to expand the levels of capital accumulation -- the sole purpose and goal of the bourgeoisie.

In addition, almost incredibly, inflation continues nearly unabated. The latest available (November) Consumer Price Index stands at 179.5 for a late 1950's base. That means that the cost of living is now nearly TWICE AS HIGH as it was only fifteen years ago. The real wages of workers, despite record contract settlements, despite a great increase in cost-of-living escalator clauses, continue to fall (8.2% decline in the last year). The working class which is not yet out on the streets is suffering an unprecedented decline in its standard of living.

NO GAINS AHEAD

The future under capitalism does not promise any great improvements. Despite the fact this recession will come to an end and a "recovery" will begin, the period of upturn will not bring a return to the "good old days." The "full employment" figures used to be 3%, and then it was 4%. It is now clear that the next recovery will not bring unemployment even CLOSE to 4%. Nor will inflation return to the old, "acceptable," levels. For exactly the same reason which produces an increase of a chronic type in unemployment -- the need of the capitalists to refinance their whole productive apparatus -- the inflation rate, which directly reflects the vastly inflated investment which the capitalist class must now make, will decline to scarcely below the "double-digit" figures which now astound capitalist economists.

And the capitalist government is even now preparing ways through which to prevent any wage breakthrough on the part of the workers, ways to make sure that the workers pay for the bosses' salvation. Thus, William J. Usery, the head of the Federal Mediation Service, which enables the bureaucrats to peacefully come to terms with the employers in contract negotiations, has already announced the basic element of the government's strategy for wage settlements in 1975. Usery stated that there was no doubt that workers would demand large wage increases to enable them to maintain their standard of living. And such increases (10 to 12%) would be granted -- providing. Providing that the bureaucrats agree to make deals on productivity.

Productivity is the watchword of the capitalists; it means more output from fewer workers and that should mean more profits. This drive for productivity, which is behind the mass of the present layoffs, will be continued over into the "recovery." With the collaboration of the greedy and cowardly union bureaucracy, the working class will increasingly be putting itself out of work. That is what lies behind all the propaganda about productivity, what must lie behind it. And woe to him who is taken in by this propaganda.

KENNEDYISM

Thus, the Kennedyesque aspects of Ford's policies, which we noted in the third issue of TRUTH, are not merely copyings of what once seemed to work. They directly reflect the objective similarities in policy -- the attempt to pull out of stagnation by tying wage increases to productivity increases through the instrumentality of the bureaucracy, whose task it is to put over this policy. That is why things are now beginning to have almost the quality of a rerun. US Steel, one of the most irresponsible of the huge corporations, must be made to recognize that it can spoil the whole game through its greed. So Ford does his feeble imitation of Kennedy's famous "challenge" to US Steel. The "trust and confidence of the people must be restored," so the CIA again becomes the whipping-boy for all the schemes which, because they failed, imperil the success of the propaganda offensive. Tax cuts, too, are on the agenda. And what could be fairer as the surtax (just as we said) disappears, than to give a big tax cut to the poor oppressed businessmen in the form of an increase in the investment tax credit?

PETRODOLLARS

But all this will not be enough, even if the working class is betrayed completely. Capitalism is international and much of its problems and, therefore, of the "solution," can only be located internationally. The balance of trade, the balance of payments, key indicators of the strength of the capitalist economy and now in almost continuous record deficit for the US, do not depend solely on what happens inside the US.

As we pointed out in TRUTH #3, the specter of Arab oil money was really a device which the imperialists, especially those of the US, were using to force the weak Arab ruling classes to channel their oil earnings into the advanced capitalist countries as one of the means of recapitalizing the whole industrial base. This reality is now so clear that some of the less dull-witted bourgeois political and financial columnists have begun to mention it.

The facts are that the spendable surplus which the oil-producing countries (not all Arab) have this year is sixty billion dollars. Of this, fully one-fifth, twelve billion dollars, was invested in the US. Another 7.5 billion went into Britain. And another three billion is somewhere in the financial institutions which capitalist investment depends on. In addition, part of the NON-SURPLUS revenues go to purchase US goods, etc. Thus the screams coming from Washington reflect not terror but a carefully thought-out temper tantrum.

RECESSION

An economic recession is not a freak of nature, an aberration whose coming and going are completely mysterious. The downturn represents the compensation, necessitated by the pattern of capitalist development, for the "boom" period of the cycle. Without the downturn the next period of "boom" would never come. Each recession has as its task the accumulation of sufficient capital, through concentration and centralization of capital, through decreasing labor's share of the total wealth of society, by finding new sources of investment, to permit a new expansion. It must be said that the tasks of this recession, as pointed out earlier, have been FUNDAMENTALLY accomplished in this regard. For the bourgeoisie, as indicated by the loosening of credit and the stock market's rise, the recession is basically over. The increase in unemployment reflects the success of this policy. It will begin to subside only when the increase in production becomes large enough to require new employment on the basis of the new productive

infrastructure. The very sharpness and deepness of the present level of the recession in fact indicates its close. The time lag between the economic underpinnings of the recovery and the manifestations of it may be lesser or greater, but the upturn will be CLEARLY visible, even though small, by the beginning of summer.

ALTERNATIVES

But this upturn, as we indicated before, will not be any great breakthrough. Unless the capitalists achieve such a breakthrough, both domestically and internationally, the next cyclical downturn, due unavoidably in early 1978, will find them less prepared than this time. Such a downturn should, almost certainly, provoke the greatest economic collapse in the history of capitalism. Can they find a way out?

On the domestic front, the answer clearly lies with the trade union movement. If the workers can, in the great strike battles due in 1976 and 1977, sharpen their demands on the rulers, raise their own standard of living, begin to question the right of the capitalists to exercise complete control over the economic life of society, then they will be in a position to see to it that the next crisis will indeed be the "final crisis," because it will be the one in which the workers seize control over the fate of humanity through the socialist revolution. If, on the other hand, the labor fakery tie the workers down in the next few years, then the crash will come upon them with a tremendous force, providing, through the incredible lowering of the wages, working conditions and power of resistance and organization of the workers, the means for a new, episodic, capitalist revival. But even this will be like 1933-37, not a new "boom."

The central weapon for a classwide response to this menace must be the Labor Party, the political expression of the needs of all the oppressed. The trade union movement must take the lead in organizing this by calling a Congress of Labor and the Oppressed to deal with the precarious position of the laboring masses. This is the road to salvation.

NO NEW "BOOM"

But can't the capitalists use all that oil money instead in order to provide a repeat performance of the postwar "boom"? Certainly, they'd like to. But the biggest estimate of potential oil revenues (The World Bank says 650 billion dollars by 1980) only just matches the projections for needed capital for the US alone. And this figure is regarded as being wildly optimistic by almost all other sources. In addition, this ignores the fact that these figures represent triply and quadruply-inflated prices, not real value. In reality, such investment only stokes the inflationary fires which are consuming capital investment today. Besides, such a perspective assumes that the Arab masses will stand by while the wealth they regard as their own goes to help imperialism. This is a very unlikely situation, for sure.

No, the immediate gains from petrodollars only whet the appetite of the imperialists. Why risk revolution, why suffer from built-in inflation? The drive must be to seize the backward countries for the benefit of the exploiting powers. That is what lies behind the agreement of Ford and Giscard on the "World Energy Conference;" never mind the potential revaluation of currency gold, at once a reflection of the lack of confidence and inflation rampant in the present situation, AND a menace to the Arabs. And that is, without the slightest doubt, what lies behind Kissinger's open, repeated and officially stated assertions (most recently in BUSINESS WEEK) that the imperialists are prepared to go to war against the oil-producing countries. That is imperialism's ultimate answer to its crisis.

1975 - No Rest for Capitalists



IRELAND UNFREE

The Irish Question has been intimately tied up with every stage of the origin and development of British imperialism. And now, in the period of the death agony of capitalism in Britain, it arises again in the sharpest form.

NORTHERN IRELAND

Following a long period of quiescence coinciding with the period of the postwar "boom," the Irish Question broke out again in the late 1960's, at the time when it was becoming clear that "prosperity" was over for Britain. In this case, the struggle manifested itself initially as a fight against the oppression of the Catholic minority in the predominantly Protestant North of Ireland (Ulster). LEGALLY part of the "United Kingdom" not of the Irish Republic.

The situation there immediately posed the national question, not a simple matter of "civil rights." These rights were denied to the Catholic working-class population of Northern Ireland not out of spitefulness, but because British imperialism had set Protestant against Catholic historically, and in the North to the present day, in order to prevent the establishment of an independent nation which would deny British imperialism the sources of super-profits and cheap labor which it grew strong on in its early days and which it now desperately needs for its very survival.

NO CAPITALIST SOLUTION

But in this century the national question cannot be separated from the question of socialism. No capitalist government can protect the population and the national wealth from exploitation by imperialism and fundamentally advance the economic growth of the nation. The Irish Republic in the southern part of the island, comprising twenty-six of the thirty-two counties, is a clear example of this. Seemingly, it is completely independent -- the nationalist dream of freedom accomplished without socialist revolution. But in reality it is at the mercy of foreign capitalism, particularly British capitalism. Fundamentally, it is a backward and poverty-ridden country, whose formal independence is a sham. To this day, the chief export of Ireland continues to be the Irish people; a graphic indicator of economic weakness.

But that is not all. These "independent" capitalist classes not only reflect the domination of imperialism, they serve its interests. Thus, in the case of Ireland, the capitalist government in the South makes no attempt at all to unite the whole island but, in fact, apologizes for British rule and works closely with the British government in the suppression of the nationalist movement in the North and in the South.

The only way to the conquest of the goals of the nationalist masses -- North and South -- is the program of the socialist revolution. Only the expropriation of imperialist holdings, the crushing of the traitorous native capitalists, the implementation of the planned economy, the ending of the hold which the reactionary Catholic Church has on the Southern government, can unite the Protestant workers with the Catholics and unite Ireland as a truly independent nation. "The Permanent Revolution is ... the reconstruction of the nation under the leadership of the proletariat."

IRA'S ROLE

But there is no revolutionary party in Ireland capable of putting forward this perspective as a program for action. In the absence of such a Trotskyist leadership, the nationalist masses turn to the FUNDAMENTALLY BOURGEOIS nationalists of the Irish Republican Army, especially to the so-called Provisional IRA. This group, from its origins as an explicitly right-wing split from the "Official" IRA, has become, because it offered the ONLY means of resistance to British rule by the Catholic working class, superficially much more left-wing and "socialist." It is important to see in this not some change of heart on the part of the "Provo" leaders, but what is needed in order to reflect the desires of the masses, who alone provide the Provos with their strength. Thus, in supporting the IRA in its actions against British imperialism, we do this not out of the slightest political coincidence in its leaders, but in order to express our support and collaboration with the desire of the Catholic workers to take action against their oppressors. At the same time, this support is the only way possible to point out to the working class the basically reactionary role and dead-end perspectives of this petty-bourgeois nationalism.

The futile nature of this BANKRUPTCY is clearer than ever today. In the wake of the IRA's policy of bombing and assassination campaigns, the only means of struggle conceivable for such a non-proletarian current, the British government -- and there stand THE REAL TERRORISTS -- has embarked on an all-out attack on "terrorism," complete with explosions which are clearly provocations. This response was necessary because the Catholic masses were once again proceeding beyond the limits of the struggle set by the IRA. As a result of this carefully orchestrated wave of hysteria, the Labour (!?) Government has succeeded in passing the "Prevention of Terrorism Act," which grants virtual martial-law powers to the Army and the police. These powers, directed initially against the Irish movement, form part of an overall attack on the working class and its organization in these times of intense class struggle in Britain.

The IRA has no answer to this at all. It cannot possibly lead the mass movement. It is completely helpless to deal with it and completely unable to direct it against the British. Thus, after the imposition of the laws, after the prison risings and the large sympathy demonstrations, the IRA is back at its old stand with its old stock-in-trade; bargaining for nothing with its perennial "Christmas truce," which ultimately plays into the hands of the "peace-loving" British imperialists.

WARNING

But British imperialism cannot count on any lasting success. It does not matter how much the IRA gives up -- because it does not ultimately decide. It does not matter how many laws the British pass -- they have passed enough before. What matters is that the Irish working class has not yet spoken its last word on the question of its liberation. It will go beyond the IRA; it will rise above the laws. It will make the British ruling class and world imperialism learn what the left-wing nationalist poet, Padraic Pearse, told them sixty years ago:

"Ireland unfree shall never be at peace."

Despite the fact that the 1975 union contract round will be relatively light in terms of the number of workers whose contracts expire, there is no indication that the capitalists will get the rest they are hoping for. 1974 saw a record strike wave in this country and, despite the deepening recession, working-class militancy remains at a high level. American workers are demonstrating that they would rather be out on the streets with their unemployed brothers and sisters than passively accept rotten contracts which represent increasing attacks on their standard of living.

The militancy of the Miners' strike did not end with the settlement of the contract in early December. The strike of the mine construction workers kept almost half of the mines closed through December and coal production has yet to regain pre-strike levels.

In Chicago, 11,000 members of the Amalgamated Transit Workers Union overwhelmingly rejected a proposed contract offer.

OCAW

What could have represented a powerful attack on the profit-rich oil companies, a strike in early January by the Oil, Chemical and Atomic Workers, was deliberately suppressed by the cowardly and bankrupt OCAW bureaucracy. This strike would have needed a full mobilization of the ranks and support from the Teamsters to be successful. In both cases, the trade union bureaucrats refused to fight, leaving the ranks isolated and leaderless. The fact that despite this betrayal, numerous wildcats by OCAW locals took place, indicates the willingness, indeed eagerness, of the workers to struggle. Their aspirations can be met only by

a new revolutionary leadership. This is the road forward. AND BEYOND

1975 will also see a possible railroad strike in late January when the contract with the Sheet Metal Workers expires on January 24th. The workers are now free to strike under the provisions of the Railway Labor Act and the other railroad unions will honor their picket lines. This will produce a confrontation with the government. Also among the 2.5 million workers covered by contracts for 1975 are the maritime unions, west coast longshore, the U.S. Postal Service, and over 750,000 construction workers. Most of these agreements were negotiated during the period of the Wage Freeze where the annual average wage and benefits increase was only 6.8%. The fight against inflation will be continued under these contracts and the construction workers will play a leading role, just as they did last year.

1976

The continuation of a high level of working-class militancy in 1975 will pave the way for a decisive confrontation with the capitalist class in the days ahead. 1975 may be a "light" year for the capitalists, but 1976 will see the contract fights of the two largest unions in the country -- the UAW contract and the IBT Master Freight Agreement. Now is the time to build for this confrontation by organizing the spontaneous rebellion of the American working class against rising prices and unemployment. The fight for a Labor Party based on a socialist program in every union in this country will decisively turn the wave of class struggle in this country in favor of the working class. It is the duty of every working-class militant to participate in this fight.

TEN THESES cont.

the Pabloites, by presenting this self-defense mechanism of the Stalinists as an opposition to them, serve to reinforce the Stalinists' position. Instead of the Trotskyist position of political revolution, which flows directly from our assessment of Stalinism, the Pabloites trot out their old panacea, the "self-reform of the bureaucracy," its self-perpetuation and preservation at the expense of the world revolution.

In this crisis of Stalinism, which reflects the rise of the proletariat, it is essential that it find defenders. In this situation, the Pabloites outdo themselves. Not only do they bring out their political betrayal in its usual forms, but they deepen and intensify their revisionism, adapting it to the present urgent needs of the Stalinists. This is the meaning of the recent version of the "Ten Theses," so coincidentally named and so fortuitously published. This article goes far beyond the old theoretical assertions of Mandel and explicitly rejects the Trotskyist conceptions he formerly claimed, in order to better justify the Stalinist regimes and his adaptation to them.

NEW "TEN THESES"

And, just as in the first "Ten Theses," Mandel wastes no time in introducing his major revisionist conception. His first sentence is: "Every socio-economic formation is characterized by a particular set of relations of production." This truism, since there cannot be a society WITHOUT relations of production, is used similarly to the Lenin quotation in the 1951 version. Then comes the hook: "The first step in understanding ANY social formation, including a transitional society ... is to reach an analysis of the relations of production which prevail in it and determine it." (emphasis in original) Thus, from the first, Mandel eliminates any REFERENCE to the conflict in the transitional society between the relations of production, which essentially represent the FUTURE and not a stable formation, and the law of value. Preobrazhensky's name does not appear here. The relations of production, says Mandel, in ANY transitional society, PREVAIL and DETERMINE. Therefore, in the

PARTICULAR society which history has given us, the "non-capitalist mode of production" has indeed "conquered," since the relations of production (property relations) are fundamentally proletarian and PREVAIL and DETERMINE. There is no conflict here at all, not even verbally. The Stalinists, therefore, are now openly proclaimed to be the PARTICULAR type of ruling formation suitable for such a PARTICULAR society with a PARTICULAR "set of relations of production."

CONFUSION

While waffling with the phrase "mode of production," which the transitional society is now cynically proclaimed to be unlike, sort of; Mandel states that the relations of production PREVAIL, thereby saying essentially the same thing with only a slightly more sophisticated veneer. He then embarks on an historical expedition to prove that all past transitional societies were likewise without contradiction. Thus, between the decline of feudalism and the victory of capitalism, there lies not a period of CONFLICT between two "systems of social economy," but a UNITY. The "relations characterising the society transitional from feudalism to capitalism were not a 'combination' of feudal and capitalist modes of production, but the relations peculiar to this epoch: relations of simple commodity production." This sentence reveals, not only a parody of historical materialism and historical fact, but a clearcut denial of the quotation from Lenin in the 1951 document and an example of the CONFUSION Mandel wishes to create between MODE OF PRODUCTION and RELATIONS OF PRODUCTION. And he even tries to extend his history back into the period between slave society and feudalism, which in fact, can hardly be called a transitional society at all, since it represented the ABSENCE of the development of a new class -- never mind the factual confusions Mandel inserts.

Thus, in still further reducing the conflict to that between "THE LOGIC OF THE PLAN AND THE LOGIC OF THE MARKET," (emphasis in original) Mandel in fact eliminates it completely from his actual analysis. Thus he states: "THE

GREAT BLACK MIGRATION ENDS

By FRED MICHAELS

Beginning with the First World War, a mass migration of blacks from the decaying rural South to the urban North occurred. This migration, which increased year after year, lessening only in the middle of the Depression, is one of the central facts of recent American history. Black people are no longer a semi-peasant group, atomized and impotent, but constitute the basic core of the industrial proletariat in this country and have emerged as the most important element, because of their class position and their racial oppression, of the vanguard of the coming American revolution. Today this migration has stopped and has begun to back up. There is a net migration BACK to the South. This fact signals the end of the postwar "boom," the end of the myth of the "good life" in the North. And this means critical changes in the nature of the black movement and the dynamic of the American revolution.

According to the Census Bureau, there was a total migration of 81,000 blacks back to the South during the last three years -- 50% of those went to Virginia, Maryland, Florida, the Carolinas, and Washington, D.C., 18.2% went to Texas and Oklahoma. Alabama and Mississippi still had a net loss of blacks.

MOVE NORTHWARD

This net gain represents the end of the last wave northward started by World War II. The war opened up the factories to blacks. The "boom" after the war spurred the auto manufacturers and others into sending recruiters to the South with promises of jobs for blacks. At the same time, agriculture was being mechanized extensively in the US. The number of black farms fell 41% from 1954 to 1959. So, between 1940 and 1960, the number of blacks outside the South rose from just under four million to over nine million. 2.75 million of these were immigrants coming up from the South.

The 1960's saw a significant reduction in the number of migrants. Only about 3% of the blacks over sixteen lived in a different state in 1970 than in 1965 -- 1% less than the percentage of whites who moved to a different state.

Today the blacks migrating to the South are returning not to the farms but to the cities. There is still migration out of the countryside, but these people too tend to move to large Southern cities rather than to New York or Detroit.

IN THE SOUTH

Out of the 2.75 million blacks who migrated in the 40's and 50's only 150,000 went to Southern cities. On the other hand, only 1.4 million of the 4.5 million whites (about 33%) driven from their farms, moved NORTHWARD. The



rest flooded the Southern cities. With an abundant supply of cheap labor from the whites and the existence of Jim Crow laws, the cities were inaccessible to blacks.

The Southern cities are now "open" to blacks -- no less than the Northern cities. This has occurred not out of any change of heart among the capitalists but for material reasons. First, factories moved South and plants were built there because of the already existing cheap labor, low taxes, investment credits, etc., that the Southern states offered. The South received a disproportionate share of the investment from the "boom." Secondly, the abolition of certain Jim Crow laws opened previously barred industries to blacks, e.g. textiles.

The presence of these black workers has already been felt -- they comprise between 20% and 40% of the workforce in textiles and are the backbone of the recent organizing drive.

USSR and -- therefore -- isn't likely to be. REAL POSITION

Mandel's real position is clear: "One of the main conflicts... is precisely between the POTENTIAL optimization of economic growth... and... the actual indifference to such optimization by the individual bureaucrat." (emphasis in original) Indeed, "... optimization of the economy is excluded under bureaucratic management." This is truly unfortunate and needs to be solved. And it is in this sense only, and not in the Trotskyist sense that the question of the SURVIVAL of the economic system is at stake, that Mandel verbally adheres to the political revolution. In reality, in practice, the idea is still the "self-reform" of the bureaucracy, of a more rational and decent section of the bureaucracy's taking over.

Thus, he concludes, there are, "forces within the bureaucracy which objectively press in the direction of a restoration of capitalism... Can such a tendency realize its logical conclusions in the context of state ownership... This seems less than probable." But the point is not that state capitalism will be the outcome -- this is a shuck -- but that the bureaucracy's policies lead to the restoration by world imperialism of capitalism. But Mandel sees only that the security of nationalized property rests in the continued existence of the bureaucracy, of its IDENTITY with the workers' state. Given that, everything is safe and sound.

PABLOITES' FUTURE

With this article, Mandel, and with him the Pabloites, have not lessened their opposition to Trotskyism and their loyalty to the bureaucracy and capitalism, but have intensified and strengthened it. In the context of Mandel's recent prostration before imperialist propaganda and Belgian chauvinism (the chauvinism of a second-rate imperialism) in regard to the mythical creation of "an Arab and Iranian finance capital," this indicates that the Pabloites are making a decisive turn away from even the FORMAL adherence to revolution which they have for so long proclaimed.

In Memory of the Flint Sit-down: A Tribute to the Women's Brigade

BY ANN RUSSELL

The Flint strike against General Motors was the "Gettysburg of the CIO." Every arm of the state from the police to the National Guard, from the courts to Roosevelt were used to break the strike. But the men and women of Flint, Michigan, brought General Motors to its knees, forced union recognition and secured the birth of industrial unions in the United States.

The strike that began in December, 1936 and ended in January, 1937 was built with the boldest and most imaginative tactics ever in the American workers' movement. The use of the sit-down is significant because it directly confronts private property. Leon Trotsky wrote in the Transitional Program:

Sit-down strikes, the latest expression of this kind of initiative, go beyond the limits of 'normal' capitalist procedure. Independently of the demands of the strikers the temporary seizure of factories deals a blow to the idol, capitalist property. Every sit-down strike poses in a practical manner the question of who is boss of the factory: the capitalists or the workers?

This is expressed by the actions of workers who had taken over a key plant in Flint, Chevy 4, and sent the foremen packing. The men repeated the bosses' words when workers were laid off: "We'll let you know when you can come back."

MILITANT WOMEN

As an intimate part of this upsurge and transformation in the consciousness of these American workers, there arose the Women's Auxiliary and later, the Women's Emergency Brigade. At the beginning of the Flint strike GM had counted on being able to use the strikers' wives as a conservatizing agent to break the strike. They were not allowed to participate directly in the sit-down, they had little access to information and they were afraid for their children and their homes. But as information was disseminated the women began to organize themselves on the initiative of a militant leadership. The change in the women, from being a conservatizing influence into being an indispensable part of the strike victory, was stunning.

Genora Johnson, a militant whose husband, Kermit, was a leader in the struck plants and who later joined the Trotskyists of the SWP, organized the Women's Auxiliary because "... It bothered us to think that the women didn't understand. We decided to have a group of women who could talk to women." But the role of the Women's Auxiliary, which quickly reached a membership of a thousand at the beginning of the strike, soon changed from information dissemination to direct armed defense of the plants. It was in the battle of "Bulls' Run" (the guards or "bulls" were sent running), when guards

The Southern cities, however, are beginning to resemble more and more their Northern counterparts. The "boom" of the sixties was built on a false floor and that floor is caving in. The black neighborhoods are developing all the characteristics of the Northern ghetto -- high density population, the locked-in poverty cycle and more. In Memphis, Atlanta and Washington, D.C., 80% of all blacks live in low-income housing. In Memphis and in Jacksonville, Florida, the ratio of children and elderly persons per one hundred of those 18 to 64 years old is 1.00 or more; i.e., there are at least one hundred dependents per one hundred POSSIBLE wage earners.

The political situation is still more fluid than in the North. The last elections saw 72% of all blacks who ran for office in the South elected. Blacks now hold ninety-four legislative seats compared to none in 1962. Those who did win won in the medium to large urban areas.

Trotsky's analysis of the black people as a race which contained the possibility of a national development saw this "potential nationality arising out of the material conditions created by the crisis of capitalism. Today, this crisis, after a period of dormancy, is emerging in a sharper form than ever. The inability of the North to fulfill its promises to the blacks, the increasing similarity between Northern and Southern development, the renewal of a tendency for a geographical concentration of blacks in the South on this basis, demonstrate that Trotsky's perspective and his strategy for dealing with it -- including support of the right of black self-determination -- is an essential part of the action program of the American working class in its struggle for power.

tried to keep food from being taken to the strikers in Chevy 2 that the women first proved that they were important in the defense of the strike. In the heat of the battle, Genora Johnson spoke from the sound car: "Women of Flint! This is your fight! Join the picket lines and defend jobs, your husband's jobs and your children's home."

DEFENSE SQUAD

Out of this battle emerged the Women's Emergency Brigade, which was made up of the most serious women fighters. They were organized along semi-military lines, wearing uniform red berets and having squad captains, whose job it was to round up a specific group of women in an emergency. Failure to respond to such a call meant suspension from the Brigade. The Women's Brigade was armed with whittled-down two-by-fours. In many of the fights during the long Flint strike they would surround the factories and fight off police attackers. A Brigade member remarked: "A new type of woman was born in the strike, women who only yesterday were horrified of unionism, who felt inferior to the task of organizing, speaking, leading, have, as if overnight, become the spearhead in the battle of unionism."

It was not only the women of Flint that fought valiantly to win the strike. In January, 1937, Governor Frank Murphy, a New Deal politician, was threatening to use the National Guard on the workers. Not too far behind them were Roosevelt's Federal troops. Women and men from many cities in the Midwest flocked to protect "the boys who were still holding out." Auto factories in Detroit had to be closed because so many of the workers had gone to protect the Flint strikers.

The Emergency Women's Brigade, as well as the whole workers' defense organization of the Flint strike, arose out of the need of the workers to protect themselves against the military and the arms of the state. Just as they developed from that need, so the brigade and the organization dissolved after the fight and the victory of the sit-down. The women had not been and did not know that they could become such fighters before the Flint sit-down, but the situation called on them and they responded with valor. As Trotsky wrote: "It is precisely from these more oppressed that the most self-sacrificing battalions of the revolution will come."

FUTURE

In the coming period, the truth of these words will be proven with redoubled force. Today women have begun again to show courage in facing the capitalists, demonstrated most recently by the wives of the striking Harlan County miners late last year. In the period we are entering, workers will utilize the history of the fighters who created the early CIO.

PRODUCTION RELATIONS SPECIFIC TO THE TRANSITIONAL SOCIETY ARE... A HYBRID COMBINATION OF

ESSENTIALLY NON-CAPITALIST ECONOMIC PLANNING AND THE ELEMENTS OF COMMODITY PRODUCTION." (emphasis in original) A hybrid, of course, hardly represents a CONFLICT, but is instead an entirely new breed, in this case, of a new society without contradiction. Once again, he refers to the position solely to discredit and destroy it.

JUSTIFICATION

Thus, he proceeds with assertions that while the bureaucracy is, generally speaking, a bad thing, nonetheless, it's no real threat:

"... then the ideological revisionism and the deviations of the 'general line'... are disclosed not as the expression of a new class rule, but as the expression of the special interests of the bureaucracy and AT MOST as results of objective pressure from social classes and strata which are UNDER THE INFLUENCE OF capitalism." (emphasis added)

This sentence, besides its strawman character in regard to the "new class" theories, which are not at issue, demonstrates that the Stalinists are fairly remote in Mandel's eyes from being a menace. THEY THEMSELVES are not even counted as being "under the influence of capitalism." Similarly, Mandel writes: "To say that the trade union bureaucracy is subject to the pressures of petty-bourgeois or SOMETIMES EVEN capitalist ideologies is not to say that the trade unions are objectively no longer instruments of proletarian class struggle." (emphasis added) Indeed, it is not. But it IS to say that the BUREAUCRACY is a bourgeois tendency which seeks to destroy the trade unions -- objectively -- as "instruments of the proletarian class struggle." And this is precisely the role of the Stalinist bureaucracy, as well, which Mandel FORGETS to mention. In fact, he then proceeds, using the state capitalist bogeyman, to point out that capitalism is not yet restored in the

By DAVID MARKOS

The elusive American Dream has definitively passed into "the dustbin of history." A major part of that dream was the right to have a decent home in which to raise a family and the ability to pay for a future generation's education, so that it might rise out of the working class to enjoy the fruits of "progress." Instead, a whole new generation of the working class, raised in prosperity, is finding out that in capitalist society no one is guaranteed a home -- nor even, necessarily, the RIGHT TO WORK for one.

For only \$30,000 or so, the American worker can own a prefabricated crackerbox, guaranteed to fall apart in less than ten years. Even those lucky enough to be able to finance a house will find themselves in hock for the rest of their lives at the current mortgage loan interest rates of 9% to 10%. All this while the workers who built these houses are being driven from their jobs. Even the smaller realtors are having trouble surviving with interest rates on THEIR loans soaring, as is shown by the 30% increase in business failures in the construction industry this year over the same period in 1973.

ATTACK ON THE WORKERS

The attack which the ruling class launched against the construction workers, along with the decay of the housing



industry as a whole, was calculated to beat down opposition from the working class by defeating one of the largest and most important sections of the class. Instead, it has produced militant and angry reactions from these workers. Massive strike actions broke out in Northern California and across the country, a demonstration in Trenton, N.J., July 29, shut down construction sites across the state and drew nearly 50,000 construction workers to a "March for Jobs," tenant unions have been formed in an attempt to fight the slumlords on their own ground. And meetings like the one of the East Oakland Housing Committee in September have attracted housewives and workers to hear only cynical answers to their questions, such as that of a banker present at this meeting: "We can't change the character of the neighborhood. That's up to you people."

"BOOM" AND DECLINE

Not only are the construction workers an important part of the working class for the capitalists to tackle, but their industry is a key indicator of the health of capitalist economy. The \$100 billion dollar a year industry accounts for more than half of gross investment and employs more than three and a half million workers. Today, this industry is in a steep decline which is mirrored in the unemployment rate of construction workers of 13.9%. In Newark, N. J., unemployment is estimated to be from 30% to 50% for some craftsmen. But this was not always the case.

During the "boom" of U.S. capitalism after WWII the construction industry enjoyed an expansion of its own and was a major aspect of this "boom." On the basis of this real estate and housing expansion a whole layer of speculators, grafters as well as small developers and home-builders, came into existence.

With the beginning of the decline of the U.S. economy, construction as well began to fall off and the small businesses with it. In the period 1960 to 1965 new housing starts grew at an annual average rate of 3.1%, but by the 1968 to 1969 period housing starts had declined to the point of stagnation. As the crisis of capitalism intensifies, greater and ever greater quantities must be invested to prop up a dying system and construction, which soaks up such a large portion of this investment, signals the system's decline in graphic fashion.

MANIFESTATIONS

An offshoot of the crisis in construction is the decline in construction related industries. Lumber has been hardest hit. As one industry spokesman observed: "We're moving from a crisis to a catastrophe in the lumber industry." General Electric attributed the layoff of 14,000 workers at its appliance production plant in Louisville, Kentucky, to the decline in construction.

The crisis in construction shows itself in many ways. The wholesale collapse of marginal contractors follows the general law of the concentration and centralization of capital. Each new recession results in the holder of the larger capital, the biggest contractors, swallowing up the smaller companies which cannot afford the higher and higher interest rates on loans for new building. Alongside of this concentration of capital comes the introduction of new labor saving devices and with it the increase in unemployment of construction workers.

Rearranged and prefinished wall partitions have put carpenters and painters out of work. Dry wall (sheetrock) is driving the plasterers to extinction. The use of open / hung ceilings to hide wiring is eliminating electricians' jobs. Curtain walls around houses have hurt the bricklayers. Thus it comes about that each new advance in technology results not in the bettering of conditions for all of society but rather in more misery, more unemployment for the working class. This together with the fact that the materials and techniques used in building result not in better but rather cheaper (not financially!) structures. Every construction worker knows that the sprawling suburbs of today will be the slums of tomorrow. It is clear that not simply the construction workers but all of society would benefit if the construction industry were

nationalized under the control of workers' committees. (Everyone except the capitalists, of course, who are responsible for the deplorable condition of housing in the first place). This would mean that the people who have to live in houses would have the right to determine the quality of that housing. If the big contractors say they are going broke; well, then, let the workers take over these supposedly profitless businesses.

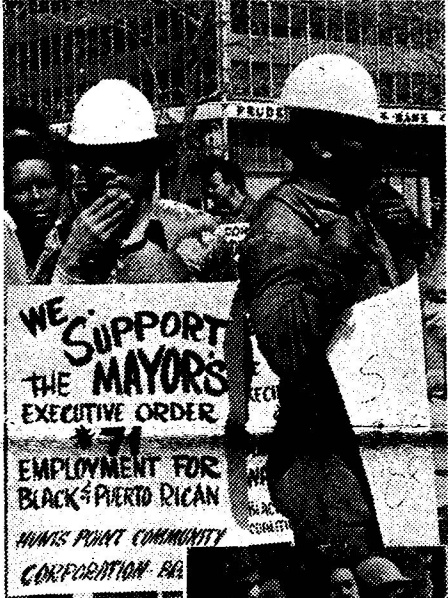
The crisis does not confine itself to statistics, however. The construction workers are under the fiercest attack launched against any section of the working class since the depression of the 1930's.

CISC

Interestingly enough it is the Federal Government that is the single largest employer in the industry, underwriting about 40% of all construction. And, not surprisingly, it was the Federal Government which launched the attack against the construction workers, using their unions as a testing ground for further assaults on the living standards of the working class as a whole.

It was not until August of 1971 that Nixon announced his "New Economic Policy" and the period of the wage freeze and subsequent wage controls. Long before this strategy was brought out in the open, the waters were already being tested on the construction workers. On February 23, 1971, Nixon threw out a provision in the 1931 Davis-Bacon Act which required union wages to be paid on Federally funded jobs. This was Stage One -- to break the resistance of the workers by smashing their unions, their only weapons today for battle. Step Two followed shortly with the formation of a prototype of the wage controls boards, the Construction Industry Stabilization Committee (CISC).

With a quick sweep of the ruling class' pen the



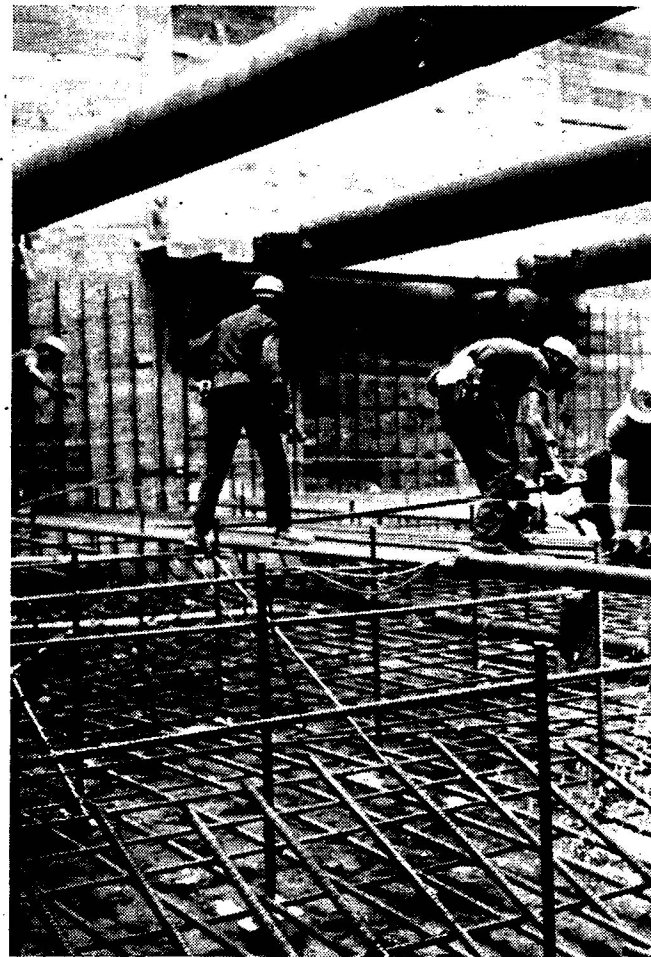
construction workers were confronted with the fact that trade union action alone was not enough to beat back the employers' offensive. Companies who had contracts with the craft unions to hire union labor took the cue and began to form dummy corporations -- right alongside of the real ones -- which were NOT obligated to hire union labor. In 1971, more than 32% of all construction was open shop. As the construction industry EXPANDED the actual number of workers under union contract actually SHRANK. By mid-1972, Martin J. Ward, President of the Plumbers Union could bemoaningly report that \$1 billion of new construction went to non-union contractors in one week. On an annual basis that would amount to more than 50% of the construction industry. Clearly, political action against the government's policies was, and is, posed as the next step in the workers' offensive.

ENTER -- THE LABOR FAKERS

Another product of the post war "boom" was the growth of a privileged section of the U.S. working class; skilled laborers, craftsmen, etc. And on the basis of this layer of more prosperous, better-off workers, a leadership emerged in the trade union movement which saw its destiny directly connected with that of capitalism, to which they owed their newfound wealth.

Better than any other group of bureaucrats the trade union bureaucracy of the construction craft unions symbolized this layer of labor aristocrats. The narrow craft

TURMOIL IN CO ITS CAUSE AND IT



divisions upon which these labor bosses based their rule are themselves a product of the highly conservative craft unions of the nineteenth century. Six big craft unions: brick masons, carpenters, electricians, operating engineers, painters and plumbers, account for 70% of all craftsmen. The rest of the industry is divided among some twenty other craft unions. In addition Laborers constitute 40% of the construction workforce. Able to use these divisions in order to keep the workers of the construction trades at bay, the craft union chiefs enjoyed a cozy relationship with the employers in the industry and with capitalism as a system. They have remained true to their benefactors all the way, even to the point of watching the ruling class destroy the trade union movement that they supposedly represent.

All the labor fakers, foremost among them George Meany, head of the AFL-CIO, hailed the appointment of Peter Brennan, former head of New York construction trades, by Nixon to the post of Secretary of Labor. Labor, reasoned Meany would be represented in the hated Nixon regime -- but this presupposed that, first, Brennan represented labor and, second, that the lackeys of the capitalists in the Federal Government would give any representation to labor in the affairs of the capitalist state. Both premises are absolutely false -- unfortunately, the working class not Meany and Co. were the two-time losers.

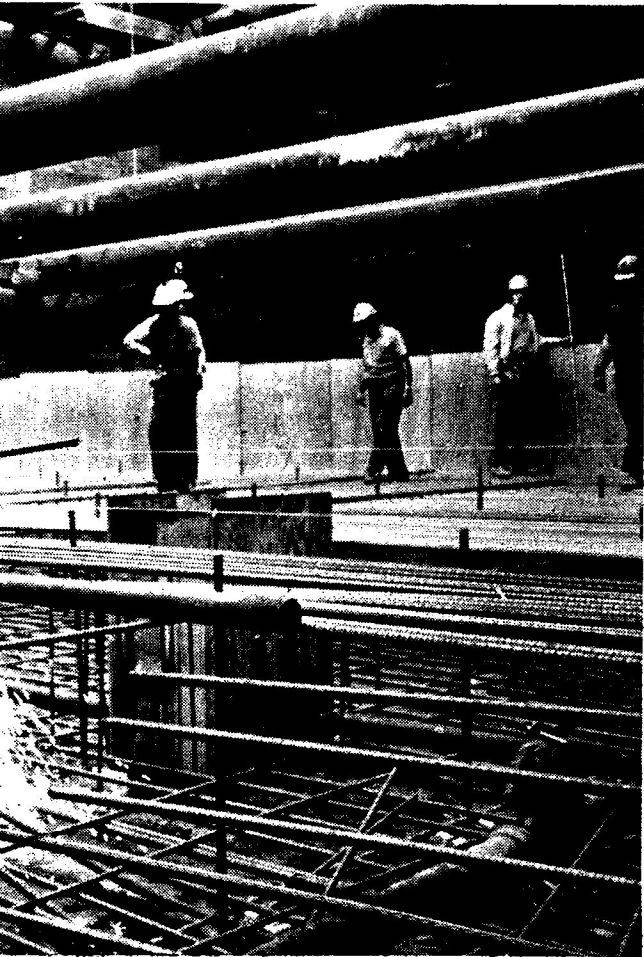
Brennan himself was the infamous representative of the "hard hats," that celebrated section of the working class that at one time was considered the most loyal section of the class. He was responsible for the racist practices of construction hiring halls which still keep blacks out of the skilled trades, thereby dividing the working class, separating out its most oppressed layer for repression and starvation. Times have changed though, and so have the tactics of the ruling class.

MINORITIES

The new slogan that the ruling class has cynically raised on its banner is "preferential hiring." Just as in Boston today the false issue of "busing" is being used to pit whites against blacks, so preferential hiring is being used to maintain the divisions in the construction trades that divide the class. The real issue is whether the irrational situation of masses of unemployed construction workers side by side with a pressing need for MORE AND BETTER HOUSING will be allowed to continue. In this context the slogan which the working class must counterpose is JOBS FOR ALL. The creation of new jobs for blacks and whites, the expansion of the construction industry to rebuild the decaying slums that blacks have been herded into, the ending of decay of the cities -- all these problems are shared in one way or another by both races because they are part and parcel of the ruling class' strategy for smashing the entire workers' movement.

It is in this context that the various "plans" for "minority group" hiring must be seen as a tool devised to deepen the racial split in the proletariat. Using its control over much large construction, the US government has imposed the "Philadelphia plan," "Boston plan," etc., using black nationalist and black moderate organizations as the cutting edge of the offensive. Taking advantage of the "job-trust" character of the construction unions, the government encourages the black reformists to demonstrate for jobs. In the resulting conflict, the government steps in and negotiates with the bureaucrats for various concessions in regard to minority hiring, apprenticeships, etc. The government has obtained its objective -- the mutual hostility of black and white workers over employment -- while the reformists and bureaucrats have their position strengthened instead of weakened. These betrayers must be exposed for their refusal to fight for a program of PUBLIC WORKS which would guarantee plenty of employment without any competition between the white and minority workers.

INSTRUCTION: MEANING



STATE INTERVENTION

Another part of this strategy is the attempt to chain labor, through its misleaders, to its class enemy in the state. The "tripartite boards" like the CISC (labor, business, and "public" representatives; read: traitors to their class, the enemy, and the lackeys of the enemy in the service of its state) and the "new" methods of handling labor disputes like "binding arbitration" (read: bound workers) have one thing in common; they are designed to smash the workers' movement in the interest of "society." But we have already seen that the workers' program of nationalization contains the real solution to social decay.

All the latest schemes -- Ford's summit meetings, the Democrats' recent calls for wage controls, the empty programs for public works programs to "cure" unemployment, call for the working class to break firmly with the capitalist parties, Democrats and Republicans alike. Labor leaders must be forced off the boards that the capitalists set up. These are merely tools to give support to the ruling class' policies.

OFFENSIVE

1974 saw the construction workers fighting against the very state that their misleaders have embraced. This October in Somers, N.Y., a mass demonstration of 20,000 construction workers mobilized against unemployment and the union busting drive of area contractor, Henry Paparazzo. From 18% to 50% of construction workers in this county are unemployed and Paparazzo has used the opportunity to try to break the construction unions in this area. At one point he even used a helicopter to airlift supplies over pickets. Ever since early summer, workers have been boycotting "Heritage Hills" because Paparazzo refuses to pay union wages at that site. At the October 31 demonstration labor leaders paraded candidates for the November 5 election in front of the workers. The candidates were there only because they feared the power revealed in this huge demonstration. They want to channel the workers anger into THEIR political party where it can be managed and diffused.

After having their wages held back for three years, construction workers have signaled their intention to make up the loss. The construction workers were in the lead of the strike wave of U.S. workers last year. Through May and June the building trades accounted for about HALF of all work stoppages involving 5,000 workers or more. Strikes involving almost all the major unions in the industry were spread all across the country -- East, West, North, and South. During the period from October 1973, to October, 1974, the wage rates of all building trades averaged an increase of 8.3%. While this does not make up for the slash in their wages as revealed by the fact that real wages during this period declined, it is nevertheless a sizeable chunk, especially compared to past increases of under 3%. The workers' actions have revealed a new mood, a determination to fight wage controls and wage boards.

NORTHERN CALIFORNIA

The strike of northern California workers early in the past year is a very instructive example of this fight. The contract of Northern California Carpenters with the Association of General Contractors (AGC), negotiated in 1971, called for a sixty-five cent automatic wage increase in 1973. This wage increase, initially approved by the CISC, was now declared "inflationary" and "inoperative." Outraged, the carpenters began walking off their jobs in early November, 1973. This action was termed an "unofficial rank-and-file action" by union officials, who refused to sanction the strike.

The carpenters demanded the full sixty-five cent wage increase negotiated earlier. In early December the CISC ordered the carpenters back for a fifteen cent wage increase. The strike was declared illegal and an injunction was issued against the carpenters. The union officials, of course, refused to fight the injunction or the decision of the CISC. The carpenters, however, had not yet said their last word.

UNOFFICIAL LEADERS

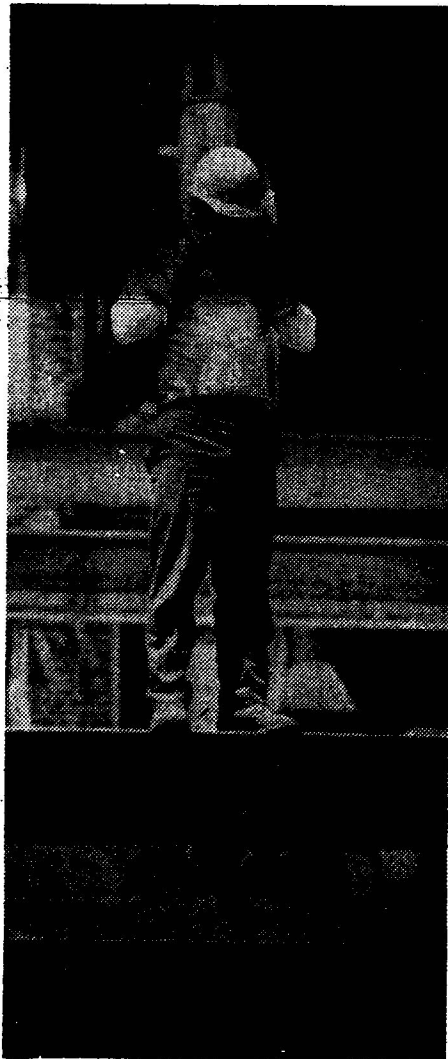
Out of the strike and the cowardice of the union officials, a militant leadership arose and formed around an underground Ad Hoc Committee. This included a strike committee and a district council organized by electing representatives from different locals. Already the carpenters were moving beyond their traitorous leadership, striving to find those organizational forms required to advance the struggle. Flying squadrons, a tactic used by militant workers of the 1930's, were organized to spread the strike to other parts of California and to keep scabs off job sites.

While the carpenters were organizing the strike and mass demonstrations outside Federal Court hearings, their official leadership was making deals in the soft, plush surroundings of the class enemy. Thus it was that in early January, 1974, the union negotiating team, led by District Council chief Joe O'Sullivan, announced publicly a deal where by the carpenters would get twenty-five cents of the sixty-five cent wage increase. With the deal made public, the union officials began to put all the weight they could muster behind the settlement. The strikers, without the support of their own union, and unable to spread the strike beyond the narrow craft divisions of their trade structure, were finally isolated and forced to give up their wildcat for the pitiful deal that their misleaders had worked out. The strike had lasted almost two months, all on the initiative of the workers themselves.

LESSONS

Several lessons can be drawn from this strike. First, by their actions against the CISC the carpenters were expressing the demand for the "complete and unconditional independence of the trade unions in relation to the capitalist state." The leaders of the wildcat knew they had to spread the strike and to organize political demonstrations in order to win. The obvious lesson was the necessity for a party of labor independent from the capitalists to fight on a higher POLITICAL level. The absence of such a party meant that the strikers would eventually be isolated by the more powerful agents of the capitalists in their state.

A second lesson of the strike is the inability of the obsol-



escent craft union structure to serve as a decent weapon against capitalism. The powerful upsurge of industrial unionism in the 1930's was living proof that the craft unions were inappropriate to the historical tasks imposed upon the worker's movement. Today, this antiquated organizational form hamstring the building trades workers and keeps them from putting up a UNITED fight against the associations of contractors like the AGC.

In the last analysis, independence from the capitalist state is for the trade unions a question of POWER, power which can be counterposed to the state. The narrow divisions of the craft unions and the absence of an independent political party mean that the workers' house is divided against the ruling class.

AFTERMATH

The courageous fight of the carpenters against the CISC was not for nothing. Undoubtedly, the workers' outrage at the board's policy contributed to Nixon's decision to dissolve the CISC in April. And California building trades workers registered their appreciation of this action in the best way possible -- by mobilizing in an all-out fight for higher wages when their contracts expired in June.

In a march meeting of Northern California carpenters, these workers voted in a referendum to join with Southern California locals in the contract fight. The bureaucrats had learned a few lessons of their own, however. In February, the council of Bay Area councils, led by their

chief Joe O'Sullivan, barred John Stenson from union meetings for eighteen months. Stenson was an active leader of the November walkout. This was the strategy of the labor fakers -- keep the most militant workers from participating in the June contract fight, let the carpenters think they were mobilizing for the contract, while behind the scenes they prepared for defeat.

Ten thousand carpenters flooded into the San Francisco Cow Palace, two days after their contract had expired, to hear assurances from union officials that the carpenters would not work until they had a contract. The workers were not satisfied and shouts rose up from all quarters against the treacherous policy that their misleaders had followed in the November walkout. It was only by confusing the workers, by giving them the IMPRESSION that an all-out fight would be organized, that the bureaucrats could maintain order. The next day the carpenters were to find out the real intentions of the bureaucrats.

TREACHERY

Picketing, where it was organized, was done on an infrequent basis and, regardless of the earlier vote of the carpenters to strike with their Southern California brothers, no attempt was made by the misleaders to unite the building trades workers of the state. Nevertheless, 45,000 carpenters in the North struck against the AGC and an association of smaller contractors, the Homebuilders. The carpenters settled with the Homebuilders on June 25, but 15,000 carpenters remained on strike against the AGC. They are joined by the Northern California laborers on June 26 who were summarily locked out by the AGC. These strikes were eventually settled but not before 60,000 building trades workers -- carpenters, laborers, cement masons -- went on strike against the AGC in the Southern locals surrounding Los Angeles, demanding wage increases to catch up with workers in the North. Painters and Plumbers also struck separately.

Because of the policy of the labor fakers, the workers were not able to mount the kind of battle that they needed and wanted. Contract settlements generally provided for wage settlements in the 10% to 15% range with trade-offs for the unrestricted use of previously restricted tools in the building trades. These new techniques will result in the layoff of more building trades workers. With few exceptions, little or no protection against layoffs were included in these contracts. Perhaps more important than any gains of the building trades workers in California, however, was the tremendous impetus that these battles gave to other American workers to fight against the decay of American capitalism.

The attempt of the capitalists to trade off meager wage handouts for increased productivity and higher unemployment can only be met by a leadership willing to fight for the workers' needs. Any such program must include the demand of THIRTY HOURS WORK FOR FORTY HOURS PAY, and a fight to ORGANIZE THE UNORGANIZED in the construction industry. This program would unite ALL construction workers against the builders' associations.

THE BATTLES AHEAD

Although 1975 will be a "light" bargaining year compared to 1974, nevertheless, with the economy still going downhill and inflation and unemployment running at high levels, the contracts that do come up for negotiations may bring pitched battles with employers. The tremendous militancy shown in the strike wave of American workers will encourage those whose contracts are opening up in 1975. As was the case during the strike wave, one of the major concessions sought will be COST-OF-LIVING ESCALATORS to battle galloping inflation.

Along with Postal Workers, and the Oil, Chemical and Atomic Workers union, both militant unions, 3,000 local construction contracts will be coming up for negotiation in 1975. The leading role of construction workers in the recent contract round is sure to have its effect on those negotiated this year.

PROGRAM

In the long run the working class will have to meet the ruling-class offensive with such unity. A first step in the construction industry would be a continuance of the fight to overcome the narrow craft divisions by unified bargaining against employers. Eventually these fossilized forms will have to give way, but this will not be achieved without kicking the labor fakers out in the cold. The new militant leadership that is growing inside the construction unions, as exemplified by those who led the California carpenters wildcat, must develop and fight for the program that will carry the workers to victory. Any program for the workers will have to include the demand of JOBS FOR ALL as a counterweight to the racist strategy of the employers. And as a solution for unemployment the building trades MUST wage a fight for 30 FOR 40. These two demands, together with a drive to ORGANIZE THE UNORGANIZED in an increasingly open-shop industry, are absolutely necessary for victory against the employers' offensive.

The increasing role of the state in the affairs of the workers movement demand that the workers organize against this offensive POLITICALLY. The trade unions, as important as they are, are too narrow a vehicle for real confrontation with the ruling class. It is certain that the capitalists, propping up a decaying system, will force a confrontation if the workers don't. Therefore, it is absolutely necessary that new leaders be sought who will CALL A CONGRESS OF LABOR to unite the trade union movement and unemployed workers. The most pressing task of such a Congress would be the LAUNCHING OF A LABOR PARTY committed to beating back the government's offensive and advancing the workers' cause.

WAY OUT

The right to decent housing, which is completely bound up with the battle of the construction workers, can only be guaranteed at the expense, indeed, by the demise, of that class of exploiters which at every turn places itself as a barrier to the future. It is understandable -- they are not a part of the future but belong to the past.

CLASS STRUGGLE IN THE MIDDLE EAST



AFTER SADAT'S MOVE TO RIGHT -- ON PARADE WITH NIXON
By A REPORTER

Nobel Peace Prize Winner Henry Kissinger has now openly stated what advanced workers have long known -- that the US is quite willing to invade the Arab countries in order to secure oil.

"Oil is the life blood of the industrial West. A growing number of policy makers now agree that the United States cannot stand by while a few reckless greedy potentates interfere with the normal flow of our life blood." -- An important policy maker.

These threats are indications, not of the strength of US imperialism in the Middle East, but of the weakness. The US has never been able to establish a stable relationship with the majority of bourgeois regimes in the Arab countries, because it has never been able to provide for the growth and development of their economies. Instead, it has been forced to rely, for the defense of its interests, on the most reactionary Arab regimes and, primarily, on the Zionist state of Israel. It can no longer do even this.



NASSER AMONG CROWD AT
TIME OF NATIONALIZATION
OF SUEZ CANAL IN 1956

ISRAEL

Invincible Israel is coming apart at the seams. This is a direct consequence not only of the international crisis but also of Israel's defeat in the October War. An inflation rate of 40% forced the devaluation of the currency as part of the general attack on the working class. The split between the right and the left wings of the ruling party has not been healed but deepened by the ouster of Meir and Dayan. Against the right-wing opposition to withdrawal from the West Bank, composed largely of the military and the petty-bourgeois Zionist youth, Rabin has

no defense but the working class. But against the working class, Rabin has no defense but this same right wing. No longer able to bail out this government, the US relies on the highly-touted diplomacy of Kissinger -- that is guns and the threat of guns -- to protect its interests.

LEADERSHIP

But the basis for the unity of the proletariat and oppressed masses in the lands of the Arabs is being laid by imperialism. In the last months, in response to high prices, rioting among workers has broken out in both Cairo and Tel Aviv. The unification of the forces of the working class is being blocked only by the treacherous capitulation of the Arab bourgeois leaders and the Stalinists.

The key tasks of the democratic revolution in the Middle East -- the destruction of the Zionist state, self-determination for Palestine, and the unification of the Arab states -- have already been abandoned by Sadat, Assad, & Co., Arafat and the PLO -- by the applause which they received from the United Nations, the bastion of world imperialism, and the recognition as the sole representatives of the Palestinian people which they received from Sadat, Assad, & Co. -- have simply won for themselves their rightful place among these traitors. They have won nothing for the Arab peoples. These "progressive national bourgeoisies" have long favored the recognition of Israel as it was prior to the 1967 war. They now accept the proposal for a mini-state on the West Bank, a proposal which plays into the hands of the right wing in Israel by accepting the right of the Israeli state to exist.

WAR THREAT

Having openly abandoned these tasks, they are proving themselves incapable of defending from imperialism even that which remains to the Arab workers and oppressed masses. In the absence of the nationalization of industry and the establishment of an economic plan, it will be impossible to conduct a successful war against the imperialists and the Zionists. But Sadat has returned to the Egyptian capitalists even the limited amount of property which was "sequestered" from them under Nasser. Instead of investing the additional profits which accrued to the Arabs through the rise in the price of oil in the Arab economies themselves, these "greedy potentates" under the pressure of the imperialists, have returned a good portion of them to the imperialists. What could have been used to prepare the Arab states for war, will now surely be used by the imperialists against them. The "potentates" have no choice but to shuttle back and forth between the US and the USSR begging for arms.

STALINISTS

The Stalinist bureaucracy, for its part, hopes to, by providing the Arabs with guns sufficient to hold off the imperialists, but not defeat them, maintain its own position in the Middle East. By its support to the existence of the Zionist state, it places the Israeli workers in the position of cannon fodder for the imperialists. The national CP's policy of support to the "progressive bourgeoisie" coincides with this. So do the apologetics of the

Pabloites.

Thus the leadership of the struggle against imperialism falls to the proletariat -- to the forces of the Fourth International.

FOURTH INTERNATIONAL

War -- which is inevitable in the Middle East -- will be a test of tendencies in the advanced countries and will provide fertile ground for revolutionaries in the Middle East. It will again be necessary to give our unqualified support to the struggle of the Arab peoples against the imperialist imposition of the Israeli state, to withstand the wave of chauvinism which, especially if US troops are involved, will surely be greater than

in the past. The Arab workers and soldiers who tasted victory in the October War, only to have it stolen from them through the perfidy of their leaders, will not be willing to accept a repeat performance. These militants will provide new forces for the Fourth International. At the same time, the Zionist state will be strained to the breaking point. The Israeli workers, fully convinced of the falseness of the Zionist dream, will conclude, in alliance with their former enemies, the struggle against it from within. Under the leadership of the proletariat, of the forces of the Fourth International, the struggle against imperialism in the Middle East will advance through February to October.

THE TREACHERY



OF THE PST

By AN OBSERVER

The reformist Socialist Workers Party of the United States has not yet had to face the kind of situation in this country which would totally unmask its counter-revolutionary essence. In Argentina, where the class struggle is at an intensely higher level, the party most closely allied to the SWP internationally, its namesake, the Partido Socialista de los Trabajadores (PST/Socialist Workers Party), has shown in the clearest way the reality of the SWP's politics which the intensifying crisis will ultimately reveal.

MORENO

The PST is led politically by Nahuel Moreno, a person who follows each policy of the SWP with devotion, carrying it to its logical conclusion. He has been the leading figure in Argentine "Trotskyism" for over twenty years and is directly responsible for the present role of the PST.

This revisionist, while supporting the split with the Pabloites in 1953, purely out of loyalty to the SWP, never made the slightest step towards understanding the political questions involved. One of the major points separating the Pabloites from the elements of the International Committee was the attempted liquidation of the Trotskyist cadre into the Social Democratic, Stalinist and nationalist parties in the advanced and backward countries. But Moreno, at the very same time as the split, was entering a pro-Peron split from the Socialist Party. This adaptation to the nationalist bourgeoisie and the trade union bureaucracy through the reactionary Bonapartist Peron -- the worst enemy of the Argentine workers -- signified Moreno's complete inability to offer a Trotskyist leadership to the masses. In this period, Moreno's newspaper bore on its masthead an inscription stating that it was published under the direction and supervision of "General Peron." And when Castro came to power, Moreno followed the SWP's lead in praising him without stint and added a picture of "Fidel" to his paper's already professed loyalty to Peron. This was his and the SWP's contribution to the political education and clarification so desperately needed by the working class.

CASTROISM

But the Castroites were not simply jokesters in Latin America, so Moreno had to really implement the SWP's policy -- thus showing it in its true light. It was Moreno who educated and trained Hugo Blanco and sent him back to Peru to organize PEASANTS -- in true Castroite and not Trotskyist fashion -- and to wage a feeble parody of guerrilla warfare. (It was Moreno's influence over Blanco which would line him up later with the SWP's anti-guerrilla line, a development which profoundly saddened the Pabloites.) At the same time, Moreno began to deepen his adaptation towards pro-Castro guerrillaists. Thus, he advocated liquidating all the Latin American sections of the United Secretariat, which Moreno had blithely reunited with in 1963 along with the SWP, into Castro's pan-continental guerrillaist "international," OLAS (Organization of

Latin American Solidarity). This was too brutal a rupture of the Trotskyist pretenses still maintained by the U.Sec., so it had to be dropped. Not to be stopped, however, Moreno fused his group in 1965 with a group of petty-bourgeois guerilleros, totally alien to the Trotskyist movement, calling this swamp the Partido Revolucionario de los Trabajadores (PRT/Revolutionary Workers Party).

GREAT THINKER

The "theoretical" expression of these policies can be found in Moreno's article, "Chinese and Indochinese Revolutions," in a book which the SWP still sells, FIFTY YEARS OF WORLD REVOLUTION. In this article, which it would be interesting to see reconciled with his and the SWP's present views, Moreno completely adapted to the theorists of peasant revolution, completely abandoning the Trotskyist conception of the centrality of the proletariat. He put forward the view that the Chinese Revolution was proletarian because the Chinese peasants were landless peasants who should have become workers, but they couldn't; but they acted like them anyway. Thus, Maoism was far from being as bad as Stalinism; "Maoism can be considered from various angles. One of its most important facets is the enormous contribution made by its political-military-social theory of guerrilla warfare to the program of the permanent revolution." And if Maoism is not perfect, why Castroism is just right; "Castroism is a direct result of the advance of the world revolution."

GOOD-BYE, FIDEL

As the SWP, moving right domestically and internationally under the pressure of the crisis, increasingly sought to distinguish itself from its "ultraleft" Pabloite allies in the U.Sec., it tried to break with its previous support to guerrillaism. Moreno followed the new course with his usual faithfulness. He broke with the guerrilla wing of the PRT, thereby anticipating by some years the logical outcome of the SWP's policies, and looked around for someone with whom to pursue the "Leninist strategy of party building." His ex-allies of the PRT went on to form the famous Ejercito Revolucionario Popular (ERP/People's Revolutionary Army) which, after a brief fling with the Pabloites, openly denounced Trotskyism and developed independently into its present form.

PST

In the meanwhile, Moreno had located a likely prospect with whom to embark on the prescribed course of "party building." This was Juan Carlos Cotal, a reformist to the marrow of his bones, the leader of a small split from Argentine Social Democracy which called itself the Argentine Socialist Party (PSA). This provided the means by which Moreno constructed the present-day PST.

The true meaning of the SWP's "strategy" of "party building" revealed itself in the practice of the PST almost immediately. And it was NOT a re-

assertion of the "classical model" of urban proletarian insurrection against the advocates of peasant revolution, of whom Moreno and the SWP had been among the loudest, but represented a REFORMIST response -- a retreat to Social Democratic passivity in the face of the upsurge of the workers and the reaction of the ruling class. Thus, when Peron, the nationalist demagogue and the bourgeoisie's choice to once again play Bonaparte, returned to Argentina to run for President, the PST prostrated itself before him, his trade union bureaucracy and the capitalist class which they stood for. First, the PST sought eagerly to avoid running under its own banner and tried to promote a phony "Workers' Front," which would include trade unionists and any other workers who weren't FOR Peron. But the task was not to provide an electoral

whipping up: "This second threat is represented by a growing militarization of political life prompted fundamentally by the activity of the guerrillas and their mirror-image -- the terrorists of the AAA AAA and other organizations of the ultraright." (INTERCONTINENTAL PRESS PRESS 10/28/74) So there's the whole Argentine situation for the PST: to defend the government from itself by condemning the terrible guerrillas who have forced it into its rash and unduly harsh actions! How the Peronists must have struggled to keep from laughing in Coral's face!

COWARDICE

But even this cowardly reformist prostration has done nothing to save the PST. Try as it will to save itself by clinging to the "Liberal" bourgeoisie



FUNERAL DEMONSTRATION FOR MURDERED PST MEMBERS

expression for all those who wanted to oppose Peron, but to use the elections to put forward the revolutionary party as the only organization which really stands for the needs of the masses, by clearly counterposing it programmatically to Peron. The fact that the PST's election campaign was totally non-revolutionary is proved by its offer to support Peron himself if he took up the line of the "Workers' Front" and ran enough workers as candidates! Thus, far from "opposing" Peronism, the PST all but capitulated to it; the only obstacle to this being Peron's thick-headed refusal to accept this offer.

PROSTRATION

Faced with the increasing polarization of Argentine society, the PST is prostrate before the capitalist government and its right-wing henchmen. In a situation in which the right wing is openly murdering worker militants, raiding and blowing up their offices and homes, the Moreno-Coral grouping is reduced to attending meetings along with representatives of the bourgeois parties, with the very government which is conniving at these actions by the right wing, to plead with it not to permit itself to be overthrown by its own goons. These pleas for the "institutionalization" of democracy (1) have taken on the most ludicrous character. Thus Coral at the October 8, 1974, "multisectoral" meeting with Peron's widow and heir, Isabelita, announced:

and screaming about its respect for bourgeois democracy, the Moreno-Coral policy of retreat after retreat means only the sure extermination of the PST. And in true reformist fashion, Moreno and Coral are doing their best to see that this task is not made too unpleasant for the reactionaries. Thus, at a memorial meeting for two of the many PST members murdered recently, Coral openly stated: "We are not going to respond to these massacres by creating special formations; we are going to build a mass response." (IP, 11/25/74) This statement is the suicide note of the PST. This "Trotskyist" and his advisers, safe and sound in New York, do not agree with Trotsky, who wrote in WHITHER FRANCE?:

"We need mass self-defense and not the militia, we are often told. But what is this 'mass self-defense' without combat organizations, without specialized cadres, without arms? To give over the defense against Fascism to unorganized and unprepared masses left to themselves would be to play a role incomparably lower than the role of Pontius Pilate."

Coral and Moreno, Hansen and Camejo, can't be bothered. They are busy washing their hands.

SWP'S FUTURE

The SWP and its PST, despite all their bleatings about the terror in Chile, are following a course designed to produce exactly the same results in Argentina. The PST is an obstacle to the Argentine workers. It must be swept aside and a truly Trotskyist party built if the workers are to win. But, Moreno has always only carried out fully what was always implicit in the SWP's line. Today it crawls on its belly before the capitalist courts in the US. With the growing class tensions in this country, the SWP will increasingly be forced to do the same thing that its faithful retainer has done in Argentina. The bloody events there foreshadow the future role of the SWP.

"... we want to defend the democratic liberties won at a heavy price by the masses... The fundamental purpose of such democratic rights is to ensure respect for the right of the masses to decide which government they want -- which in this case is the Peronist government... Thus, we unhesitatingly condemn any attempt at a coup designed to bring down the current government."

Having expressed himself on this first "threat," Coral then went on to give in completely to the hysteria against the guerrillas which the government was

1905 -- The Message of the Permanent Revolution

BY JON MYERS

Today, as the world proletariat is arming itself in a new period of revolutionary upsurge, it is necessary to reaffirm those theoretical and organizational conquests of the past which are part of the weapons of the working class today. The 1905 Russian Revolution, which began in January of that year and ended with the victory of the Czarist counterrevolution in December, 1905, represents such a conquest for the workers' movement. 1905 was not only an essential preparation for the victory of the Bolshevik Party and the Russian proletariat in October, 1917. Its lessons and conquests also exist in full force today, on its 70th anniversary.

PERMANENT REVOLUTION

The Russian proletariat received its first training in methods of proletarian insurrection in 1905. The importance of agitation in the army, developing ties to the peasantry, the uses of economic and political general strikes, as well as the formulation of the demands and program of the proletarian revolution, found their first expression in Russia in 1905. The events had an enormous impact on revolutionaries around the world as well. The Russian Revolution of 1905 brought forward its greatest organizational conquest in the form of the Soviets, workers' councils, the embryo of a revolutionary government and the highest expression of the organized will of the proletariat as a class.

These experiences and lessons produced the theory of the PERMANENT REVOLUTION, which today represents the most important and valuable gain of the 1905 Revolution for the world proletariat. Through his concrete understanding of the course of Russia's historical development as well as his active participation in the struggles of the Russian proletariat as Chairman of the Petrograd Soviet, Leon Trotsky was able to break through the previously abstract and dogmatic understanding which the Marxist movement had of the course of the Russian revolution and, in fact, of the world revolution. Trotsky's theory represents the conscious expression of the 1905 events as the signal of the dawn of a new epoch -- the epoch of capitalist decay and socialist revolution. Trotsky gave the Russian movement its first theoretical expression of the



TROTSKY ON WAY TO SIBERIAN EXILE AFTER 1905

future of the Russian proletariat, shaped by the actual events of 1905.

REVOLUTIONARY ROLE OF THE WORKING CLASS

The October Revolution of 1917 and all of the events since then have proven what Trotsky affirmed in 1905 -- that the working class is the ONLY revolutionary class in modern society. That this was and still is emphatically true for the backward areas of the world as well, represents a weapon for the proletariat in these countries against all illusions in the power of the liberal bourgeoisie or the revolutionary role of the "new middle classes" and peasantry. Trotsky demonstrated through his concrete discussion of Russia's development the bankruptcy of those who propose that only a more "progressive" capitalism is all that the Russian proletariat and those in backward countries can hope for. 1905 for Trotsky meant that the democratic tasks that remain to be solved in the backward nations lead directly to the dictatorship of the proletariat, which must place socialist tasks on the order of the day.

REVOLUTION IS PERMANENT

The second aspect of Trotsky's theory which is crucial for the proletariat's fight for revolutionary leadership and program is that the fight of the working class for a socialist society in today's epoch is UNINTERRUPTED. Capitalist society today demonstrates now more than ever that it is never stable, that it is a society of crisis. The fight of the proletariat corresponds to this as well. Through periods of victory, defeat, retreats, lulls, etc., the class struggle continues. The relentless march of the proletariat to victory never stops. Trotsky's theory of permanent revolution has armed the proletariat against all those who preach the stability of capitalism or the liquidation of the proletariat's revolutionary role -- those who at the first sign of defeat proclaim capitalism's invincibility and liquidate the proletariat's revolutionary role.

INTERNATIONAL REVOLUTION

Finally, 1905 led Trotsky to clarify for all time the internationalist perspective of the world proletariat. The Russian proletariat's struggle for socialism could only be seen as a part of the international struggle, since both the international character of capitalism and the backwardness of the Russian proletariat forced it to look to the working class in the advanced capitalist countries for aid. Any other perspective would doom the Russian working class to failure and represent a capitulation to the world bourgeoisie. Flowing from the internationalist character of Trotsky's theory is the need for the organization of the proletariat on an international scale, of which his fight for the Fourth International is the highest expression.

AGAINST REVISIONISM

The theory of permanent revolution was forged in Trotsky's fight against the Mensheviks of 1905 and reached its fullest expression on an international level in Trotsky's fight against the Stalinist agents of world imperialism. The first Russian Revolution thus produced the world proletariat's first weapon in its fight against those who stand in its way on its road to victory in this epoch. It is for this reason that the theory of permanent revolution must be slandered and abandoned by the Stalinists and revisionists -- all those who are aiding the bourgeoisie in its counterrevolutionary role today.

The revolutionary party of today, which defends the physical gains of the 1905 and 1917 October Revolutions against world imperialism, will defend its theoretical gains as well. Deeply in tune with the Russian proletariat, Trotsky in 1905 was able to express its first battle-cry against the Russian bourgeoisie. Those who follow in their path today will make the lessons of 1905 a world reality.

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By KEVIN TRACEY

The political role of Pabloism, as a centrist current which expresses itself through the Fourth International, is to destroy the revolutionary leadership of the proletariat, to reinforce the hold of the reformist apparatuses over the workers. The distinguishing characteristic of Pabloism, what sets it apart from other centrist tendencies, is its prostration before and its justification of Stalinism. Precisely because our movement has its origins in the resistance to the rise of Stalinism and sees it as THE barrier which the bourgeoisie erects to the victory of the working class, Pabloism represents the deepest and most bitter betrayal of Trotskyism.

Ernest Mandel, the leading Pabloite "theoretician" still practicing, has recently published an extremely significant article. The article, "Ten Theses on the Social and Economic Laws Governing the Society Transitional Between Capitalism and Socialism," which originally appeared in German in 1973, has recently been printed in the leftist Soviet Studies magazine, CRITIQUE (#3), a publication which Mandel serves as "Advisory Editor." It is not accidental that the phrase, "Ten Theses . . ." automatically brings to mind a famous document written by Mandel almost a quarter century ago. These two sets of theses represent a continuity and a deepening of the revisionism of the Pabloites.

essential Stalinist perspective of "Socialism in One Country." At any rate, in Mandel's view, the only contradiction that exists is that between this otherwise unspecified new mode of production and the "bourgeois norms of distribution." And, of course, Trotsky already went over that in THE REVOLUTION BETRAYED.

Not quite! What Trotsky actually said in that book is counterposed to Mandel's perspectives. In Trotsky's view, the inequalities in distribution are not independent of the society, but arise on the basis of the inadequate development of the productive forces, of the low productivity of labor -- whose raising is one of the tasks of the workers' state. Upon this basis of "generalized want" arises the bureaucracy as a "gendarme." But, in Trotsky's opinion, it does not merely REFLECT the contradictions of Soviet society, but begins to react on it negatively. Out of motives of sheer self-aggrandizement, it becomes the direct agency of the capitalist tendencies in the economy which have made possible its existence. It becomes the greatest menace to the development of the socialist tendencies and even to the survival of the USSR: ". . . out of a social necessity there has developed an organ which has far outgrown its socially necessary function and become an independent factor and therewith the source of great danger for the whole social organism." (REVOLUTION BETRAYED, p. 113).

STALINISM

From being the apologists of Stalinism the Pabloites pass over to being its accomplices. Both in the continued maintenance of its rule in the degenerated and deformed workers' states and in the counterrevolutionary role which the bureaucracy plays on the world scale in hopes of ensuring its continued survival by imperialist goodwill, the Pabloites become the direct aids of Stalinism.

Thus, the adaptation to the Titoists and Maoists as "centrists," who have broken from Stalinism by "making the revolution." Thus, the glorification of Castro as an anti-Stalinist revolutionary, an "unconscious Trotskyist." Thus, the endless praise heaped upon Ho Chi Minh and the Vietnamese Communist Party as being the "revolutionary party," THE leadership of the Vietnamese Revolution. All this abandonment of the necessity to call for the overthrow of the Stalinist bureaucracy as a menace to the workers' state, all this abandonment of the workers in the backward and the advanced countries to the tender loving care of the Stalinists and to the betrayal, repeated time and time again, of the revolutionary opportunities arising constantly in this epoch, is justified "theoretically" by the assertion that the Stalinist bureaucracy is in some sense also a socialist tendency, and not an organism counterposed directly to socialist reproduction.

MANDEL DEEPENS HIS REVISIONISM

The Old "Ten Theses" and the New

OLD "TEN THESES"

In 1951, Mandel, using the name "Germain," submitted a document for the discussion within the Fourth International on the significance of the expansion of Stalinism after World War II, "What Should Be Modified and What Should Be Maintained in the Theses of the Second World Congress of the Fourth International on the Question of Stalinism?" For short, it was referred to as the "Ten Theses." This document, which Mandel ostensibly counterposed to the views of Pablo (who was developing openly capitulatory views on the nature of Stalinism), while masked with the forms of orthodoxy, actually represented a complete capitulation to Pablo's views. Mandel theoretically disarmed the incipient opposition, centered in the French section and later to develop into the OCI, with his acceptance of Pablo's perspectives hidden by perversions of the actual Trotskyist analysis. In addition, he followed this up by refusing to let the French submit "his" document. The person to whom the anti-Pablo elements had looked for leadership had completely betrayed them.

REVISIONISM

At the very beginning of these "Ten Theses," Mandel introduces the revisionism through which he will seek to justify the Stalinist bureaucracy and thereby the Pabloites' adaptation to it. First, he quotes from Lenin's article, "Economics and Politics in the Era of the Dictatorship of the Proletariat," written in 1919. And we, too, think that ". . . between capitalism and communism there lies a definite transition period. The latter cannot but combine the features and properties of both these systems of social economy." Then, while formally asserting that, "These lines . . . remain to this very day the basis from which one must start in order to understand the USSR," he introduces the Pabloite distortion which guts Lenin's statement and lays the basis for Mandel's theoretical and practical betrayal.

Mandel immediately remarks:

In Lenin's time, capitalism and nascent communism struggled against each other in Russia under the form of two different modes of production. The capitalist mode of production has been conquered; the fundamental contradiction in Soviet society today resides in the antagonisms between THE NON-CAPITALIST MODE OF PRODUCTION AND THE BOURGEOIS NORMS OF DISTRIBUTION. (emphasis in original)

This is complete convoluted revisionism.

PREOBRAZHENSKY

The Trotskyist movement internationally, in seeking to defeat Stalinist reaction within the USSR and its agents of counterrevolution in the Communist Parties abroad, based their assessment of Stalinism on their analysis of the transitional economy which existed in the Soviet Union. This was expressed by Preobrazhensky, the leading economist of the Left Opposition, in THE NEW ECONOMICS: ". . . a STRUGGLE is going on in our economy between two principles . . . between two different TYPES of organization of labor, distributions of productive forces, methods of regulation. How can there not be present another regulator antagonistic to the law of value?" (p. 71; emphasis in original). This alternative regulator, the SPECIFIC expression of the socialist principle of planning, Preobrazhensky called the "law of preliminary (or 'primitive') socialist accumulation." And, far from seeing the triumph of a new mode of production, he explicitly referred to the Soviet Union as a "commodity-socialist system of economy." And Trotsky agreed, calling these views "in the highest degree productive, more accurately, the only correct way" of posing the question. And Trotsky wrote along exactly the same lines in two major works, WHITHER RUSSIA? and THE PLATFORM OF THE LEFT OPPOSITION.

MANDEL VS. TROTSKY

But Mandel's formulation wipes out this whole analysis in a few words. The "capitalist mode of production has been conquered." And when did this significant event take place, might we ask? This "theory" is a blatant surrender to Stalinism, only a modified version of the

CONTRADICTION

Trotsky does not mention any defeat of the capitalist mode of production because that means socialism, unthinkable in backward Russia. He sees in the economy of the Soviet Union, not the triumph of a new mode of production, but a CONFLICT between the old and the new modes of production. He sees that the Soviet Union can go back, as well as forward, and for this reason opposes the bureaucracy, whose existence is diametrically opposed to the triumph of the law of preliminary socialist accumulation.

In place of this CONTRADICTION Mandel substitutes a UNITY. Capitalism and communism, despite "orthodox" allusions, do not contend in the Soviet economy. On the contrary, the fundamental contradiction has been removed through the "conquest" of the "capitalist mode of production." The only thing which he refers to as a contradiction is that the bureaucracy arrogates to itself a good part of the wealth of society which should go into socialist reproduction. His position is that the bureaucracy, while an unpleasant social layer, also reflects -- by its very existence -- and this is much more important than its mild parasitism, the triumph of the new, "non-capitalist mode of production." -- The classic Pabloite view, that the Stalinist bureaucracy is appropriate to the given level of the productive forces, is thereby affirmed and the political conclusions are drawn, that its rule is historically justified and progressive. From this, all the rest -- the capitulation to Pablo in the "Ten Theses," to the adaptation to the Stalinists worldwide, to the period of "entrism" in the Stalinist parties -- logically follows. From denying the essential element of the Trotskyist critique of Stalinism, Mandel and the Pabloites end by denying the necessity of Trotskyism altogether.

CONSISTENT PABLOISM

This denial of the central contradiction in the transitional economy does not end in 1951. Thus, in the chapter, "The Soviet Economy," in the second volume of his *MARKIST ECONOMIC THEORY*, Mandel reasserts his position: "The contradiction between the non-capitalist mode of production and the bourgeois norms of distribution is the fundamental contradiction . . ." (p. 572). And earlier in the same book, he states: "Capitalist economy . . . develops in accordance with quite precise laws . . . Soviet economy escapes completely from these laws and particular features." (pp. 561-562). And, when he makes his rare references to Preobrazhensky, he consistently mistakes Preobrazhensky's views by opposing the law of value NOT to the LAW of preliminary socialist accumulation, but to the "logic of the plan," or the planning principle, which makes the question completely abstract and, therefore, meaningless. And, by denying that a STRUGGLE goes on between the two laws, as, for instance, when he claims that Preobrazhensky "formulated the fundamental economic law of the epoch of transition . . . which is that of the progressive substitution of the principle of planning for that of the market" ("Economics of the Transition Period," *FIFTY YEARS OF WORLD REVOLUTION*, p. 283), he turns the Trotskyist position on its head in order to make it resemble his own. This is clearly indicated by Mandel's footnote to the quotation above in which he cites Preobrazhensky. Amazingly, his reference is to the chapter, "The Law of Primitive Socialist Accumulation," whose existence he never acknowledges, and the specific section which he cites is "The Struggle Between the Two Laws." To substitute "progressive substitution" for "struggle" is an expression of the most profound cynicism.

WORKERS

The greatest menace to the bureaucracy, as to its capitalist master, is the revolutionary mobilization of the working class. With the return of the crisis of capitalism with its full force, after a period of latency which prolonged the life of Stalinism symbiotically with that of capitalism, the working class is taking the offensive. In such a period, the bourgeoisie seeks to save itself by launching an attack on all the gains which the working class has made. In the capitalist countries this means an assault on the living standards and democratic rights of the workers. And the capitalists are abetted in this fight by the trade union bureaucracy, which seemingly represents these gains of the workers -- at least to centrists. A similar situation exists in regard to the degenerated and deformed workers' states. The capitalists are moving against the very existence of nationalized property, the very existence of these transitional economies. And here, too, the Stalinist bureaucracy, as an analogue to the labor bureaucracy, plays the role of assistant to imperialism.

WORLD MARKET

Far from there being in the USSR a new "non-capitalist mode of production," Mandel's shamefaced phrase for the Stalinists' nationalistic fantasy of "socialism in one country," the actual economic system is extremely vulnerable to the pressure of world imperialism.

Trotsky always stated that no new "non-capitalist mode of production," that is, socialism, could triumph in one (or a few, for that matter) backward countries. He saw the menace of capitalism arising most sharply, not from small commodity production or NEPmen in the USSR itself, but from the pressure of the superior technique, the superior level of labor productivity, of world imperialism. This was where Trotsky DID disagree with Preobrazhensky, who thought that Russia could somehow construct a strong enough economy internally to stand apart from the world market. Trotsky saw that this was impossible and that, besides the implementation of the optimal economic growth rate at home, the revolutionary overthrow of world capitalism and a planned global economy were necessary. Thus, in January, 1927, Trotsky wrote: "We are part of the world economy and find ourselves in the capitalist encirclement. This means that the duel of 'our' law of socialist accumulation with 'our' law of value is embraced by the world law of value, which seriously alters the relationship of forces between the two laws." (quoted in *LEON TROTSKY AND THE POLITICS OF ECONOMIC ISOLATION*, Richard B. Day; p. 147).

It is very significant that Mandel NEVER refers to this aspect of Trotsky's thinking. Instead, he praises the "conquest" of the capitalist mode of production -- by Stalinism. Thus, he has always ridiculed the significance of the "economic reforms," trade concessions, "detente" and so on, which represent the inroads of WORLD capitalism on the transitional economy so far, and has minimized the role of the bureaucrats as the agency of these capitalist tendencies. This disorganizes, on the one hand, the ability of the proletariat to fight the imperialists, who derive temporary strength from their investments and possible permanent gains if they eventually win out, and on the other hand, gravely imperils the struggle of the Soviet proletariat to defend itself from the depredations of the bureaucracy by overthrowing this caste which threatens the continuation of the historic gains of the October Revolution.

"REFORM"

At the same time, the bureaucracy, threatened by the proletarian response and by the growth of proto-capitalist currents among the technocrats and bureaucrats involved in the "reforms" and "detente," pushes up new layers to cover its rear and flanks from attack. These "oppositional" tendencies, whose clearest representative is Roy Medvedev, represent nothing more than a sophisticated defense of the interests of the bureaucracy and, therefore, fundamentally, of capitalism. Mandel and

IN THE NEXT ISSUE

Vietnam and Cuba

CONTINUED ON PAGE 3