

No U.S. Aid to Lon Nol!

Cambodian Government Crumbles

MARCH 9—The Cambodian puppet government is falling and can no longer be propped up by the dollars of U.S. imperialism. Despite Gerald Ford's pious references to the "loss of American reliability" and the "deep sense of shame" involved in "walking away from our friends" (*New York Times*, 7 March), it is clear that the days of the Lon Nol regime are numbered.

The only territory still under Lon Nol's nominal control, the capital city of Phnom Penh, has been effectively sealed off since January. The Mekong River, which normally carries over 80 percent of total supplies to the Cambodian capital, has been mined by the Khmer Rouge. Their gun emplacements line the river banks and the last government outpost (at the ferry-crossing town of Neak Luong) cannot hold out. Meanwhile, the government army (FANK) has practically no reserves and is in total disarray. (The 7 March *New York Times* reports that the FANK is now mobilizing desk clerks and wheeling invalids from the hospital to the battle front!)

Only the Pentagon's massive airlift of munitions and supplies for the Lon Nol army has so far sustained the government in Phnom Penh, a city with a refugee-swollen population of 2,000,000. Now even the airport is being hit with accurate heavy artillery fire.

Ford Looks for a Scapegoat

The Ford administration is merely going through the motions of wanting to continue to prop up the rapidly disintegrating Cambodian regime. Ford has asked for an immediate military aid package of \$222 million to help tide his Cambodian cronies over "until the rainy season." However, given the hopeless situation of Lon Nol and the economic and political problems of U.S. imperialism at home, it is unlikely that Congress will throw money into such an obviously lost cause.

Ford, of course, knows this since he is as well informed about the terminal condition of his Cambodian puppets as anyone. But if Cambodia cannot be "saved" for U.S. imperialism, at least its downfall can be used to whip up anti-communist hysteria and to scapegoat Ford's Democratic Party opponents for allowing Cambodia to "go communist." Ford thereby hopes to refurbish the badly tarnished image of the post-Watergate GOP.

Socialists and militant workers must give no quarter to this coming campaign of chauvinism and mutual anti-communist recrimination by bourgeois politicians. No Aid to the Reactionary Corpse of the Lon Nol Regime! Military

Victory to the Khmer Rouge! Take Phnom Penh Now!

With the Ford administration beating the drums for more aid for Cambodia, A Congressional team recently went there to "see for itself." TV cameras captured an incident which indicated both the method of this "investigation" and the war-weary wisdom of the Cambodian masses. The American investigative team, looking quite official, stopped an old woman in Phnom Penh and asked her if she was "terrified by the prospect of Communist invasion."

"Yes, sir," she replied quickly.



Under the pressure of Lon Nol's imminent fall some former Congressional Vietnam "doves" have now become Cambodian "hawks." Republican Congressman Paul McClosky, one of the capitalist darlings of the liberal/reformist antiwar movement, decided that in the interest of peace he would support more aid to Cambodia so that the U.S. "could negotiate from strength." And Millicent Fenwick, who was elected to Congress last fall on a platform of "no military aid to Southeast Asia," has, since her trip to Cambodia, become "undecided" about continued military aid. We wonder what Jerry Ford has promised to do for these two?

But the appeals to "moral obligations" and congressional publicity stunts are hogwash. The military/political reality is overwhelming: U.S. imperialism faces a domestic economic crisis and a still vivid public memory of the unpopular Vietnam war. Barring the unlikely event of massive U.S. intervention, the Khmer Rouge can easily control the Mekong along with



U.S. airlift of ammunition to disintegrating Lon Nol regime.

the rest of Cambodia, airlift or no airlift. The Phnom Penh government cannot last in any case.

The "Comrade Prince" and the Khmer Rouge

"Sihanouk is Cambodia and Cambodia is Sihanouk," once said Prince Norodom Sihanouk, descendent of both Khmer (Cambodian) royal houses, with typical royal narcissism. Proclaimed king in 1941 as an 18-year-old schoolboy, Sihanouk reigned until his own trusted associates deposed him in a palace coup on 18 March 1970. He

exile in Peking where he "shared the place of honor" with Mao. Five days after the 1970 coup Sihanouk released a disingenuous statement declaring that, "The treason... and despicable attacks... have opened my eyes and made me painfully aware of my unpardonable naivety." This "self-criticism" was a prologue to the subsequent announcement that Sihanouk had joined his old and bitter enemies of the Khmer Rouge to form a popular front, the National United Front of Kampuchea (FUNK), and a royal government in exile (the GRUNK).

Although lionized by world Maodom,



Left: Combodion "premier" Lon Nol.

Right: Khmer Rouge leader Khieu Samphon (left) with Prince Norodom Sihanouk in 1974.

watched from Paris as his number two man, Lon Nol (premier and head of the army), along with Sirik Matak (deputy premier and cabinet strongman), took the reins of government with probable help from the CIA, as the first step in the U.S. plan to invade Cambodia.

As a result of Nixon's 1970 invasion, the political and military strength of the Khmer Rouge grew rapidly. From a very small force of indigenous Stalinists aided by the Viet Minh who had come across the border in 1954, they were by the early 1970's in a position of unquestioned military and political dominance in Cambodia.

The "Comrade Prince" went into

Sihanouk was and is above all a dyed-in-the-wool anti-communist opportunist. When he ruled Cambodia he often smiled favorably on Peking or Hanoi in order to maintain his neutralist balancing act. So long as the forces of the Khmer Rouge remained small and his "socialist" monarchy was unthreatened, Sihanouk's anti-communism seemed less important to some than his expressed neutralism.

However, in the mid and late 1960's Sihanouk began to raise the spectre of "outside communists" in his kingdom. In 1967 there was a peasant rising in the province of Battambang. Sihanouk blamed the Communists and

continued on page 9

FISCAL FIDDLING CAN'T STOP DEPRESSION

Marx vs. Keynes.....6

Fremont UAW's Anti-Deportation Vote

Maoists Oppose International Organizing

An escalating campaign of hysterical national chauvinism, fueled by the plummeting economy, is currently finding its most vicious expression in a drive by industry, government and union bureaucrats to deport foreign-born workers. In California, with its large Mexican population, this dagger pointed at undocumented immigrant working people is being wielded with particular ferocity. The hated U.S. Immigration authorities regularly sweep through barrio neighborhoods and workplaces in Los Angeles, a phony "census" is being prepared to scour San Jose for "illegals," and Cesar Chavez leads the chorus with the cry, "Throw them out!"

United Auto Workers Local 1364, Fremont General Motors, struck a blow at this unholy alliance at its February 23 membership meeting by overwhelmingly passing a motion, introduced by members of the Committee for a Militant UAW (CMUAW), calling for a stop to deportations, citizenship rights for the foreign-born and international union organizing:

"WHEREAS: organized labor in America can unite with foreign-born workers in common struggle against the American corporations only through the resolute struggle against deportations which is an attack on workers solidarity by the government, and;
"WHEREAS: the UAW International reinforces this national chauvinism by blaming layoffs on foreign auto workers and calling for Import Quotas instead of organizing an international

offensive against the multi-national corporations;

"BE IT RESOLVED: that local 1364 stand prepared to demonstrate its opposition to any deportation; specifically the so-called 'census' in San Jose and the gestapo tactics of the Los Angeles Immigration Bureau. Instead we demand: Jobs for all! Full citizenship rights for all foreign-born workers, and further the UAW must mobilize the entire labor movement in a major drive to organize the unorganized in the southwest and across the border into Mexico."

However, this motion was not carried without a sharp struggle against Local bureaucrats and their Stalinist stooges, who linked arms in a vain attempt to scuttle the resolution and gut its forthright stand.

Following the meeting auto workers interviewed by WV reported that after the resolution was introduced and motivated by a CMUAW member it was supported by several Chicano brothers. Even a supporter of the Revolutionary Union-backed *Bay Area Worker* supported the motion, although the RU has previously physically attacked CMUAW members for their views.

The Local's secretary-treasurer, fronting for Solidarity House, attempted to table the motion with the argument that it "might conflict" with International policy (this brought a hail of derisive hoots!). He also appealed to the authority of Cesar Chavez, implying that anyone who opposed deportations must oppose the United Farm Workers.

A spokesman for the CMUAW then forcefully exposed the reactionary protectionism being pushed by the International and, while calling for militant defense of the UFW, denounced the sabotage wreaked on farm workers by Chavez' back-stabbing alliance with "la migra." The motion to table was defeated.

But where the bureaucrats had failed, supporters of *Stand Up*, a new plant newsletter supported by the October League, stepped in. Its name evidently chosen in a perverse reaction to the CMUAW's campaign for sitdown strikes against mass layoffs, *Stand Up* has already earned the disgust of militant Fremont workers through its backing of a union-busting court suit which would wreck the hard-won seniority system, by granting "super-seniority" to women.

Playing this divisive role once again, *Stand Up* supporters tried to amend the motion by deleting the call for across-the-border organizing. Their blatant defense of inaction by the International and the AFL-CIO was motivated on the nationalist grounds that "we can't tell Mexicans what to do"! Though the bureaucrat chairing the meeting, grateful for this assistance, tried to maneuver votes for the amendment by parliamentary hocus-pocus, the reactionary amendment was also defeated.

The *Stand Up* supporters then outdid themselves and joined the bureaucrats

in *abstaining* on the motion, while the majority of the membership approved it. As the fact of their horrible isolation began to dawn on them, however, and finding themselves being taunted by militant Chicano workers, some of the nervous Maoist supporters suddenly called for a revote. The second time around some of them approved the motion, while others obstinately (though at least more consistently) continued in their sectarian and chauvinist abstention.

Only one performance outdid this incredible display of opportunist acrobatics. Though a prominent supporter of *People's World* (the West Coast Communist Party newspaper) did not bother to attend the meeting, one of his younger sidekicks did and, together with only one other local member, voted *against* the defense of foreign-born workers! This is consistent with the Communist Party's bootlicking subservience to Chavez' racist attacks on Mexican farm workers, attacks which *People's World* slavishly "reports" but does not comment on.

It is to the credit of Fremont workers and the CMUAW that efforts to split the working class on ethnic and national lines were repulsed at the meeting. Class-conscious workers will not forget the actions of the pro-capitalist bureaucrats and their Stalinist flunkies who abstained from and opposed the fight for working-class unity. ■

National Bureaucrats Crack the Whip

Boston CLUW Slams Door on Unorganized Workers

Members of Union Organizing Committees Barred

BOSTON—In typical bureaucratic fashion the national coordinating committee of the Coalition of Labor Union Women has squashed a move by Boston CLUW to extend membership rights to women active in union organizing drives. Fearful that even this elementary gesture of labor solidarity could lead to increased militancy and a serious commitment to the Coalition's stated goal of "organizing the unorganized," national CLUW refused to charter the local and threatened to notify area trade unions of the chapter's "illegitimacy." Faced with this attack, ostensible leftists in the leadership of Boston CLUW immediately turned around and pushed through a motion to rescind the controversial membership clause at a February 25 meeting of the organizing committee.

These same elements had earlier voiced criticisms of the do-nothing policies of national CLUW, criticisms that were in line with arguments presented in a recent (12 February) issue of the Maoist *Guardian* (an "independent" weekly supported by the October League). According to the *Guardian*:

"The two-line struggle within CLUW is only beginning. On the left, the only organization working to build CLUW and move it to the left has been the October League (OL). . . .

"According to Jill Gemmill, an OL member and member of the NCC [National Coordinating Committee], CLUW's main weakness is that the left in particular has not succeeded yet in building a base in the shops or in making CLUW relate to the day-to-day needs of working women."

In Boston, supporters of these views first initiated the motion to allow

women involved in organizing drives to become members of CLUW. At a November 13 meeting Nancy Kellinger, a member of the IBEW, stressed the importance of unity between organized and unorganized women workers and criticized the labor movement for neglecting unorganized women. She also criticized the "bureaucratization" of the national CLUW leadership and its "narrowness on political questions."

The cover letter accompanying the Boston local's charter application contained similar militant statements. It was pointed out that to exclude women participating in union organizing drives would contradict one of CLUW's major purposes and reinforce organized labor's general neglect of women workers. It also pointed out: "Some of the most active women unionists are coming from [organizing] drives."

In a final appeal to the "good will" of the national coordinating committee of CLUW, the letter stated, "It is within our democratic rights to take this position, a position in harmony with the spirit of the Coalition of Labor Union Women. . . ." But as soon as the CLUW tops made it clear that they, and they alone, would define the "spirit" of the organization, and that CLUW's support for organizing the unorganized was simply hypocritical verbiage, the "leftists" in the Boston leadership beat a hasty retreat.

The Maoists' appetite for office in CLUW and local trade-union bureaucracies is most immediately and concretely occasioned by their desire to get OL demonstrations co-sponsored by CLUW and labor bureaucrats. Recently such fake lefts in Chicago voted for their own censure for staging a "CLUW-sponsored" demonstration without authorization, a stupid maneuver that played directly into the hands of the redbaiting anti-communists who run the organization.

Similarly in Boston reformist sup-

porters of the Stalinist Communist Party prevented CLUW from holding an International Women's Day demonstration in front of Boston City Hospital, arguing that "you have to go through the established leadership of the unions concerned." Naturally, October League supporters fell all over themselves denying that they would ever dream of doing anything without the approval of the bureaucrats, and dropped the plan.

The Maoists' opportunist capitulations in CLUW are nothing new, however. At the Coalition's founding convention in Chicago last March, when the union bureaucrats refused entry to representatives of the Brookside Women's Club, a group of miners' wives who were active in the 1973-74 Harlan coal strike, supporters of the OL remained silent.

In addition to such fake-left critics of the CLUW bureaucrats there are other "socialists" active in the organization who have distinguished themselves as the most consistent defenders of its national leadership. Notable among these are supporters of the Socialist Workers Party (SWP) and the Communist Party (CP). In Boston these tailists whined that nothing can be done about undemocratic rules except to abide by them until one day they are miraculously changed.

And far from fighting on the national level against the exclusion of women workers who are members of union organizing committees, some of these reformists have actively sabotaged the attempt by Boston CLUW to broaden the restrictive membership clause. In order to conciliate national CLUW and prove their capacities as the "best builders" of yet another reformist diversion from the class struggle, two local activists sent a letter to CLUW president Olga Madar dissociating themselves from the resolution admit-

ting organizing committee participants to membership.

These impostors, who express the same grovelling before CLUW misleaders as the SWP puts forward in its press, even take up the bureaucrats' arguments for them. Linda Malanchuk, Massachusetts convener of CLUW and one of the authors of the "Dear Olga" letter, said at the February 25 meeting: "Although we want unorganized women
continued on page 5

WORKERS VANGUARD

Marxist Working-Class Bi-weekly of the Spartacist League

Editorial Board:

Jan Norden (editor)
Liz Gordon (chairman)
Chris Knox (labor)
Karen Allen (production)
George Foster (advisory)

Circulation Manager: Anne Kelley

Correspondents:

West Coast: Mark Small
Southern: Joe Vetter
Midwest: Len Meyers
New England: R. Carling
West Europe: Joseph Seymour

Published by the Spartacist Publishing Company, Box 1377, G.P.O., New York, N.Y. 10001
Telephone: (212) 966-6841

Opinions expressed in signed articles or letters do not necessarily express the editorial viewpoint.

Reformists Cross Picket Lines at Toronto Post Office

Solidarity and Betrayal in Canadian Government Employees' Strike

TORONTO, March 4—A cross-Canada strike by about 11,000 federal public service workers demonstrated the power of labor solidarity for two weeks in late February. Airports and post offices across the country were shut by striking members of the General Labor and Trades (GL&T) unit of the Public Service Alliance of Canada (PSAC) primarily because workers in other unions refused to cross picket lines. Pickets by post office mechanics and maintenance men around the main Toronto postal station, Terminal "A," brought the movement of mail to a halt because the lines were honored by militant truck drivers (Mail Service Carriers, or "MSCs"). About 500 striking workers in Toronto were able to stop half of Canada's mail handling.

A virtual nationwide strike wave was created by the PSAC pickets. Mail delivery was disrupted in Edmonton, Alberta, where letter carriers refused to cross maintenance men's lines. Airports were shut in Winnipeg, Ottawa, and Windsor, where firemen refused to cross lines. Greyhound bus drivers refused to cross picket lines set up at national park gates on the Trans-Canada Highway (cutting bus service between Calgary and the West Coast for several days) and 800 dock workers in Vancouver, British Columbia defied capitalist law by refusing, despite their designation as "essential workers," to cross the strikers' lines. Only the defeatist policies of the PSAC leadership, sending rotating pickets to many places rather than seriously attempting to maintain shutdowns, limited the effects of the strike.

In the post office the strike coincided with preparations for contract struggles and with management's imminent introduction of a speed-up automation scheme known as MAPP. Were it not for the criminal divisiveness and betrayals of the postal union leaderships—in the Letter Carriers, Canadian Union of Postal Workers (CUPW) and PSAC—the strike could have provided a basis for uniting all postal workers.

"Nothing Holy About a Picket Line"

The PSAC leadership did everything possible to prevent unity and undermine the very solidarity which led to the honouring of its picket lines by many workers. PSAC members defined as "essential workers" by the repressive Public Service Staff Relations Act, were not called out and PSAC members who are not part of the striking GL&T unit were ordered by their union leaders to cross picket lines at Terminal "A" in Toronto!

The PSAC brass also encouraged inside workers to cross their lines at the post office as part of an arrangement with CUPW which allowed each union to ignore the other's pickets. CUPW local president Lou Murphy explained this to his members by saying, "there's nothing holy about a picket line." The result was widespread scabbing by CUPW workers while the postal truck drivers, members of the Letter Carriers Union, honoured the lines.

The militancy of the MSCs closed Terminal "A," however, thereby effectively shutting down Toronto postal operations except for a trickle of mail in the suburbs. Management responded after a few days with a lockout of CUPW inside workers and Letter Carriers. This maneuver was designed to bring pressure on PSAC to end the



Postal truck drivers in Toronto going home after refusing to cross PSAC picket lines late last month.

strike and to force the truck drivers to cross the lines.

Further pressure was added in the form of a management letter to many MSCs which threatened "severe disciplinary and/or legal action, up to and including discharge from the Public Service" for those who refused to cross PSAC picket lines. At least five of the truck drivers were handed one-day suspensions. The drivers stood firm, however, and were sent home by management, which was thus prevented from operating and forced to continue the lockout of all postal workers.

The lockout should have elicited a militant response from the unions, in the form of a strike of all postal workers. The Canadian Committee of the international Spartacist tendency, in a *Spartacist Canada* leaflet dated 18 February, issued a call to turn the lockout into a joint strike by all three unions. This would have laid the groundwork for joint bargaining and eventual merger of the unions into one union of postal employees, replacing the present trade and craft divisions with a powerful industrial union.

Such joint action is an immediate need since the Letter Carriers face a possible strike over contract issues in mid-April and CUPW faces the same in June. The unions have been drifting apart, and occasionally scabbing on each other's strikes, for years. Failure to reunite the bargaining of the two main unions in the post office only perpetuates this pernicious division.

Strike Militancy Smeared In Press

The CUPW leadership stuck to its craven deal with PSAC and refused to even consider honouring the picket lines, let alone strike. Calling a special mass meeting after the lockout, in response to demands from militants for some action on the strike, the CUPW leadership managed to engineer an overwhelming vote against honouring the lines. They were aided in this by a vicious red-baiting campaign in the bourgeois press, which denounced unnamed "militants" who wanted to strike



Parcels at Toronto post office during recent strike.

as advocating "illegal" actions. Smear attacks were heard on radio as well.

The kowtowing of CUPW leaders before capitalist legality conflicts with the very origins of the union, which was founded and won the right to strike through an "illegal" strike. The question of legality is in actuality the question of the relationship of forces: if the workers are strong enough, they can defy capitalist legality; if they fail to do so, the employers will use anti-labor laws to prevent any and all advances by the workers.

The PSAC tops were no better than the CUPW strikebreakers. Trying to head off criticism, PSAC called a 36-hour moratorium on the strike so that welfare checks could be mailed out. Instead, PSAC tops let management use these 36 hours to unclog most of the backlog of mail which had piled up during the previous six days of the strike. Then, on February 27, PSAC pulled its picket lines off Terminal "A" altogether and sent its members back to work, substituting impotent rotating pickets

for what could have been a powerful, nationwide strike.

CPL Supporters Caught Scabbing

The PSAC and other union leaderships weren't the only friends of management in the Toronto postal strike. Members of the Postal Action Committee (PAC), a group of CUPW members supported by the Canadian Party of Labor, ally of the U.S. Progressive Labor Party (PLP), crossed picket lines at Terminal "A" during the strike.

On February 18, PAC member Peter Liebowitz spotted a *WV* reporter about to take his picture crossing the lines. He gathered a few of his cronies together and attempted (unsuccessfully) to seize the camera. In the brief scuffle that followed, Liebowitz was heard to say, "Nobody takes a picture of me crossing picket lines!" And indeed, nobody would if CPL supporters had the most elementary working-class principles. The sellout deal between PSAC

continued on page 10

"Truth" Lies

The Ligue Internationale de Reconstruction de la Quatrième Internationale (International League Rebuilding the Fourth International—LIRQI) has just granted its U.S. franchise to a motley crew whose core group has already wandered from the SWP through the IS, the IS's "Revolutionary Tendency" and the RSL to the Vargaite LIRQI and now goes by the name "TRUTH." The choice of this name was not merely ludicrous. It is a lie.

The cement which binds "TRUTH" and the LIRQI would appear to an unswerving dedication to cliquism, and to cliquism's necessarily corresponding political program: cynicism, the joyful exercise of the practice of lying, and flirting with crossing the class line. Although both factions share such things as organizational megalomania and parallel forms of both opportunism and catastrophism, the fundamental fact is that they do not share anything because the two groups' *real programs* hardly even touch tangentially, let alone converge on fundamentals. The LIRQI—"TRUTH" "fusion" is just one more international rotten bloc, and a miniscule one to boot.

Lie

This can be proven methodologically by examining only one example of a lie: "TRUTH" (No. 6, 15 February 1975) claims that the Spartacist League was attempting to invent differences between it and the LIRQI over the issue of candidates of a popular front. It states that the LIRQI had "called for a vote FOR Mitterrand on the second round" of the French presidential elections of May 1974. At the time of the elections, however, the *French* "section" of the LIRQI had unambiguously stated its position for a total *boycott* of the elections, on principle:

"NO ILLUSIONS can exist on the nature of Mitterrand's candidacy, it is an attempt to repeat in France the painful Chilean experience. . . . The working class has only one solution: TO BOYCOTT THESE ELECTIONS BY FIGHTING FOR THE WORKERS AND PEASANTS GOVERNMENT!" [emphasis in original]

—Bulletin International No. 6, April 1974

And although a long article in the following issue (transformed into the *Quatrième Internationale*) avoids taking a position on the question of the vote on the second round, it does make the following statement:

"For the Trotskyists, the question of calling for a vote for the Popular Front on the second round or not remains relatively secondary. At most it is a tactical question." [our emphasis]

Since the LIRQI had pretended that the question of the Organisation Communiste Internationaliste's capitulation to the popular front was a major issue in its break from the OCI, the second statement would have represented a major *retreat*. (This appears to be connected to the fact that the Chilean Organization Marxista Revolucionaria had meanwhile joined the LIRQI and that the OMR shared the OCI's position of calling for a vote for Mitterrand on both rounds. More recently, perhaps realizing what a swamp it had gotten tied up with, the OMR reportedly split away from the LIRQI.) Yet "TRUTH" flatly denies that the LIRQI's first position ever existed, and falsifies the second.

"Continuity"

When a core group of "TRUTH" was still inside the SWP (as the "Communist Tendency" then of one David Fender), it had correctly written:

"The heritage of the [SWP's] analysis and political activity is social-democracy, Stalinism and Centrism of all varieties, and the party can only be characterized as being right-centrist quickly on its way to outright reformism."

The LIRQI, too, once criticized the OCI for its belief in "the illusion of

the SWP's Trotskyism" (*Bulletin International* No. 4, November 1973 [our emphasis]). But only a few months later, the July 1974 *Quatrième Internationale* prints the founding statement of the LIRQI, which has a new line: to seek the "rectification of Trotskyist organizations such as the SWP, SLL and OCI" (our emphasis). Apparently "TRUTH" cannot stomach this position of the LIRQI (published in both its French and Swedish press) and simply ignores the SWP and OCI, concentrating on the WRP (ex-SLL).

Absurdity

Where "TRUTH" does agree with the LIRQI it collapses into either absurdity, megalomania or anti-communism. A good example of absurd self-contradiction is that the ostensible programmatic basis upon which the original "TRUTH" group (i.e., the Tracey-Brecht clique) joined the LIRQI includes a call to "fight for the Workers' and Peasants' Government." This illustrates the mindless centrism of the LIRQI—which, parenthetically, has declared that "the essence of Bolshevism is centralism" and that the only reason for democracy in a Bolshevik organization is to augment centralism—since it should hardly be necessary to remind anyone (except, perhaps, equally mindless cynics like the RSL's Ron Taber) that the peasantry does not exist as a social class in the United States.

A nice example of the absurd megalomania is the front-page article of "TRUTH" No. 6 which purports to be a "Resolution" of the "Trotskyist Organization of the US" ("TO"—the new official name of the "TRUTH" group), which of course is not Trotskyist, is not an organization in the Leninist sense, but rather a clique, and is not a section of anything (as implied by the phrase "of the US") but rather a transient partner of a new international rotten bloc. (For that matter, the "Resolution" is not really a resolution, either, but window-dressing.)

The statement declares that the "TO" has set for itself "within the framework of the task of preparing its first national conference, the proclamation of the party of the proletariat in the United States. . . ." That is a pretty tall order, to achieve such a position so quickly! But only two pages later, "TRUTH" complains that the Spartacist League sent "more people to the meeting [announcing the "TRUTH"/LIRQI "fusion"] than there were supporters of the IL [i.e., the LIRQI]." The presence of a small fraction of the SL's Chicago membership exposed the absurdity of this handful of pompous buffoons proclaiming themselves the revolutionary party.

"Down with the Berlin Wall!"

The same "resolution" contains five main slogans, of which four are general platitudes (e.g., "For the World Soviet Republic!") and one is "Down with the Berlin Wall!" This brings us to the anti-communist aspect of "TRUTH"/LIRQI, for this slogan is programmatic and is *fundamentally* counterrevolutionary.

The claim that this slogan will in any way "symbolize the unity of the working-class youth of the East and West" is simply ridiculous. In the West, and more particularly in the United States and West Germany, the Berlin Wall has become the symbol of "communist totalitarianism" and the latter-day apologia for Shachtmanism. There is a class line between the Trotskyist slogan "for the political revolution in the deformed and degenerated workers states" (a demand which is not directly mentioned in the resolution) and the call "Down with the Berlin Wall."

This demand may have had its historical origins in certain formulations of the OCI which we have criticized in the past. Thus in our "Letter to the OCRFI and OCI" (*Spartacist* [English-

A Workers' Commission Must Try Varga

The historical leader of the League of Hungarian Socialist Revolutionaries (LRSH) and the LIRQI, Michel Varga (Balazs Nagy), has been accused by the French OCI of being an agent of the KGB and CIA.

The OCI has advanced its accusations in a criminally irresponsible manner, first failing to present any substantiation whatever for nine months and then publishing documentation that is qualitatively insufficient to prove the charges. Nevertheless, it has adduced partial circumstantial evidence (which has not been contested) that during a period of several years in the late 1950's and early 1960's Varga/Nagy knowingly sought funds from the U.S. State Department and CIA. "Truth" ignores this issue completely.

In late January 1974 the OCI publicly offered to provide documentary evidence on the Varga affair to any group in the workers movement. This material was immediately and officially requested by the Spartacist League, both orally and in writing. However, to date only parts of this documentation have been supplied to us by the OCI.

We have also insisted to the LIRQI, orally in June 1974 and in a letter of 31 October 1974 (published in *Spartacist* [edition française] No. 8, February 1975, together with an analysis of the Varga affair), that it initiate the formation of a workers' commission of in-

quiry competent to judge the issues at stake. At the same time we indicated our willingness to participate in a bona-fide commission.

In reply to a letter from the LIRQI, we again wrote on 4 February 1975:

"...under certain conditions we are prepared to participate in a workers commission which would be sufficiently authoritative to come to a definitive verdict on the Varga affair. In particular, that means...that *a priori* any conclusion is possible, including a recommendation that Varga be expelled from the Ligue Révolutionnaire des Socialistes Hongrois [LRSH] and the LIRQI. The character and methods of the Commission of Inquiry into the Moscow Trials, initiated by Trotsky, are the definitive and necessary model for the international Spartacist tendency."

At a meeting in Paris on March 1 to discuss the character and formation of a commission of inquiry, the LIRQI insisted that it be a member of such a body. Since Varga/Nagy is the leader of record of the LIRQI this amounts to permitting the accused to be his own judge. Such a "commission" would amount to a rigged jury set up in order to whitewash Varga/Nagy. As long as Varga/Nagy remains a member of the LIRQI, its participation on a commission of inquiry is categorically unacceptable to the international Spartacist tendency. ■

language edition] No. 22, Winter 1973-74) we wrote:

"(3) *Stalinism*: We note that in the past the OCI has tended to equate the struggle against imperialism with the struggle against Stalinism, e.g. the slogans advanced at the 1971 Essen Conference. The general Political Resolution submitted by the OCI and adopted by the OCRFI takes this equation one step further when it denies the 'double nature' of the Stalinist bureaucracy, writing of it as 'the organism of the bourgeoisie within the working-class movement.' Perhaps the OCI has been led to this false formulation through a simplistic linear extension of the true and valuable insight that the class struggles of the workers cut across the 'Iron Curtain.'

"To us, and we believe to Trotsky, the Stalinist bureaucracy has a *contradictory* character. . . ."

The LIRQI has announced that it intends to hold a demonstration at the Berlin Wall this June around its anti-communist slogan, as part of a campaign to build a "Revolutionary Youth International." At the 1971 Essen Conference mentioned above the OCI also proposed to build a Revolutionary Youth International (without organizational

connection to the Fourth International!) and invited the National Student Association of the U.S., a former recipient of CIA funds whose political line corresponds to that of the liberal wing of the Democratic Party. Perhaps the LIRQI, too, will invite the NSA to its demonstration around the slogan "Down with the Berlin Wall!" The student Democrats would certainly agree with the demand.

Ad Infinitum

Our examples of the LIRQI's provocative megalomania, had we the space, could approach infinity: e.g., the "Revolutionary Youth International"; the statement that "The International League [i.e., LIRQI] today has sections in Eastern Europe: in Poland, Yugoslavia, Czechoslovakia and Hungary. . ."; etc. But the examples adduced so far are more than sufficient to prove the point: that despite its claims to be the Fourth International, the LIRQI is in fact a bloc of two fundamentally disparate elements covered over with a veneer of ultra-centralism and a wide variety of political lines. ■

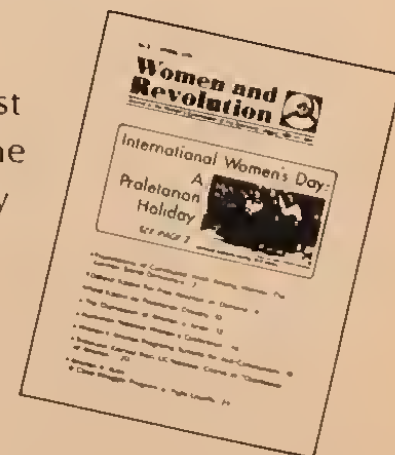
Women and Revolution

Just out!

International Women's Day Issue!

includes:

- Foundations of Communist Work Among Women: The German Social Democracy
- Women in Auto: A Class-Struggle Program to Fight Layoffs



Subscribe now!

\$1 for 4 issues—make payable/mail to:
Spartacist Publishing Co. Box 1377 GPO NY, NY 10001

SL Helps Fend Off Gusano Goons

SWP Waits for Cops Again

CHICAGO, March 8—Some twenty supporters of the Spartacist League jumped in to defend Argentine PST (Partido Socialista de los Trabajadores—Socialist Workers Party) leader Juan Carlos Coral and the U.S. Socialist Workers Party (SWP) against a goon squad charge by a gang of anti-Castro counterrevolutionaries ("gusanos," or worms) at a USLA-sponsored forum at the University of Chicago today. Despite repeated gusano assaults, the SWP defense refused to physically remove these scum and instead nervously waited for the arrival of the campus cops. Ignoring the SWP's pleas for reliance on the campus cops, SL supporters spontaneously rushed forward to defend the podium. One SL supporter was hurt and another had his glasses broken (barely avoiding serious eye injury) in the scuffle.

Though the SWP had known even before Coral spoke that gusanos were in the audience, they never attempted to deal with these reactionaries themselves. The decided military advantage in favor of the SL-augmented defense squad notwithstanding, the SWP's main response was to direct a chant of "sit down!" at the rabid gusanos and to counsel the audience to wait for the cops "who have been told to eject any further disrupters." Needless to say, the audience did not heed the reformist SWP's plea for legalism.

The SWP's method of fending off physical attacks by ultra-rightists is cut from the same cloth as its response to the racist mobs in Boston. There, they counseled the black masses to wait for federal troops rather than seeking to organize labor/black defense of the black schoolchildren being bused. And in Argentina, Coral's PST relies

on the Peronist government "law and order" to take care of right-wing terror, in a situation where only the formation of *workers militias* can stop the wave of terror assassinations of trade unionists and leftist militants (or do the SWP and PST think this call would be "abstract" and "unrealistic" there as well?).

In his presentation today, Coral sanctimoniously denounced the assassination of twelve Argentine reactionaries carried out by leftist guerrillas in response to twelve recent assassinations of working-class militants. Unlike the Internationalist Tendency leaders at the front of the audience who roundly applauded at the end of Coral's presentation (and who have wholeheartedly mimicked the SWP's dive on busling), we defend only Coral's safety from rightist attack, not his cowardly and despicable "respectable" politics!

Precisely because of our sharp political attacks on its reformism, the Chicago SWP has over the past four months consistently excluded supporters of the SL from its Militant (!) Forums. Only two nights ago, the SWP sat by with arms folded as the SL was excluded from a Puerto Rican Socialist Party (PSP)-sponsored forum featuring Coral. And at the 4 July 1971 NPAC gathering, SWP goons did not hesitate to eject and assault SL and Progressive Labor supporters in order to protect their NPAC colleague, U.S. Senator Vance Hartke, from an outburst of indignation at the presence of the class enemy in the flesh.

In defending the SWP as we did today, we have not forgotten these anti-communist attacks and exclusions perpetrated on our comrades. But in words and in actions, we will continue to point out for the edification of proletarian and leftist militants, that Trotskyists do not shirk the responsibilities of workers democracy. We stand ready to physically defend any section of the workers movement against assaults by the ultra-right.

And we stand ready to defend *ourselves* too against reformists' and Stalinists' assaults on *our* comrades. We displayed this here last night, when we mobilized a large and well-prepared defense squad to protect our own right to sell without intimidation at a Revolutionary Union public function!

For Workers Democracy!

Toward the Re-Forging of the Fourth International!

Continued from page 2 Boston CLUW...

to be organized, CLUW is not going to do the organizing."

SWP supporters intend to ensure that it doesn't. This is amply testified to by their joint efforts with Houston AFSCME bureaucrats last summer to sabotage a nurses' struggle against victimization and for better working conditions and patient care at Jefferson Davis Hospital. Fired after 44 employees had organized a "sick-out" in May to protest abysmal conditions at the hospital, nine nurses approached Houston CLUW to obtain support in their fight to be rehired.

At a CLUW meeting chaired by Sherri Smith, SWP gubernatorial candidate in Texas, the response to the nurses' presentation was a vicious attack by two AFSCME staffers who charged them with undertaking an "illegal" action and not "going through channels." When a militant proposed that an organizing drive be launched as the most effective defense of the hospital workers, the chairman and her associates blocked with the union bureaucrats to cut off discussion. Their reason: Houston CLUW was "not yet officially chartered" and therefore could not take positions on anything. It appears that in order to get the coveted CLUW charter, local chapters must first prove their reliability by committing a concrete betrayal of

workers' struggles! The reformists willingly oblige.

At the February 25 meeting of Boston CLUW the fake leftists in the local leadership not only led the fight to rescind the very section of the bylaws they had originally introduced, but they also cut discussion time short although there was substantial sentiment to continue and more time had been allowed on the agenda. As one militant UAW member pointed out, "the bureaucratic suppression of opposition characteristic of the union tops and national CLUW is now being imitated in local CLUW."

However, there is opposition to the reformists' abject toadying before the dictates of Olga Madar and Co. At the recent Boston CLUW meeting a member of a District 65 organizing committee put forward a motion calling for the right of women active in organizing drives to join CLUW and for the right of each local chapter to take political positions and argue for them within national CLUW. The motion was defeated thanks to the combined efforts of the reformists.

Militants in CLUW must counter the bureaucrats' hollow rhetoric with a real program of action, a program that links the struggle for the emancipation of women in the workplace with the struggle against the oppression of women in the family and against the capitalist system. Only such a program offers a way forward for militant women workers to become leaders of a united working class rather than pawns of the cynical CLUW leadership and its "left" apologists. ■

Trotskyists Expelled from Spartacusbund

BERLIN—At its fifth national conference, held on February 15 and 16, the faction-ridden West German Spartacusbund united just long enough to bureaucratically expel the only principled left opposition in the organization. The expelled group, the Trotskyist Faction, was composed of two senior members of the Cologne local and a former member of the Berlin local executive. (Five more supporters of the TF, in both cities, left the Spartacusbund in protest following the expulsion.) One of the principal themes emphasized in the documents of the TF is opposition to the Spartacusbund's attempt to present a "political alternative" to the Social Democratic Party (SPD) by "uniting" several centrist and reformist groups in a common electoral bloc.

On the second day of the conference the otherwise divided leadership managed to present an oral motion—being too cowardly to put it in writing—to expel the Trotskyist Faction on the sole grounds that it was in programmatic agreement with the Troztkistische Liga Deutschlands (TLD—Trotskyist League of Germany) and the international Spartacist tendency.

This is the second overtly political expulsion of oppositionists from the Spartacusbund in ten months and is unlikely to be the last. Last May Comrade Anton G., one of the group's leading theoreticians, was likewise purged for "Spartacism." His struggle against the centrism of the Spartacusbund focused in particular on the question of communist work in the trade unions and on the character and validity of the Transitional Program. Since a large part of the recent conference was devoted to mutual recriminations among the leading cliques as to the reasons for the admittedly dismal failure of the Spartacusbund's trade-union work, its militants would do well to reread Anton G.'s document "Trade Unionism or Revolutionary Politics":

"The party's task in its trade-union work is the construction of *revolutionary* (and not just 'oppositional') groupings which are capable of fighting against bureaucrats of all stripes for the leadership of the unions."

—*Kommunistische Korrespondenz*
No. 4, July 1974

With these *political* expulsions, alleging in neither case a single breach of organizational discipline, the Spartacusbund reveals that its Menshevik concept of "freedom of criticism" (the right of minorities to express their differences outside the party) is coupled with a refusal to allow real freedom of discussion within the party, at least for Leninists.

Barely a year old, the Spartacusbund was the product of a re-fusion of two left-Pabloist groups which split from each other in late 1971. The common denominator of the 1974 fusion was economism. A formal commitment to Trotskyism was coupled with systematic adaptation to the current consciousness of the proletariat (symbol-

ized in the call for "transitions to transitional slogans"). In its twelve months of existence the Spartacusbund has stumbled from one empiricist maneuver to another in a desperate effort to find a shortcut to leadership of the working class.

The organization is currently split almost evenly between a "left" tendency which pays lip service to the Transitional Program and two right-economist tendencies. One, centered in the old Central Committee, wanted to develop a minimal "Program of Action" for leading mass struggles now, while the other (centered, in Frankfurt) attacked the outgoing leadership for not making enough concessions to the syndicalists and reformists with whom the Spartacusbund has sought to form a propaganda bloc.

The Spartacusbund's penchant for opportunist propaganda blocs reached a nadir (so far) in its attempt to form a "Communist Electoral Bloc." Declaring its willingness to make "concessions" on program, the leadership approached the GIM (German section of the "United Secretariat") and the reformist SAG (a "state capitalist" sect linked to the International Socialists) with a proposal for common candidates and a common program. In an internal document presenting this scheme, the leadership noted that it would not endanger relations with the Maoists by pressing discussion of Chinese foreign policy (which calls for strengthening NATO against the USSR!). However, this point disappeared when the document was "edited" for public consumption, after it had been adopted.

In its initial document, after a lengthy critique of the Spartacusbund's recent and projected opportunist misadventures, the Trotskyist Faction announced its formation around the following points:

"1. The *Transitional Program* is the scientific expression of the experience and revolutionary strategy of the international workers' movement under imperialism. ... The Transitional Program ... is the basis of the organization's practical work. ...

"2. The Transitional Program is the program of the *factory and trade-union work* of the revolutionary organization. ...

"3. The organization's central task is to fuse the revolutionary program with the working class vanguard. ... the regroupment tactic, programmatically regrouping the best comrades from the traditional workers' organizations, the ostensibly revolutionary organizations, etc., is an essential lever for winning the revolutionary vanguard. ...

"5. *For the reconstruction of the Fourth International* on clear programmatic bases. ... For taking up political relations to the international Spartacist tendency, the revolutionary tendency for the reconstruction of the Fourth International, with the perspective of a fusion on clear programmatic bases!

"6. The *SPD and DKP* [Deutsche Kommunistische Partei—the pro-Moscow Stalinist party in West Germany] are bourgeois (reformist) parties *within* the working class, internal barriers against the revolutionary mobilization of the working class. ..."

—Für den Aufbau einer troztkistischen Fraktion im Spartacusbund," 23 January 1975

Caught between larger and more effective syndicalist and Maoist groups on the right and the TLD on the left, while forced to compete with GIM for the same centrist territory, the Spartacusbund must resort to bureaucratic suppression of internal criticism and blatant political purges in order to preserve its tenuous existence. Unfortunately for it, such anti-Leninist practices will not silence the revolutionary Marxists who are going forward in the construction of the Troztkistische Liga Deutschlands, West German sympathizing section of the international Spartacist tendency. ■

CORRECTION

The article on the "Anti-Fascist Demonstration in Austria" (*Workers Vanguard* No. 59, 3 January 1975) erroneously stated that students at the University of Vienna are "generally leftist." Actually, in the student government body the majority supports the bourgeois People's Party and the second strongest group is the conservative Ring Freiheitlicher Studenten (Circle of Freedom-Loving Students). The same article also stated that the Free Austrian Youth (FOJ) is social-democratic. The FOJ originated in 1968 as a split from the Communist Party over the invasion of Czechoslovakia and the subsequent "normalization" of the CP.

The current extremely sharp economic downturn has produced a wave of pessimism extending from the Stock Exchange and White House to the academic redoubts of bourgeois economics. While President Ford proclaims that unemployment will not drop below 8 percent again for another two years, the president of the American Economics Association, Robert A. Gordon, declares: "I don't think we have a body of economic theory that is of great help to use in today's world" (*Wall Street Journal*, 30 December 1974).

During most of the 1960's U.S. government economic policy was dominated by Kennedyesque "whiz kids" who claimed to be able to simultaneously hold down prices and stimulate investment through adroit manipulation of fiscal "levers." Now, however, with the onset of double-digit inflation and a slump of depression proportions, these claims are rapidly being debunked.

It was predictable that a world depression would lead to the collapse of optimism concerning Keynesian economic policies. The anti-Keynesian right (well represented in the Ford administration by the Ayn Randite Alan Greenspan and by former Wall Street bond dealer William Simon) had argued for years that government deficits must generate ever-increasing inflation, and now claims vindication.

Even the Keynesian liberals appear unsure of themselves, observing that the "trade-off" between inflation and unemployment has become most painful. Thus Sir John Hicks, one of the original architects of the "Keynesian Revolution," has recently brought out a book entitled, significantly, *The Crisis of Keynesian Economics*. And revisionist Marxists who had earlier written about the "relative stability of neo-capitalism" are now dusting off their copies of *Capital* and asserting that its venerable truths still haunt the capitalist world.

We are witnessing a notable intellectual convergence ranging from bourgeois reactionaries (Milton Friedman) to ostensible Marxists (Ernest Mandel), and including a number of liberals (John K. Galbraith, John Hicks, Abba Lerner): Keynesian economics, which supposedly "worked" for a generation, has now been overcome, they agree, by unprecedented global inflation and the worst crisis since 1929. Despite its widespread acceptance, however, this thesis is false. Keynesian fiscal policies never did, and never could, stop the cyclical crises of overproduction which are inherent in the capitalist system.

A major world slump as severe as the present one has been possible at least since the world recession of 1958. That such a slump did not occur before 1974 is due to contingent factors and not to the effectiveness of Keynesian countermeasures. For example, in 1967 the U.S. would have had a recession except for the expansion of the Vietnam War. Output actually did fall in the first quarter of that year and there was a 1967 recession in West Germany, then the second largest capitalist economy. Without the sudden escalation of the Vietnam War, this conjuncture would undoubtedly have caused a world economic crisis, possibly quite severe. Only an idiot objectivist could deny this historic possibility.

The fact that a major world slump did not occur in the twenty years preceding 1974 is not due to credit inflation, an ever-increasing arms budget, Keynesian stabilization policies or any other deliberate government policy. There has been no fundamental change in the structure of postwar capitalism that would justify the various labels popular in liberal and revisionist Marxist theorizing—e.g., neo-capitalism, the mixed economy, the permanent war economy, etc.

Myths of the "Keynesian Revolution"

John Maynard Keynes was not responsible for developing or even for popularizing the policy that capitalist governments should increase their expenditures during an economic downturn, financing this through borrowing

rather than increased taxation. This bourgeois reform measure has a long and respectable history going back to at least the 1890's.

Thus the minority report of the English Poor Law Commission of 1909 stated, "We think that the Government can do a great deal to regularize the aggregate demand for labour as between one year and another, by a deliberate arrangement of its work of a capital nature." In 1921 President Harding's Commission on Unemployment recommended expanded public works during the post-war downturn, a recommendation endorsed by such conservative organizations as the U.S. Chambers of Commerce.

Moreover, in 1930 a bill was introduced into the U.S. Senate (No. 3059) calling for "advanced planning and regulated construction of certain public works, for the stabilization of industry, and for the prevention of unemployment during periods of business

expenditure as a percentage of gross national product for the major capitalist powers during the interwar period (1920-39) and during the 1961-70 decade:

Country	1921-1939	1961-1970
France	14%	13%
Germany ¹	18%	16%
Great Britain ²	21%	19%
Japan	10%	8%
United States	11%	20%

Sources: OECO, *National Accounts, 1961-1972*; U.S. Department of Commerce, *Long-Term Economic Growth, 1860-1970*; Mitchell, *Abstract of British Historical Statistics*; Stolper, *The German Economy, 1870-1940*; Maddison, *Economic Growth in the West*; Ohkawa and Rosovsky, *Japanese Economic Growth*.

¹German interwar figures only cover 1925-39.

²British figures are based on national product net of depreciation, giving them a slight upward bias relative to the other countries.



Bread line in New York City in 1933.

depression." This principle was incorporated into the National Industrial Recovery Act of 1933, a half decade before the popularization of Keynesian economics.

What, then, is the significance of Keynesianism—why all the hullabaloo? While practical politicians had advocated and partly attempted expanded government expenditure during economic downturns, orthodox bourgeois economic theory (particularly in English-speaking countries) still held that slumps were easily self-correcting through a fall in the rate of interest. According to the textbooks, government policy during a downturn should be to expand bank reserves and run a balanced budget.

What Keynes did was to provide a theoretical justification, within the framework of bourgeois economic doctrine, for the deficit spending which most capitalist governments practiced in the 1930's, as well as in earlier slumps. The "Keynesian Revolution" was a revolution in university economics departments, in the writing of textbooks, not in actual government policy.

In the post-World War II period, capitalist politicians have claimed that the relative economic stability has been due to their effective use of Keynesian stabilization policies. This assertion—that capitalist governments can and do control the economy for the benefit of "the people"—is partly bourgeois propaganda and partly bourgeois false consciousness.

The notion that the proportion of government expenditure has increased greatly since World War II is so widespread that it is taken as a matter of course by virtually all political tendencies, including bourgeois reaction, Keynesian liberalism, social-democratic and Stalinist reformism, and revisionist "Marxism" à la Mandel. In truth, the supposed expanded role of state expenditure is the greatest of all myths of the "Keynesian Revolution."

It can be easily disproved by a few statistics which indicate government

These few figures utterly destroy the notion of a "Keynesian Revolution" involving major structural changes in the capitalist system following World War II. Only in the United States was there a significant rise in the level of government expenditure. In all other major capitalist countries, the weight of the state budget in the economy declined slightly. And the expanded role of the state budget in the U.S. is entirely accounted for by the greatly increased military expenditure required by the emergence of American imperialism as world gendarme in the postwar period.

Moreover, the relative weight of military expenditure in the U.S. has been steadily declining since the Korean War, except for the Vietnam War years. In 1954 (the year following the end of the Korean War) the military budget accounted for 11 percent of the U.S. gross national product (GNP); by 1965 (the year before the Vietnam buildup) the figure had fallen to 7 percent; and in 1973 military spending accounted for only 6 percent of GNP (*Economic Report of the President, 1974*). So much for the "permanent war economy" theory!

Marxism vs. Keynesianism

Before undertaking a Marxist criticism of Keynesianism it is necessary to indicate more precisely what it is that the latter asserts. According to the pre-Keynesian orthodoxy of bourgeois economics, a fall in the volume of investment that precipitated a slump would also free money capital, which in turn would enter the loan market and drive down the rate of interest. This fall in interest rates would then stimulate investment to the point that full employment of resources was restored. All the government had to do was to see that the crisis did not disorganize the banking system, i.e., to ensure that the mechanisms of credit expansion remained functioning.

Keynes accepted the theory that a sufficient fall of interest rates would

restore a full-employment level of investment in a slump. His major work, *The General Theory of Employment, Interest and Money*, is an attempt to explain why such a sufficient fall of interest rates does not occur. Keynes asserted that rentiers held some notion of a normal rate of interest. If the rate falls much below this, lenders will expect it to rise again, thereby producing a capital loss on bonds purchased at the lower rates. In a general sense, Keynesianism holds that at some abnormally low rate of interest (termed the "liquidity trap") lenders will hoard money in anticipation of higher rates in the future. This is less an explanatory theory than a description of the monetary aspect of a crisis/slump.

From these premises Keynes argued that government efforts to expand money and credit during a slump would be ineffective, producing simply money hoards and/or excess bank reserves. Therefore, he argued that increased state expenditures would have to substitute for inadequate capital investment. This, in a nutshell, was the "Keynesian Revolution."

In order to understand the difference between Marxist and bourgeois (including Keynesian) analyses of economic cycles, it is necessary to take account of a fundamental difference concerning the role played by the rate of interest. In bourgeois economics the level of investment is determined by the difference between the rate of interest on borrowed money capital and the rate of profit on the physical means of production. As long as the interest rate is substantially below the profit rate entrepreneurs will presumably borrow and invest until this gap is eliminated. A historical tendency for the rate of profit to fall, projected by many bourgeois economists (including Keynes), is not viewed as a fundamental barrier to expanded production. As long as the rate of interest is sufficiently low, a full-employment level of investment is supposedly assured.

In contrast, for Marx the level of investment is determined by the rate of profit on the privately owned means of production. The interest rate is part of and governed by the profit rate on the real means of production. During a slump, despite abnormally low rates of interest, loanable capital remains unused. Thus Marx referred to "the phase of the industrial cycle immediately after a crisis, when loanable capital lies idle in great masses" (*Capital*, Vol. III, Chapter 30).

The validity of the Marxist position was demonstrated during the late 1930's when excess bank reserves (an index of the difference between actual loans and the legally authorized lending capacity) were at the highest level in U.S. history, in spite of the unusually low interest rates. The exact same phenomenon is occurring in the present depression. Bank deposits in the U.S. are now declining at an annual rate of 0.6 percent as bank loans fall, although the falling interest rates are now even lower than the rate of inflation (*International Herald Tribune*, 15-16 February). The expansion and contraction of credit is a passive result, not a cause, of changes in production.

Underlying the analytical difference over the role of credit and interest between bourgeois and Marxist economics is the concept of class. In bourgeois economics there is no capitalist class. Instead, atomized non-capitalist entrepreneurs borrow from equally atomized rentiers, using the funds to establish productive enterprises. Entrepreneurs and rentiers are linked solely through the rate of interest.

According to Marxism, however, the capitalist class is a definite concrete group composed of those who own and have a monopoly over the means of production (including loanable capital). The capitalist class is bound together by innumerable personal, familial and organizational filiations; the atomized non-capitalist entrepreneur—the central figure of bourgeois economic theory—is a fiction. The capacity to borrow is strictly limited by one's ownership of the capital assets required for security against loans. In reality,

Fiscal Fiddling Can't Stop Depression

Marx vs. Keynes

by Joseph Seymour



Karl Marx



John Maynard Keynes NEW YORK PUBLIC LIBRARY

credit under capitalism is always rationed, on the basis of specific monopoly complexes involving financial, industrial and commercial capitalists. The clearest example of this is the Japanese *zaibatsu* system, but the same phenomenon holds throughout the capitalist world.

From the Marxist standpoint the fundamental fallacy of Keynesian economics is the assertion that the expansion of the government sector will leave the rate of profit, and therefore the level of private investment, unchanged. Whether financed through borrowing or taxation, government expenditure constitutes overhead costs of the capitalist system—a part of the total social capital expended and replaced, denoted by "constant capital" in Marx's equation for the components of the commodity product. (For a fuller discussion of this question, see "Myth of Neo-Capitalism," *RCY Newsletter* No. 10, January-February 1972).

Assuming, as Marx did, that the share of wages of productive workers (variable capital) is determined in the labor market, then an increase in government overhead costs (constant capital) must reduce the potential surplus value and therefore the rate of profit as well. A constantly expanding government sector would tend to drive down the rate of profit, progressively arresting private capitalist investment.

The Limits of Mattick's "Mixed Economy"

Published in 1969, Paul Mattick's book *Marx and Keynes*, which carries the more indicative subtitle, *The Limits of the Mixed Economy*, accepts the common revisionist/reformist/liberal view that for a certain historic period Keynesianism produced "prosperity":

"Government induced production may even bolster the rate of economic growth. Conditions of 'prosperity' more impressive than those brought forth under laissez-faire conditions may arise... At any rate, recent economic history has demonstrated the possibility of a 'prosperous' development of a mixed economy."

However, Mattick at least makes a serious attempt to develop the internal contradictions of Keynesian economic policy and holds that increased government expenditure must eventually destroy capitalist stability:

"Once non-profit production becomes an institutionalized part of the economy, a vicious circle begins to operate. Government production is begun because private capital accumulation is diminishing. Using this method diminishes private capital accumulation even more; so non-profit production is increased... The limits of private capital production are thus, finally, the limits of government induced production."

The most orthodox of the various revisionist theoreticians of postwar capitalism (e.g., Mandel, Paul Sweezy, Michael Kidron), Mattick is the most grudging in giving ground before the claims of Keynesianism. In contrast to Mandel and Sweezy, Mattick's work has the virtue of recognizing that expanded government expenditure drives down the rate of profit on private capital and therefore inhibits productive investment. However, Mattick would have been more consistent with Marxist economics if instead of treating government expenditure as a non-profit component of surplus value he treated it as a subtraction from the gross value of output, in the form of constant capital expended and replaced.

Mattick's work is a partially correct explanation of why those capitalist countries bearing a heavy burden of government expenditure (the U.S., Great Britain) have grown much slower than those economies with a relatively limited state sector (Japan, France). Yet his theory cannot explain the onset of a major world depression, nor does Mattick project such a development. The logic of his theoretical model is for progressive stagnation, not a general world slump.

According to Mattick's model, a sharp fall in private investment such as occurred in 1974 should have been preceded and caused by a sharp rise in the share of government expenditure.

But this did not at all happen during the 1972-73 boom. The share of government outlays in the advanced capitalist countries remained virtually unchanged during that period, as can be seen from the following figures:

Government Expenditures as Percentage of GNP		
Country	1971	1973
France	12%	12%
Japan	9%	9%
United States	22%	22%
West Germany	17%	18%

Source: OECD, *Economic Outlook*, December 1972 and December 1974.

Thus even at the empirical level it is indisputable that the current world economic crisis cannot be attributed to the limits of Keynesianism, at least not in the sense of intolerably large government expenditure relative to private capitalist production.

The Mandelian School of Falsification

In "The Generalized Recession of the International Capitalist Economy" (*Inprecor*, 16 January 1975) Ernest Mandel, theoretician-leader of the pseudo-Trotskyist United Secretariat, attempts a major analysis of the world conjuncture. The article begins with a statement of self-praise to the effect that the author, unlike many others, always rejected the idea that Keynesian economic policies could stabilize capitalist industrial cycles:

"While the recession may be a surprise to all those in bourgeois and petty-bourgeois circles and in the workers movement who had been taken in by the claim that the governments of Capital endowed with neo-Keynesian techniques would henceforth be in a position to 'control the cycle', it was foreseen and predicted by our movement, almost to the date."

And who are these unnamed figures in the workers movement who believed—oh, how naively—that "neo-Keynesian techniques" could "control the cycle"? Perhaps Mandel is referring to the author of the following excerpts from a well-known book on Marxist economics published in 1962:

"Since the Second World War, capitalism has experienced four marked recessions: in 1948-49, 1953-54, 1957-58, and 1960-61. It has had no grave crisis, and certainly nothing of the dimensions of 1929 or of 1938. Have we here a new phenomenon in the history of capitalism? We do not think it necessary to deny this, as certain Marxist theoreticians do... The origins of the phenomenon are connected with all the features of the phase of capitalist decline which we have listed. The capitalist economy of this phase tends to ensure *greater stability* both of consumption and of investment than in the era of free competition, or than during the first phase of monopoly capitalism: it tends toward a reduction in cyclical fluctuations, resulting above all from the increasing intervention of the state in economic life." [emphasis in original]

What is this supposed Marxist work which claims that state intervention has ensured "*greater stability*" and "a reduction of cyclical fluctuations"? It is entitled *Marxist Economic Theory* (the excerpts are from Chapter 14) and is written by one Ernest Mandel.

To be fair to Mandel, it should be noted that he always hedges his bets. He has not completely rejected the efficacy of Keynesian countercyclical measures. Buried in the *Inprecor* article is a statement that governmental intervention can arrest and reverse the present world economic crisis:

"The recession is precisely a crisis of overproduction whose breadth and duration are limited by an injection of inflationary buying power. Thus, if the economy is refloated by means of such injections—first of all in West Germany, then in the United States and Japan—the international capitalist economy will avert a grave depression this time."

If this were possible, one wonders why the capitalist governments have let things go so far:

Despite his usual fine-print escape clauses, Mandel's latest contribution is a dishonest repudiation of the analysis of contemporary capitalism expressed in his principal writings dur-

ing the 1960's. Having served its purpose as an impressionistic justification for opportunist policies of adaptation to the labor bureaucracy, "neocapitalism" has now been discretely removed from the Mandelian vocabulary.

A Professional Impressionist Views the Conjuncture

Having "disappeared" his belief in the efficacy of Keynesian stabilization policies, Mandel resorts to various ad hoc theories to explain the present conjuncture. His central theme is why there is a world crisis now, whereas during the past 20 years the various national slumps (sometimes severe) were largely isolated in time from one another. As Mandel puts it:

"The generalized recession will be the most serious recession in the post-war period, precisely because it is generalized. The lack of synchronization of the industrial cycle during the 1948-68 period reduced the breadth of recessions."

It is an indisputable empirical fact that since the 1958 recession (not since 1948 as Mandel contends), the various national economic downturns have not reinforced and have partly offset each other. This statement can be transformed from an empirical description into a causal theory only if it is asserted that the absence of conjunctural synchronization was not due to contingent factors, but rather was inherent in the structure of post-war capitalism (at least until recently). This is precisely what Mandel now seeks to demonstrate:

"This synchronization is not an accidental feature. It results from deeper economic transformations that occurred during the long period of expansion that preceded the recession."

Mandel advances three reasons to support this thesis. The first is that the world economy in the 1950's-1960's was not sufficiently integrated (!) to permit a generalized crisis. But during that period, the world economy became sufficiently integrated, particularly due to the expansion of multinational firms:

"Internationalization of production took new leaps forward, marked by advances in the international division of labor among all the imperialist countries. From the standpoint of the organization of capital, this reflected itself in the rise of multinational firms which produced surplus value in a great number of countries simultaneously..."

Apparently it really is necessary to point out to Mandel that the world economy has been sufficiently integrated to generate international crises/slumps for more than a century! The principal basis of that integration is world commodity trade and its associated complex of financial claims. The principal "multinational firms" which extract surplus value in a "great number of countries simultaneously" are today, as they have been for centuries, the great banks, not industrial corporations.

World crises are marked and intensified above all by major bank failures: the Austrian Credit-Anstalt in 1931, Bankhaus Herstatt in West Germany and Franklin National Bank in the U.S. in 1974. The partial displacement of banks by industrial firms in financing international trade and investment has a certain effect on present-day capitalism. But it certainly does not qualitatively raise the level of international economic integration, permitting world economic crises for the first time.

Mandel's second reason is that the displacement of the dollar exchange standard by managed fluctuating rates in 1971 has prevented competitive devaluation, thus requiring simultaneous deflationary policies:

"...as soon as the collapse of the international monetary system led to the system of floating exchange rates, that is, as soon as it became impossible to resort to sharp devaluations to boost exports, all governments were obliged by interimperialist competition to apply an antinflationary policy simultaneously." [emphasis in original]

This argument is simply false, totally wrong. The fixed exchange rate system set up at Bretton Woods in 1944 was deflationary and acted as a limit to deficit spending. Several prominent

continued on next page

Continued from page 7

Marx vs. Keynes

British Keynesians, such as Roy Harrod and James Meade, long advocated fluctuating exchange rates in order to pursue more expansionary monetary and fiscal policies.

Before August 1971 competitive devaluation was exceptional, to be used only in extremis; today it is the rule. During the 1950's and 1960's governments often resorted to deflationary measures to protect an overvalued exchange rate (for instance, the policies of the second Eisenhower administration, the austerity program of the early Gaullist regime and the "stop-go" policies of various British governments before the 1968 devaluation of the pound).

Mandel's third reason is that since periods of national economic slump are becoming longer they are more likely to overlap with recessions in other countries:

"The phases of stagnation, and even recession, are beginning to be longer. Obviously, this leads to synchronization. When they occur in a dozen countries at once, recessions that last six months are less easily surmounted than recessions that last two years."

This is, of course, a statistical truism. However, since the prolongation of an

attributed to ever-greater budget deficits to finance ever-greater government spending. The very sharpness of the price increases since 1971 argues against the theory that it is an organic, inevitable outcome of a generation of deficit spending.

What then is the cause of the increased inflation of the past three years? One major cause has already been touched on. The dollar exchange standard, which collapsed in August 1971, had an effect partially similar to the pre-World War I gold standard. The maintenance of a fixed exchange rate served as an external limit to the expansion of domestic money and credit. Since 1971 capitalist governments have taken the "easy way" out of balance-of-payments deficits by allowing their currencies to depreciate. Exchange-rate devaluation further feeds domestic inflation, producing a vicious spiral. Britain and Italy are the clearest examples of this process.

The second reason for the accelerated inflation is that the sharp 1972-73 world boom had an effect on agricultural and raw material supplies similar to that of a major war. From the Korean War through 1971 the terms of trade for agricultural products/raw materials had deteriorated relative to manufactures, producing a fundamental imbalance in global productive capacity.

During 1972 when industrial output in the advanced capitalist countries increased by 8 percent, global food production actually fell slightly (OECD, *Economic Outlook*, December 1973). These physical shortages quickly generated speculation, hoarding and cartel manipulation. Between 1971 and 1973 the index of world raw material prices increased by over 80 percent, as did the price of internationally traded food products (OECD, *Economic Outlook*, December 1974). Thus two factors—the widespread resort to competitive devaluation after 1971 and the effect of the 1972-73 boom on agricultural and raw material supplies—account for the price explosion of the last few years.

Even discounting the fact that it is empirically false, the argument that Keynesianism is now ineffective because it leads to intolerable inflation is not a fundamental but rather a temporary, conjunctural one. As an attempted objective analysis it is similar to the present position of certain right-wing Keynesians, such as Federal Reserve Board chairman Arthur F. Burns and Ford's economic adviser William F. Feltner, who contend that a few years of high-unemployment slump are needed to drain the inflationary pressures out of the world capitalist system. After that, they contend, Keynesian policies

can again produce 10 or 20 years of low-inflation, mild-recession expansion.

If there is no major war nor a mass revolutionary upheaval in West Europe during the next few years (both are genuine possibilities), the world depression should deepen this year, giving way to high-unemployment stagnation lasting at least through 1976. If this occurs, in two years the rate of inflation will be greatly reduced; it already shows numerous signs of slowing. Those leftists whose central argument against bourgeois economic reformism is that it leads to ever-accelerating inflation will then find themselves theoretically defenseless against the claims of resurgent Keynesianism.

The "theory" that for a generation capitalist governments were able to prevent major crises and stimulate exceptional economic expansion has an implacable revisionist logic. Whatever the subjective attitudes of its proponents this view leads straight to the conclusion that we have been living in an epoch of capitalist economic stability. Such arguments have nothing in common with Marxism. On the contrary, the Transitional Program of the Fourth International has as its cornerstone the Leninist theory of imperialism as the highest (last) stage of capitalism, its epoch of decay and a period of wars and revolutions. This must be our perspective. ■



economic crisis in one country is strongly influenced by simultaneous slumps in the rest of the world, Mandel's reasoning is completely circular. Thus his third "reason" is no reason at all but simply another way of describing a general world downturn.

In short, of Mandel's three reasons why a general world slump is occurring now but was not possible in the preceding period, the first is irrelevant, the second is false and the third is meaningless.

Is Inflation the Achilles Heel of Keynesianism?

Virtually all liberal bourgeois, reformist and revisionist economists maintain that the only obstacle to effective Keynesian policies is inflation. Expanded government expenditure can always produce full employment, they say, but sometimes only at the cost of intolerable rates of inflation. From bourgeois reactionaries like Milton Friedman to the pseudo-Marxist Ernest Mandel there is agreement that Keynesian policies must generate ever-higher levels of inflation. Is this contention valid?

The accelerated inflation of the past few years is an indisputable empirical fact. In the period 1961-71 consumer prices in the advanced capitalist countries increased at an annual rate of 3.7 percent; in 1972 this rose to 4.7 percent, in 1973 to 7.7 percent and in 1974 to 14.1 percent (OECD, *Economic Outlook*, December 1974). Is this accelerated inflation an inevitable result of 20 years of Keynesian policies?

Earlier in this article it was pointed out that the share of government expenditure did not increase during the 1972-73 boom. Thus the price explosion during the past few years cannot be



Unemployed applying for jobs in Chicago, January 1975.

WORKERS VANGUARD

Name _____

Address _____

City/State/Zip _____

includes SPARTACIST

☐ Enclosed is \$5 for 24 issues

☐ Enclosed is \$1 for 6 introductory issues

order from/pay to: Spartacist Publishing Co./Box 1377, GPO/NY, NY 10001

Spartacist Local Directory

BALTIMORE/WASHINGTON, D.C.
P.O. Box 4398,
Arlington, VA 22204

BERKELEY/
OAKLAND (415) 653-4668
Box 852, Main P.O.,
Berkeley, CA 94701

BOSTON
Box 188, M.I.T. Sta.,
Cambridge, MA 02139
BUFFALO (716) 882-3863
c/o SYL, Box 6,
Norton Union, SUNYAB,
Buffalo, NY 14214

CHICAGO (312) 427-0003
Box 6471, Main P.O.,
Chicago, IL 60680

CLEVELAND (216) 621-3379
Box 6765,
Cleveland, OH 44101

DETROIT (313) 921-4626
Box 663A, General P.O.,
Detroit, MI 48232

HOUSTON (713) 926-9944
Box 9054,
Houston, TX 77011

ITHACA (706) 277-3211
c/o SYL, P.O. Box 578
Ithaca, NY 14850

LOS ANGELES . . . (213) 485-1838
Box 26282, Edendale Sta.,
Los Angeles, CA 90026

MADISON
c/o SYL, Box 3334,
Madison, WI 53704

NEW HAVEN (203) 776-5953
c/o SYL, Box 1363,
New Haven, CT 06505

NEW ORLEANS . . . (504) 866-8384
Box 51634, Main P.O.,
New Orleans, LA 70151

NEW YORK (212) 925-2426
Box 1377, G.P.O.,
New York, NY 10001

PHILADELPHIA . . (215) 667-5695
Box 25601,
Philadelphia, PA 19144

SAN DIEGO
P.O. Box 2034,
Chula Vista, CA 92012

SAN FRANCISCO
Box 5712
San Francisco, CA 94101

TORONTO (416) 366-0871
Canadian Committee of the International Spartacist Tendency
Box 6867, Station A,
Toronto, Ontario, Canada

VANCOUVER
Canadian Committee of the International Spartacist Tendency
Box 26, Station A
Vancouver, B.C., Canada

Continued from page 1

Cambodia...

with Lon Nol sent in the army to massacre the insurgent masses. In the same year three leading left intellectuals fled the National Assembly to join the Khmer Rouge. Sihanouk labeled Hu Nim, Khieu Samphan and Hou Youn "communist conspirators" and placed them on his "liquidation list." After the coup, these three were placed in the GRUNK's "royal" cabinet.

In 1969 Sihanouk, the "nationalist" chameleon who said that he admired both Mao Tse-tung and Charles DeGaulle, made his position on the Khmer Rouge perfectly clear: "The Asian communists and their Khmer lackeys...claim they are trying to liberate us from the Americans. However, we who are independent do not need to be liberated." At the same time, Sihanouk was turning a blind eye to repeated U.S./Saigon border incursions aimed at the NLF base areas inside Cambodia.

Stalinists Try Not to Win in Cambodia

Nevertheless, the prince has so far had little to fear from the Stalinist leadership inside or outside of Cambodia. The Khmer Rouge never mounted a serious campaign against him. Although he has little stature even among the exile group, his value is as a titular head of state for some kind of "government of national union."

Sihanouk's future may prove to be quite similar to that of King Michael of Rumania, placed on the throne by



Stalin following World War II—i.e., to be a temporary monarchic facade preliminary to the establishment of a deformed workers state. The "Comrade Prince," however, may not wish to wait around for the denouement, and has realistically offered to accept a roving ambassadorship should the Khmer Rouge come to power.

While there seems little likelihood of the stabilization of a "reformed" capitalist regime in Cambodia, this is not due to revolutionary action by the Stalinists. On the contrary, the Cambodian masses have already once been the victims of the narrow national appetites of the Stalinists. At the 1954 Geneva conference on Indochina, Moscow and Peking refused to allow the Khmer Rouge to represent Cambodia even though the French hold at the time was tenuous in the extreme. Despite the terminal condition of the Lon Nol "government" there remains a danger that the Cambodian civil war will once



South Phnom Penh after a heavy artillery barrage.

S. JULIENNE/SYGMA

again be tossed onto a bargaining table for some such class betrayal cooked up in Peking, Moscow or Hanoi.

Never before in this bloody war have the insurgents mined the Mekong River or used the sophisticated artillery they are now deploying to shell Phnom Penh's airport. But this year's dry season offensive should not be seen as an attempt to take the capital. The Stalinist insurgents could certainly have done that as early as last year, or even in 1973.

The political strategy generates a military strategy: surround the capital but do not take it. The strategy is meant to pressure for a "democratic" monarchic/military regime, most likely through a coup by "progressive" army officers. The Stalinists seek to form, if possible, a popular-front government to maintain capitalist rule in the country. Their model is the coalition government of Laos in which the Pathet Lao control three-quarters of the country and the right-wing generals control the airports, the brothels and the opium trade.

The Cambodian Stalinists have made it clear that they are anxious to form a government with "all social classes." The French Communist Party daily *L'Humanité* (3 March 1975) reports that a future government, according to the GRUNK, could include anyone but the "seven traitors." Among the evil seven are Lon Nol, Sirik Matak and the present head of the army. (Next door in Vietnam the NLF PRG has offered to cooperate with elements in the present Saigon government if minus Thieu is dumped.)

While the strategy of the Stalinists is to form a popular-front government and maintain capitalist rule, FUNK GRUNK military dominance is unquestioned and the FANK forces (with or without Lon Nol) are so enfeebled and hopelessly corrupt that they represent no social base at all. A Laos-type "settlement" is evidently non-viable. Any "coalition government" of this sort would be highly unstable,

and in the context of the present balance of forces within Cambodia would at most be a transitory episode in the process of forming a deformed workers state.

All Indochina Must Go Communist!

In fact, even U.S. embassy diplomats have lately stopped talking about a "negotiated settlement" and are now willing to settle for an "orderly transfer of power." In the event of a collapse of the Lon Nol regime, the likely outcome is obvious. As we said in *WV* No. 25, 3 August 1973:

"If, however, the GRUNK takes power through the defeat of the Lon Nol regime by Khmer Rouge forces and the U.S. government is too paralyzed by domestic crisis to intervene, the Stalinist component of this unstable popular front could very well shed its monarchic shell, leading to a deformed workers state."

It is unnecessary to speculate on the exact steps by which this may come about. One thing is certain in Cam-

bodia, however: neither Peking nor Moscow nor Hanoi nor the FUNK is acting in the revolutionary interests of the working masses of Indochina. Instead of fighting for a "government of all social classes" or the "implementation of the Paris peace accords," as the Stalinists counsel, the workers and peasants should break from the capitalists and reject all forms of nationalist ideology in order to wage a struggle for proletarian power.

Above all, a struggle must be waged to construct Trotskyist parties in Indochina as the necessary precondition for establishing the democratic rule of the Indochinese proletariat rather than the bureaucratic rule of the Stalinist-led deformed workers states. Only the establishment of soviet democracy and the extension of the revolution, through social revolution in the capitalist countries and political revolution in the deformed and degenerated workers states, can open the road to socialism and the abolition of class society. All Indochina Must Go Communist! ■

Three-Year Term Defeated in UAW Local 6

CHICAGO—On Sunday, March 9, the United Auto Workers bureaucracy was dealt a clear defeat by the ranks of Local 6 (International Harvester, Melrose Park, Illinois) on the question of three-year terms for local union officers. A constitutional amendment lengthening terms of office from the previous two years was rammed through at the last minute by UAW chief Leonard Woodcock at the union's June 1974 convention. However, this change must still be voted on by each local.

Opposition to extending the terms of office was raised by a number of groups at the Chicago-area Harvester plant, among them the Labor Struggle Caucus. (Last fall the LSC, by filing a complaint with the NLRB, was able to force the company to permit distribution of leaflets on company property by all union members.) Due to the large number of leaflets on the issue distributed during the last week, and the scheduled vote for the union election committee, almost 300 Local 6 members were present at the meeting.

According to workers interviewed following the meeting, three-year terms were rejected by a nearly three-to-one vote despite fierce red-baiting by Bob Stack, chairman of the shop committee. When he attacked the leaders of those opposed to extending the terms of of-

fice as anarchists and revolutionaries who want to destroy the union, he was reportedly met by catcalls and jeers from the membership. After the motion opposing three-year terms passed, the Labor Struggle Caucus presented another motion, stating: "Local 6 goes on record as supporting one-year terms, with provisions for immediate recall, for all union officers, both on the local and international level."

However, this proposal was ruled out of order by Local 6 president Norman Roth, a leader of the Communist Party-backed Auto Workers Action Caucus. Roth tries to maintain a radical image in the plant while doing as little as possible to alienate the International bureaucracy. At the 1974 convention, he was one of the people who opposed the three-year term amendment, but nevertheless was an outspoken supporter of the sellout "Woodcock team."

In addition to its struggles for workers democracy, the LSC puts forward a full program of class struggle: for jobs for all (share the available work among all workers, with no loss in pay), for international workers solidarity (no deportations), nationalization of major corporations without compensation, and for a workers party, based on the unions, which will fight for a workers government (*Labor's Struggle* No. 5, 17 December 1974). ■



Guerrilla troops of the Khmer Rouge

Continued from page 12 Vancouver Dockers

ing for special federal legislation to end the strike.

A coast-wide strike, linking Canadian, U.S. and Mexican longshoremen (all in ILWU locals), would be an act of international solidarity, enabling the union to move forward aggressively against employer job-cutting and to resist intervention by any of the governments. But the Bridges regime

seeks accommodation with the bosses, not union militancy, and works to keep longshoremen divided against each other along national boundaries. In the demoralizing, 134-day strike of 1971-72, Bridges sent the ports of Enseñada, Mexico, and Vancouver back to work after brief walkouts, thus allowing cargo to be diverted from the closed U.S. ports and weakening the strike. In the present strike, as in past Canadian Area walkouts, goods (particularly containerized goods) are being diverted through Seattle/Tacoma, possibly Portland and other ports in the U.S.

Trying to sound militant in order to

stay in the lead of a wary rank and file, Canadian secretary-treasurer Frank Kennedy told a meeting of the Vancouver and District Labour Council on March 4 that, "We are going to ask our American brothers to support us across the line, and I don't think there will be any trouble getting them to go along" (*Vancouver Sun*, 5 March). The reaction of the Seattle Local 19 leadership was to pass the buck upstairs to Bridges: we will boycott diverted cargo "if the International orders it," said President Sean Maloney on television. Bridges, who consistently sabotaged the "hot-cargoing" of scab grapes during past farm workers' struggles in California

and refused to lift a finger to stop military cargo to Vietnam, evenduring the 1971-72 strike, despite union resolutions for "immediate withdrawal" of U.S. troops, is not likely to drop his class collaborationism now.

The "militant" Vancouver leaders and the buck-passer Maloney know full well what International policy is and that their words serve only to protect their flanks. Vancouver is one of the remaining strongholds of the reformist Communist Party's influence in the ILWU. The port's leadership can therefore be counted on to be especially cognizant of the employers' "reasonable profits." The Canadian leaders failed to prevent the diverting of cargo from U.S. ports in 1971-72 and they likewise failed to respond to the call of Chilean workers for boycott action against Chilean cargo after the brutal military coup of 1973. They can be classed as no better or worse than Bridges now.

The Vancouver bureaucrats have gone along with every attempt by Bridges to slow down the struggle and even break the solid ranks of the workers. Besides completely failing to inform the U.S. membership of the strike, Bridges issued an order for the moving of perishable cargo through Vancouver. The Vancouver leaders, according to longshoremen interviewed by WV, ordered a gang of 50 men to the docks to unload a shipment of meat in full compliance with Bridges' instructions. To their credit the men refused to play into the employers' hands in this obvious attempt to weaken the strike by Bridges and their own "militant" leaders.

Canadian longshoremen will have an impossible job if they are forced to fight alone, facing possible government intervention, while cargo is diverted through U.S. ports. Yet loss of their fight to defend their job-protecting containerization clause can only weaken the position of their American brothers. A united, coast-wide struggle must be waged to save the Canadian containerization clause and make jobs for all through a shorter workweek at no loss in pay. Canadian and U.S. contract expiration dates must be made to coincide and other terms equalized. ■

Continued from page 3

...Canadian Government Employees' Strike

and CUPW leaders does not make crossing picket lines "all right." (Despite the deal and their lack of direct involvement in the strike, 10 to 30 percent of CUPW members stayed away.) Genuine class-struggle militants do not cross picket lines!

Liebowitz and PAC stand exposed for what they are—miserable opportunists who have failed the first test of trade unionism. Postal workers must carefully note the actions of these self-professed "militants." Any group which claims to represent the real interests of the workers and then at the first opportunity betrays such a basic principle as honouring picket lines (resorting to thuggery in order to cover up its scabbing), is a group which will never lead postal workers in a real struggle for their interests. This craven, cynical behavior is entirely in keeping with the dishonest, Stalinist politics of CPL/PLP, who regularly cover up their opportunist reformism with superficial "militant" verbiage and gangster attacks against their opponents on the left.

RMG Opportunism

Supporters of the opportunist, fake-Trotskyist Revolutionary Marxist

Group in the post office demonstrated a cowardly willingness to accommodate their program to whatever the mood of the moment seemed to be. RMG supporters boldly called for an immediate strike against the lockout at a regular CUPW meeting on February 23, but by the time of the special mass meeting a few days later they sensed a change in the mood. The campaign of red-baiting in the capitalist media had an effect on the mood of the ranks, and, consequently, led the RMG supporters to change their line.

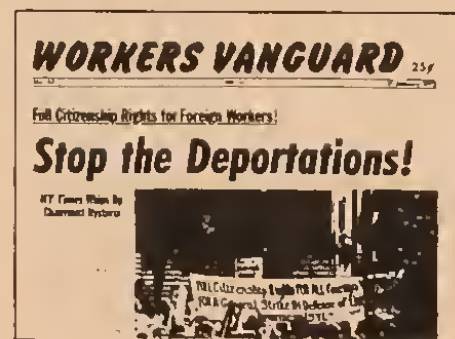
Instead of calling for a strike as they had done a mere five days earlier, and although the lockout was still in effect, they now retreated to an honour-the-picket-lines position. Rather than judging what was objectively in the interests of the members and the unions, these opportunists thought they had come up with something more "realistic" in view of the unfavourable mood of the moment. Their reward was that even this proposal was voted down, under the influence of the red-baiting and mobilization of conservative members of the leadership. A militant who took the floor to advocate a strike was ruled out of order by local president Murphy.

Would-be leaders such as the RMG

supporters, who are afraid to fight for what they know to be necessary because they fear unpopularity, or like those of PAC, who lead workers to scab on other workers, are no alternative to the present reformist bureaucracies. Strong, militant unions will be built only under a consistent class-struggle leadership.

This must be built on the basis of a clear class-struggle program, beginning with demands such as an immediate merger of postal unions into a single democratic industrial union, and for a shorter workweek at no loss in pay to make automation work for the benefit of the workers and provide jobs for all. Such an alternative leadership would also fight for workers control over working conditions and for workers management of the postal industry under a workers government. The struggle for the basic needs of postal workers, and all workers, necessarily entails struggle against the capitalist government (whether under Liberal or NDP/labour reformist tutelage) and its laws and ultimately requires the expropriation of the entire capitalist class. ■

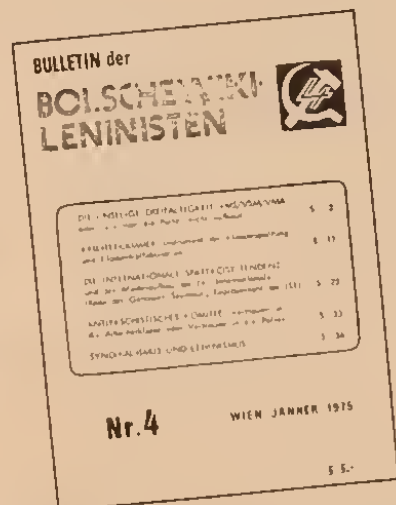
SUBSCRIBE!



Bi-weekly newspaper of the Spartacist League/U.S.

U.S. \$5—24 issues
U.S. \$1—6 issues, introductory only
U.S. \$10—24 issues (Foreign airmail)
Includes SPARTACIST (English edition)

Spartacist Publishing Co.
Box 1377, GPO
New York, NY 10001



Published by the Österreichische Bolschewiki-Leninisten

U.S. \$2—4 issues
Postfach 39
1033 Wien, Austria



Published by the Spartacist League of Israel

U.S. \$2.50—4 issues
Spartacist Publishing Co.
Box 1377, GPO
New York, NY 10001



Published by the Trozktistische Liga Deutschlands

U.S. \$4—4 Issues
Postlagerkarte A 051 429
Berlin 120 West Germany
Postscheckkonto Berlin West:
503 57 - 107 (Wolfgang Hohmann)



Published by the Spartacist League of Australia and New Zealand

U.S. \$5—12 issues (airmail)
U.S. \$2—12 issues (surface mail)

Spartacist Publications
GPO Box 3473
Sydney, NSW 20001 Australia



Publications of the international Spartacist tendency in English, French, German and Spanish/U.S. \$2—4 issues (any combination, please specify).

Spartacist Publishing Co., Box 1377, GPO, New York, NY 10001



Continued from page 12

For A Militant, Coast-Wide Longshore Strike!

men") is already under way, as allowed for under both the old and proposed new contracts. Other clauses allow the employers to punish an entire port by lifting the "guaranteed" pay in the event of any unauthorized work stoppage in the port and hand the arbitrators virtual dictatorial power over job dispatching and working conditions.

(See "Bridges Prepares Longshore Deregistrations" in WV No. 63, 28 February 1975, for further details.)

The slightly more than two-thirds vote in favor of the contract on the first round of balloting did not reflect enthusiasm on the part of the membership. Dissatisfaction is deep because under the Bridges regime container-

ization and other forms of automation have provided tremendous new profits for stevedoring companies, while resulting in speedup, deregistration (i.e., firing with collusion of the union) and weakening of the hiring hall for ILWU ranks.

The predominant mood on the West Coast docks has rather been one of defeatism due to the crisis of leadership. Members vividly recall the disastrous 134-day strike of 1971-72, in which scab cargo moved through Enseñada (Mexico) and Vancouver while Bridges refused to halt military cargo and then meekly knuckled under when Nixon's Pay Board took away the wage gains won. Many conclude that an even worse defeat would be inevitable in yet another strike under Bridges' misleadership.

The supporters of the International bureaucracy encourage defeatism in order to suppress sentiment for a militant strike. Anonymous leaflets have appeared denouncing critics of the leadership who would lead members down the "primrose lane" to another strike "like they did in '71."

In his 21 February *Dispatcher* column, Bridges outdoes himself with militant rhetoric in order to smear critics with the brush of utopianism. Claiming to still be for "a system where we own and control the machine," he implies that all demands going beyond his contract are as unattainable in one union's contract as socialism. Thus Bridges hopes the membership will accept dwindling jobs, speedup and deregistrations as inevitable.

New Merger Threat

His ominous conclusion, that "sooner or later we're going to have to face the fact that we're not going to be able to continue much longer by ourselves," is the logical outcome of this defeatist course. No doubt Bridges intends to soon renew his often-rejected plans to throw in the towel and merge the weakened ILWU, on unfavorable terms, with the East Coast International Longshoremen's Association (ILA) or the Teamsters, or with both (by splitting the ILWU between its longshore and warehouse sections). Such a "unity" would be the unity of defeat and would signal the loss of historic ILWU gains, such as the hiring hall (already substantially eroded under Bridges' contracts) and the relatively more democratic functioning of the ILWU.

This policy of subordination to the dictates of capital is expressed politically in Bridges' support for bourgeois politicians such as the racist San Francisco Mayor Joe ("Operation Zebra") Alioto, and in the defeatist concept of accepting a phony pay "guarantee" plan in exchange for giving up jobs.

The only alternative is to build a new leadership which will point the way to a struggle for jobs for all, for workers control of the industry and full rights for all B-men. Such a leadership would also fight for the expropriation of the maritime/longshore industry, and for a workers party and a workers government. To achieve such a class-struggle program every opportunity for militant struggle, such as the present opportunity for a coast-wide longshore strike, must be seized.

The mounting opposition to Bridges shows that the membership is increasingly fed up with his class-collaborationist "solutions," although unsure of which direction to go next. Literature critical of Bridges and the contract is

now circulating widely, but the question of whether or not to launch an immediate coast-wide strike has become a key difference between the reformists who are tailing Bridges, using his time-tested method of "left" rhetoric masking inaction and capitulation, and the class-struggle militants who can move the union forward.

Contract Opponents Must Call for Strike

One loose grouping in Local 10, including well-known Communist Party supporter Archie Brown, advocates some partial solutions, including a seven-hour day and strong opposition to the Increased power of the arbitrators in Bridges' proposed contract. While calling for a "no" vote on the contract, the group asserts:

"... we are not now in a strike situation. All that can happen if we turn down these proposed amendments to the contract [i.e., Bridges' proposal] is continued negotiations."

This is exactly what Bridges wants from his opponents. This way he can come back with a few "improvements" in a month or two (still prior to the expiration date and without a strike), isolating the Canadian and U.S. struggles from each other. Without solidarity, a strong fight for jobs cannot be mounted in either country.

Another group of opponents to Bridges' contract included Reg Theriault, former head of the S.F. hiring hall's ownership association (which is formally separate from Local 10). Advocating "old-fashioned trade-union demands," this group specifically calls for *working without a contract* if necessary to beat employer stalling! Such resignation in advance only strengthens the employers' hands.

Only the *Longshore Militant* forthrightly states, "we are at the point where we have to fight for our union and our jobs" because there is "no better deal possible without a strike." Key to its proposal is the linking of the Canadian and U.S. struggles. A coast-wide strike (with no "exceptions" for military cargo, "perishable" cargo, etc.) would have the power to raise the necessary strong demands, as put by *Longshore Militant*:

"6 hours work for 8 hours pay to spread the work to all of us. Abolish 9.43, crane supplement and CFS steady utility men [contract clauses which weaken the hiring hall]. Full right to strike. Full A status for all B men, now. A common expiration date for U.S. and Canadian contracts. 100% automatic escalator clause."

The *LM* points out that it will take class-struggle leadership to win the strike. Mass picketing, flying squads, a ban on military cargo and world-wide solidarity against the threat of government intervention (it was only such solidarity that saved the 1948 strike from Truman's troops) will be required. A new class-struggle leadership must be built. Such a leadership, "while fighting for the contract we need," would:

"... call for labor to link up politically, oust the bureaucratic leadership in all unions, and build a workers party to fight for a workers government, to expropriate all major industry, for a centralized planned economy to serve the needs of all working people."

The course outlined by Gow and Keylor in the first issue of *Longshore Militant* is the only course forward for Canadian and American longshoremen, and for all workers. ■

ILWU's Office Workers Strike

Bridges Crosses Picket Line



SAN FRANCISCO CHRONICLE

Harry Bridges scabbing: "Hang in there, the first three months are the worst."

If ILWU president Harry Bridges has been distinguished by anything recently aside from an unbroken chain of sellouts, it is by his increasingly open contempt for the rank and file of labor. In addition to his repeated "modernization" contracts which have sacrificed longshore jobs to company profits, his efforts to dissolve or dismember the union by merger and his support for capitalist politician Joe Alioto (now tied to a major shipping company), late last month Bridges got a chance to play boss and cross a picket line.

The ILWU's office workers, represented by Local 29 of the Office and Professional Employees Union (OPEU), struck in order to achieve wage parity with other unionized office workers in San Francisco and to prevent the ILWU bureaucracy from adding an eligibility requirement to their existing sick-leave benefits.

The extremely modest demands of the union's office workers were received sympathetically by ILWU members. A delegation from Hawaii, in town for negotiations with the International, refused to cross the picket lines. Bridges, however, undertook a one-man motorcade to various ILWU offices. One angry striker said that "Harry made it a point to go through our lines at every local office." Emulating the haughtiest "let-them-eat-cake" style of Marie Antoinette, Bridges reportedly

exhorted the strikers to "hang in there, the first three months are the worst" (*San Francisco Chronicle*, 27 February).

The International officers, in addition to reportedly avoiding meetings with the OPEU bargaining committee, have used the strike as an excuse to further squash normal democratic procedures in the union. Thus the scheduled March 1 constitutional convention of Local 6, which sets contract demands, was postponed until June 7 and Local 6 meetings were cancelled supposedly because of the two-week office workers' strike. And in the midst of the hottest contract battle in the history of the Longshore Division, the union's weekly longshore *Bulletin* was suspended.

The strike was settled last week with the OPEU getting a meager wage increase (no cost-of-living clause) and accepting the new eligibility requirement. Although it may provide little consolation for the office workers, it is worth reporting that at a recent Sacramento rally against unemployment called by the AFL-CIO Bridges was greeted with a large round of boos, no doubt for the despicable role he played during this strike.

In addition to supporting the OPEU office workers' struggle for higher wages and the maintenance of existing fringe benefits, ILWU militants should call for union employees to receive full union-scale wages and benefits, no less than those of the union's members. ■

SL/SYL PUBLIC OFFICES—Revolutionary Literature

BAY AREA

Friday and Saturday } 3:00—6:00 p.m.

330-40th Street
(near Broadway)
Oakland, California
Phone 653-4668

CHICAGO

Tuesday 4:00-8:00 p.m.
Saturday 2:00-6:00 p.m.

538 So. Wabash
Room 206
Chicago, Illinois
Phone 427-0003

NEW YORK

Monday through Friday } 3:00-7:30 p.m.

Saturday 1:00-4:00 p.m.
260 West Broadway
Room 522
New York, New York
Phone 925-5665

Women and the Trade Unions: Tasks of the Revolutionary Party

Speaker: Gretchen Callahan
Spartacist League

Guest Speaker: Ruth Ryan
Member of Committee for a Militant UAW, local 1364,
Fremont, California

Friday, March 21—8 p.m.

Harvard University
Boylston Auditorium

BOSTON

WORKERS VANGUARD

Heavy Vote Against Bridges' Contract

For A Militant, Coast-Wide ILWU Longshore Strike!

SAN FRANCISCO, March 6—Harry Bridges' hopes of ramming through a new sell-out contract for the Longshore Division of the International Longshoremen's and Warehousemen's Union (ILWU), four months ahead of the expiration date of the present pact, were fading rapidly last week. In the first balloting, held in the last week of February, the proposed contract was rejected by the San Pedro (Port of Los Angeles) Local 13 by a count of 1,028 to 1,005.

Although the contract was ratified in other locals, according to union rules this rejection by a major local meant

that the contract could be adopted only if it received a two-thirds majority in a second coast-wide vote, which is now completed. Early reports indicate that the margin against the contract has increased dramatically in major ports.

Opposition was widespread throughout the big locals on the first ballot and Bridges obtained barely 12 votes more than the two-thirds margin he would need on the second round. In the Bay Area, Local 10 voted for the contract on the first ballot by a vote of 1,092 to 811, but has reportedly rejected it on the second by about 200 votes. Seattle voted in favor, but only by

a four to three margin on the second round. A coast-wide contract rejection would be unprecedented in the history of the ILWU, which has gone on strike in the U.S. only twice since World War II. Its last strike, in 1971-72, was a fiasco because of the class-collaborationist policies of Bridges and Co.

Canadian Strike

Sentiment to reject the contract was enhanced by Canadian ILWU longshoremen, who struck on March 1 after two months of working without a contract. The International virtually blacked out news of the Canadian walkout, using a strike by the ILWU's office workers as an excuse. The bourgeois news media cooperated and no mention of the strike was made on television or in the daily press in San Francisco.

The Canadian ILWU strike has been publicized, however, by the *Longshore Militant*, a new class-struggle oppositional newsletter published in Local 10 by veteran militants Stan Gow (a Local executive board member) and Howard Keylor. Circulating widely up and down the Coast, the *Longshore Militant* is demanding that all attempts by the employers to divert struck Canadian cargo through U.S. ports must be "stopped cold":

"In the past, the PMA [Pacific Maritime Association, the employers' group] has not only intimidated us into scabbing on our Canadian brothers, but many times has locked out a U.S. port (Los Angeles,

Portland), diverted cargo to other ports, and threatened us with a coast-wide lock-out if we supported our brother longshoremen. We can't let this go on any longer."

Referring to the Boron strike last year, in which an ILWU local lost 400 jobs to scabs because the International leadership failed to organize a labor boycott of struck borax (which was even moved by ILWU longshoremen!), the paper calls for "hot-cargoing" diverted cargo and a coast-wide strike in the event of any lockouts of ports refusing to handle diverted cargo. The paper also advocates that the opportunity be seized for "...the first coastwide international contract fight in the West Coast's history."

The mounting sentiment against Bridges' contract is not difficult to understand. Claiming to have signed yet another "no layoffs" agreement, after his previous "no layoffs" pacts have led to a reduction in the number of active longshoremen by nearly half since 1959, Bridges now proposes to provide the best deal ever for the profit-hungry employers. The allegedly "depression-proof" contract allows layoffs under "unusual circumstances" (such as depressions!), and forced migration for longshoremen caught in "low work opportunity."

No Love for Bridges' Contract

In addition a new attack against the second-class union members ("B- continued on page 11



Port of Vancouver, British Columbia.

U.S. Longshoremen Must Boycott Diverted Cargo

Vancouver Dockers Walk Out

VANCOUVER, March 6—A major step toward an unprecedented West Coast-wide longshore strike was taken at midnight on March 1 when 3,500 Canadian members of the International Longshoremen's and Warehousemen's Union (ILWU) walked out following the breakdown of contract negotiations with the British Columbia Maritime Employers Association (BCMEA). The strike, the fifth in ten years in the Canadian section of the union, has shut down all maritime shipments of grain and other key commodities through Vancouver and ten other West Coast Canadian ports. Only a few smaller non-union and one single-product ILWU port under separate contract remain open.

The strike follows a full five months of contract negotiations, including two months following the expiration of the old contract on December 31. It coincides with the rejection by ILWU Local 13 in Los Angeles of Bridges' sellout proposal for a new contract for U.S. longshoremen which would allow fur-

ther erosion of jobs and working conditions due to automation. The L.A. rejection means the vote on the contract must be taken again, with a two-thirds majority required for passage. A coast-wide strike to defend longshore jobs and conditions is thus an immediate possibility.

In mid-January the union membership in British Columbia voted by a 92 percent majority to reject management's inadequate offers and authorize a strike. Yet the Canadian ILWU leadership continued negotiating while the members worked under the old contract terms. The union demanded \$1.50 an hour increase on a base rate of \$6.08, while management countered with smaller wage offers. The issue which finally forced a strike on the reluctant leadership, however, was the question of containerization.

Unlike the American majority of the ILWU longshore membership, the Canadian area has had a small amount of protection against the negative effects

of containerization through a clause which allows container destuffing—unloading of the container—to be done only on the docks or in the shippers' own dock area warehouses (if there are two or more consignees' goods in the containers). In the U.S., Bridges' "Modernization and Mechanization" ("M and M") agreements of 1961 and 1966 meant that containers could be transported inland to be unloaded by non-longshore or non-union labor. The "M and M" agreements have led to a drastic slashing of longshore jobs, while in Vancouver loss of work opportunity over the decade has been minimal.

The BCMEA demanded the revocation of this protective clause, ostensibly only for a one-year trial period, as a condition for signing a new contract. Although this was the immediate provocation forcing the strike, the Bridges regime is already preparing a betrayal of this vital though minimal protection of longshore jobs. The 21 February *Dispatcher*, newspaper of the Interna-

tional, makes no mention of the job protection issue in its report on the status of negotiations, while Canadian area president Don Garcia claims that the best way of dealing with the containerization issue can only be decided after further "study" by both union and management. Area officials are proposing that the union pay half the cost of a study on the possibility of changing the clause in conjunction with the opening of new container facilities at the end of the year (Vancouver presently has only one container crane).

Government intervention, which has been used to break strikes repeatedly in the past, is already a threat to the strike. The Canadian Wheat Board, worried about the loss of foreign markets, has asked Liberal Prime Minister Pierre Trudeau to intervene with emergency legislation if an immediate settlement cannot be reached. The Vancouver Board of Trade sent a telegram to Ottawa "urg[ing] the federal government through its Department of Labour to use its very vast efforts to restore normal operations as quickly as possible to the port of Vancouver and other British Columbia ports." The daily press is trying to whip up hysteria over the longshoremen's "unreasonable demands," decrying the loss of international prestige for Vancouver and call-

continued on page 10