

Black Monday II on Wall Street “Death of Communism” Myth Goes Splat

OCTOBER 28—Just ten years after “Black Monday” 1987, the world’s financial markets were again in a frenzy. As share prices plunged yesterday following yet another sharp decline in the Hong Kong market, trading was halted on the floor of the New York Stock Exchange for the first time in 16 years. The money men tried to put a positive spin on it all, congratulating themselves

for the braking mechanism put in place after the last crash and speaking of an “orderly” and “systematic meltdown.” The tabloids were less circumspect. “Yikes!” screamed the front page of today’s *New York Daily News*.

News columnist Juan Gonzalez commented, “A generation of Wall Street brokers convinced themselves the past few years that stocks could fly and never

come back to earth.” With the destruction of the Soviet Union through capitalist counterrevolution, the men who rule Wall Street, the German Fourth Reich and Japan Inc. proclaimed the “death of communism” and a bright new world of unfettered capitalism. There was even talk of “the end of history,” in the fatuous words of State Department ideologue Francis Fukuyama, with the

contradictions generated by the anarchic capitalist mode of production suppressed or at least easily controllable. Corporate directors and the International Monetary Fund and World Bank envisioned a return to the “golden age” before the First World War and the Bolshevik Revolution—few or no restrictions on international movement of capital, stable foreign-exchange rates, “investor-friendly” governments and, above all, a limitless growth of profits.

Buying into this ideological impressionism, right-wing economists and pseudo-leftist theoreticians alike have proclaimed the dawn of a new era of “globalization.” South Korea, Taiwan, Hong Kong et al. were hailed as the East Asian “tigers” for their aggressive policies to promote economic growth. In fact, capital has always moved from one country to another, even before industrialization. Its extension to East and Southeast Asia was simply a third

continued on page 5

Imperialist Rivalries Heat Up U.S. Gunboat Diplomacy in Persian Gulf



Der Spiegel



Barry Iverson

U.S. aircraft carrier *Nimitz*, now in the Persian Gulf. Washington brandishes big stick as Imperialist competition grows over region’s oil and natural gas.

The deployment of a seven-ship battle group headed by the aircraft carrier *Nimitz* in mid-October, joining eight U.S. warships already in the Persian Gulf, has again placed the Iraqi people in the cross hairs of U.S. imperialism. The Clinton administration justified this provocation by pointing to an Iranian raid in the U.S.-imposed “no-flight” zone over southern Iraq in late September, and an alleged response by Iraqi planes. Defense secretary William Cohen thundered that Iraq would “bear the consequences” of any further “violations” of U.S. diktat, raising the spectre of yet another bloody imperialist attack on Iraqi cities.

Meanwhile, the U.S. pushed the United Nations to intensify the seven-year embargo of Iraq, by banning international travel by Iraqi government officials. The U.S.-engineered starvation

Down With Starvation Blockade of Iraq!

blockade has already resulted in the deaths of well over 600,000 young children from malnutrition and disease. As we did at the time of the Pentagon’s “Desert Slaughter” in 1990-91, and in the face of subsequent missile assaults against Iraq, the International Communist League calls on class-conscious workers in the U.S. and internationally to demand: *U.S. hands off Iraq—U.S. IUNINATO out of the Persian Gulf! Down with the starvation blockade!*

U.S. imperialism is motivated by far more than the desire to teach Iraqi strongman Saddam Hussein another bloody “lesson.” During the Gulf War, we declared: “Defeat U.S. imperialism! Defend Iraq!” At the same time we

noted: “The immediate U.S. target is Iraq, but ultimately its aim is to bring its economically more dynamic imperialist arch-rivals Germany and Japan to heel” (WV No. 517, 4 January 1991). Washington’s latest moves in the region are even more transparently aimed at its imperialist rivals.

The Pentagon ordered the *Nimitz* into the Gulf only days after the nationalized French oil giant, Total, joined with Russia’s Gazprom and Petronas of Malaysia in signing a \$2 billion contract with Iran to pump offshore natural gas. The *New York Times* decried the deal as a “direct challenge to the United States,” and the Clinton administration threatened to retaliate against Total under the terms

of the 1996 Iran and Libya Sanctions Act sponsored by Republican Senator Alfonse D’Amato. But Total refused to knuckle under, while French “Socialist” prime minister Lionel Jospin declared that he “rejoiced” over the gas deal. Nor is Clinton keen on imposing sanctions against Gazprom—the personal bailiwick of Russian prime minister Viktor Chernomyrdin—which is currently floating a \$1 billion bond issue through the Goldman Sachs brokerage firm, whose former co-chairman is Treasury secretary Robert Rubin.

So instead, the U.S. has again lashed out at its favorite whipping boy, Saddam Hussein’s Iraq. Not surprisingly, Russia and France—which last year broke with Washington over policing the “no-flight” zone over northern Iraq—were among the UN Security Council members who refused to endorse the call for new sanctions against Baghdad. The growing divergence between the U.S. and its imperialist “allies” is also reflected in the current wrangling over reducing carbon emission

continued on page 4



Chicago Anti-Klan Three Win Wrongful Arrest Settlement

On October 27, the City of Chicago agreed to pay \$5,000 to three anti-racist protesters who were arrested on frame-up charges brought by the Chicago police during a 29 June 1996 anti-Klan demonstration initiated by the Partisan Defense Committee and Labor Black Struggle League in Daley Plaza.

A federal lawsuit filed last April by the Chicago Anti-Klan Three—Gene Herson, labor coordinator of the PDC; Dennis Glass, a young black worker; and Jeff Lyons of Refuse and Resist!—charged that police brutally attacked the anti-Klan demonstrators, making false arrests on phony charges of assault and battery against police.

The lawsuit charged that Ku Klux Klan members had staged a potentially lethal attack on the anti-Klan protesters. After the anti-Klan demonstrators successfully defended themselves and turned back the Klan attack, the police retaliated

by launching a vicious rampage against the anti-Klan protesters. The suit also charged that the police attack was part of a city policy to suppress social protest in Chicago last summer before and during the Democratic National Convention.

In May, after a four-day trial, a jury cleared the anti-Klan defendants of all charges after little more than an hour's deliberation. After delivering their "not guilty" verdict, jurors came out to shake hands with the defendants. A juror explained how they reached their decision: "We argued that this case was much bigger than what happened at the Klan rally. Every day, people in this country are having their civil liberties cut back."

Faced with the prospect of further litigation leading to another jury trial exposing the police vendetta against the June 29 anti-Klan demonstration, the city agreed to settle the federal suit out of court.



Anti-Klan Three: Jeffrey Lyons, Dennis Glass and Gene Herson.

"This settlement is a victory for the right of political protest and in particular for the right of the working class and minorities to organize mass action to stop the genocidal race-terrorists of the Ku Klux Klan," said Gene Herson. "At a time when racist police brutality and frame-ups are making daily headlines in Chicago, the settlement is also a real if modest blow against the racist frame-up system."

Pointing to the need for labor to take up the cause of others who have been

victimized by the state's frame-up machine, Herson announced that he would donate his share of the Chicago settlement to the legal defense of Mumia Abu-Jamal. A former Black Panther framed up by Philadelphia police, Jamal has been on death row in Pennsylvania for the past 15 years. "Mine is a small contribution to Jamal's defense," said Herson. "It is vital for the labor movement to actively mobilize to demand 'Free Mumia Abu-Jamal! Abolish the racist death penalty!'"

Mumia's Son Convicted in Frame-Up Free Jamal Hart!

On October 14, Jamal Hart, the 26-year-old son of death row political prisoner Mumia Abu-Jamal, was convicted by an all-white jury in a federal court in Philadelphia on false weapons possession charges. These charges carry a mandatory minimum 15 years in jail, and a maximum of life in prison. Sentencing is scheduled for January 6.

Jamal, a prominent fighter for his father's freedom, is the victim of a transparent frame-up cooked up by the Philadelphia police and then taken over by the feds (see "State Vendetta Against Mumia Ensnares Son," WV No. 675, 3 October). Under existing state laws, Jamal Hart's conviction on the bogus gun possession charges would likely have resulted in probation. But in an example of the ominous expansion of federal jurisdiction over a

vast array of crimes, he will now likely be sentenced to decades of prison hell.

Jamal's imprisonment is a continuation of the deadly state vendetta aimed at silencing Mumia, the former Black Panther spokesman and noted journalist whose case has sparked an international outcry against the racist death penalty. As Mumia noted, the vindictive jailing of his son is "punishment for his efforts on behalf of his dad."

Jamal Hart has been transferred to a prison in Virginia which has no law library and is far from his lawyers and family. It is the duty of all fighters against racist injustice to demand: Free Jamal Hart now! Free Mumia! Messages of solidarity can be sent to: Jamal Hart, Northern Neck Regional Jail, P.O. Box 1090, Warsaw, VA 22572.

Defend Anti-Duke Protesters!

The Partisan Defense Committee in Los Angeles sent the following letter to L.A. County district attorney Gil Garcetti on October 14.

Dear Mr. Garcetti:

The Partisan Defense Committee vehemently denounces the prosecution now taking place in Van Nuys Municipal Court of Edward Vasquez, a student at the University of California at Berkeley, and Sergio Gutierrez, a student at Mission College, in conjunction with their participation in the protest against fascist David Duke which took place on 25 September 1996 at the California State University at Northridge (CSUN). The prosecution of these two young anti-racists on felony charges follows the conviction of four other protesters, some of them supporters of the Coalition to Defend Affirmative Action By Any Means Necessary. The phony charges leveled against the six, such as "assault with a deadly weapon" and "attempting to harm a police horse," are an attempt to white-wash a savage police attack on anti-racist protesters. We demand: Drop all charges immediately!

As "former" Nazi and Klansman David Duke spewed obscene fascist filth from the stage of the CSUN Student Union, to a crowd ostensibly hearing a "debate" on

affirmative action, armed police flanked both sides of the stage, and afterwards the 200 LAPD and state university police outside used pepper gas, tear gas, batons, rubber bullets and horses to beat a path clear for Duke. Several protesters were bloodied.

David Duke came to California emboldened by the passage of anti-immigrant Proposition 187 and the racist anti-affirmative action Proposition 209 which has now passed into law. He came to incite racist terror and to recruit to his genocidal program. A week after Duke's appearance at Northridge, skin-heads in Newport Beach carrying white-supremacist literature attacked a Latino fisherman with a knife. Duke seeks to sow his seeds of fascism in the fertile ground tilled by the Democrats' and the Republicans' savage gutting of welfare which especially targets the besieged black population in this country and is accompanied by an all-sided assault on immigrants. While the capitalist state coddles and protects fascist scum like Duke, it saves the business end of its batons for those who dare protest the current wave of racist, anti-working-class reaction. Drop the charges against Vasquez and Gutierrez!

Steve Bull
PDC



TROTSKY

Lessons of the 1917 Bolshevik Revolution

November 7 (October 25 in the old Russian calendar) marks the 80th anniversary of the 1917 Russian workers revolution, led by the Bolshevik Party of V.I. Lenin and Leon Trotsky. In a 1942 speech, American Trotskyist leader James P. Cannon described the undying significance of the October Revolution—the defining event of the 20th century—which demonstrated in practice how the proletariat, led by a Leninist van-

guard party, can seize state power and sweep away the capitalist system. Fatally undermined by nearly seven decades of Stalinist betrayal, the Soviet Union was ultimately destroyed through capitalist counterrevolution in 1991-92. As we fight to forge a party modeled on Lenin and Trotsky's Bolsheviks, the International Communist League reaffirms our commitment to struggling for new October Revolutions throughout the world.

November 7, 1917. The death sentence on the old order of capitalism and the beginning of the new order of world socialism were both proclaimed on that day. And whatever vicissitudes, whatever setbacks, betrayals or defeats may overtake the proletariat on the road to that final goal; however sharp and deep may be the zigzags in the line which charts the course of the struggle through which humanity shall pass from capitalism to socialism; whatever may befall: the starting point in the line of development will always be traced to that great day which we commemorate tonight—November 7, 1917....

Marx and Engels lifted the conception of socialism from utopia to science. The Russian Revolution developed scientific socialism from theory into action, and proved several things that before had been abstract generalizations and predictions. The Russian Revolution proved in action that certain things were true beyond all further doubt. The first of these things proved by the revolution was that it is possible for the workers to take power. It is possible for the workers to forge out of their ranks a party that is capable of leading the struggle to victory. And the workers in all countries will everlastingly remember that. Nothing can erase from history that example. Victory of the proletariat is possible—the Russian Revolution in action, in blood and fire, proved that it is so.

—James P. Cannon, "The 25th Anniversary of the Russian Revolution"
(November 1942)



LENIN

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Britain: Labour Party Turns the Screw on Working Class

On October 3, Britain's Labour Party concluded its first annual conference as the governing party in nearly two decades. Since coming to office in May, Labour prime minister Tony Blair has followed through on his racist "tough on crime" crusade and has begun implementing American-style "workfare" slave-labor schemes, earning the praise of corporate CEOs for his "modern business agenda." Blair has also worked to refurbish the badly tattered image of the monarchy (see "Blair's Labour Fashions Facelift for British Monarchy," WV No. 675, 3 October). As is made clear in the article below (reprinted from *Workers Hammer* No. 158, September/October 1997, bimonthly newspaper of the Spartacist League/Britain), published shortly before the annual conference of the Trades Union Congress (TUC) in early September, Blair's Labour has trumpeted

WORKERS HAMMER

Newspaper of the Spartacist League/Britain

its intent to sever the party's historic ties to the trade unions and become an overtly capitalist party like the U.S. Democrats.

At the Labour Party conference in Brighton, Blair boasted that his "heroes" include former Liberal prime minister Lloyd George and effectively renounced Labour's formation as a working-class party, bemoaning the "division among radicals almost 100 years ago" which led to Labour's break from the capitalist Liberals. A columnist in the London *Observer* (5 October) noted semi-ironically how the Labour leader was now "formally accepting the leadership of the Liberal Democrats and declaring them part of his New Labour project."

At the TUC conference, Blair underlined his determination to maintain anti-union laws pushed through under the Conservative government of Margaret Thatcher in the 1980s, ranting: "We will not go back to the days of industrial warfare, strikes without ballots, mass and flying pickets, secondary action and all the rest of it." Yet despite occasional bleating over Blair's more egregiously anti-union diatribes, the TUC misleaders are no less committed to the capitalist order than is the Labour government they fulsomely support. Thus the "theme" of the TUC conference was a "partnership for progress" with the British bourgeoisie, punctuated by an address by the Archbishop of Canterbury (who got more applause than Blair), head of the Church of England.

The British fake lefts likewise fall in step behind Blair's capitalist government. "Red Ken" Livingstone, spokesman for the Labour "left," said at the party conference: "I would do anything to make certain we get this Government re-elected." Meanwhile, Tony Cliff's Socialist Workers Party (SWP)—which had the most minimal presence at a recent support rally for Liverpool dockers sacked for honoring picket lines—organized a "lobby" of several thousand at Brighton to plead that this overtly pro-business government implement reformist schemes to "tax the rich."

* * *

Labour's commitment to serving decaying British capitalism, which was plain as a pikestaff before, is rapidly being proven in office. Blair has already deployed the armed fist of the capitalist



PA News

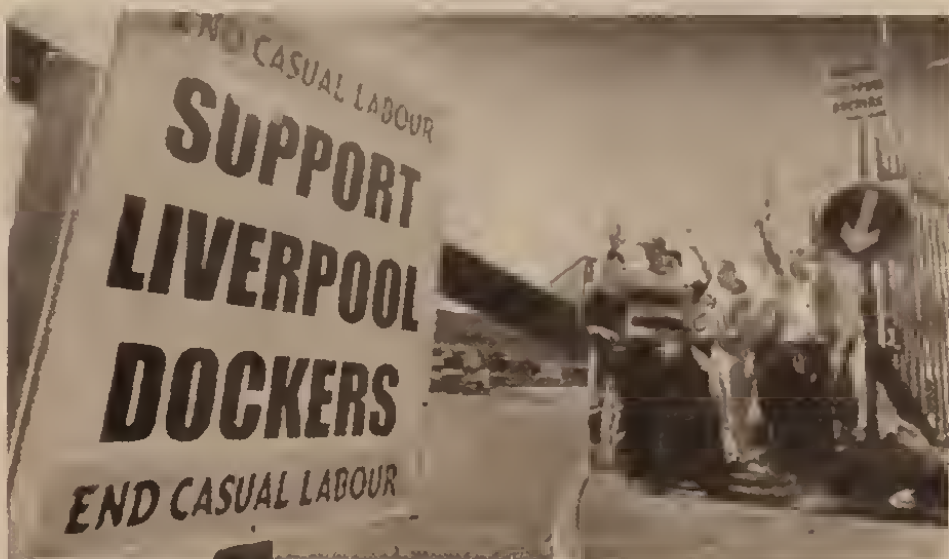
Tony Blair (center) and fellow Blairites seek to sever Labour's ties with trade unions in order to better serve City of London financiers.

state against the oppressed, seen in the massive army and Royal Ulster Constabulary (RUC) invasion of a Catholic enclave in Portadown, Northern Ireland this July, and the use of riot cops in August against asylum seekers in Campsfield detention centre in southern England. Another round of Thatcherite attacks against the working class is in the works, targeting the public sector unions, and the threat of union-busting privatisation hangs over London Underground and the postal service. Blair is committed to doing what Labour governments invariably do—strikebreaking, attacking the working class and oppressed—in the service of the capitalist rulers.

In addition, those who today lead the Labour Party, a bourgeois workers party,

by counterrevolution in 1991-92, the ruling class perceives an opportunity to return to a situation they would prefer—to rule without the mediating influence of reformist parties. The "Blair project," which involves severing the union links to the Labour Party, is very much tied to this aim.

Blair is very keen to sever the union link but less keen to reject union members' money. In protest at the way the union bureaucrats are being sidelined within the party, right-wing AEEU (Amalgamated Engineering and Electrical Union) General Secretary Ken Jackson announced that his union had cancelled a cheque for £250,000 to Labour. This hit Labour where it hurts, in the bank accounts, which are substantially in the



Christopher Thomond

Labour and trade-union tops have knifed Liverpool dockers' two-year struggle against victimization for honoring picket lines.

are on a course which will result in them leading a bourgeois *liberal* party—something that they yearn for. Blair has appointed a host of millionaire business magnates to government posts and set up a joint cabinet committee with the Liberal Party as a precondition for more systematic class collaboration. This harks back to the strike-breaking Lib-Lab pact during the Callaghan Labour government in the 1970s, and indeed to Ramsay MacDonald's National Government of 1931, which from the standpoint of the working class was a historic betrayal. Blair is searching for a regroupment of bourgeois forces as part of refashioning the Labour Party into an outright capitalist party, which means reverting back to the conditions of a century ago, before trade unions broke with the bourgeois Liberal Party and founded the Labour Party.

Since the Soviet Union was destroyed

red following the up-market election campaign. Until Labour secures alternative sources of funding it is still dependent on substantial donations (estimated at £11 million per annum) from the unions. But while the bureaucracy may protest, and from time to time withhold the unions' political funds in an effort to strike a bargain with Blair, the union ties to the Labour Party are likely to be formally severed whether the union bureaucrats like it or not. The situation is entirely of the union bureaucracy's own making, since they share the same political outlook as New Labour, as Jackson confirmed when he said, "We made New Labour possible."

The problems the working class face today, including the massive web of Thatcherite anti-union laws which the Labour government will enforce, are a product of class collaboration and betrayal of struggles, in which the 1984-85

miners strike was pivotal. Now there is a palpable sense that Labour and the unions can no longer go on in the same old way. The union leaders are so tied to the capitalist order that they reject class struggle, the very means by which the unions were built.

The question posed quite starkly in Britain today is: what kind of party does the working class need, to actually represent their interests, independently of the capitalists? While the Labour Party was born out of the basic class division in society, even in the days when it formally claimed to be "socialist" it has always been based on the illusion that the way to advance the cause of the workers is through tacit or overt collaboration on "national" issues while standing for elections to Parliament. But Labour in government is a capitalist government. Capitalism is a social system of class rule, not merely a set of government policies, and fundamental change in the interest of the working class cannot be achieved through the "Mother of Parliaments" while leaving the capitalist state machinery intact. The working class cannot simply take over the existing apparatus of the capitalist state; that state must be shattered and replaced by one based on organs of working-class rule—the dictatorship of the proletariat.

A genuine workers party must be based on the understanding that only through the mass mobilisation of workers in struggle can the workers fight for their interests and in defence of all the oppressed. The best example in history was the Bolshevik Party led by V.I. Lenin and Leon Trotsky, which led the workers of Russia to power in the October Revolution of 1917 and created the first workers state in history. The Spartacist League is fighting to build such a party, forged in sharp political struggle against the Labour misleaders.

Labourite Treachery and the Liverpool Dockers Fight

More than ever before, it is obvious that the felt needs of working people and the oppressed will not be met through a Labour government, or through a reconstitution of the old relationship between Labour and the unions, which has served to strangle workers' struggles, as is graphically seen in the case of the Liverpool dockers. The dockers have battled for two years in defence of a basic principle: *never cross a picket line*. Their struggle has repeatedly inspired solidarity action by workers from the U.S. to Australia and Japan. Yet from the very start TGWU (Transport & General Workers Union) leader Bill Morris and Co. have done all in their power to knife their struggle. At the biennial TGWU conference in July, Morris tried to get the union to disown the dockers completely. But this proposal was angrily voted down by TGWU delegates who included representatives from British Airways cabin crews fighting a union-busting attack by Tony Blair's friend, Bob Ayling. UNISON (public employees union) bureaucrats similarly disowned Asian women members sacked from London's Hillingdon hospital; union officials called the cops to prevent them speaking at a commemoration of the Tolpuddle martyrs [six farm labourers transported to an Australian penal colony in the 1830s for trade union organising].

The Socialist Workers Party (SWP) who claim to champion "rank and file" *continued on page 10*

Washington Threatens Embargo of Japanese Cargo Ships

On October 16, an obscure government agency known as the Federal Maritime Commission (FMC) invoked the Merchant Marine Act of 1920 to order U.S. Coast Guard vessels to detain Japanese cargo ships in American ports. This outrageous provocation threatened to escalate an ongoing trade dispute over Japanese port regulations into a direct confrontation between the two imperialist powers. U.S. and Japanese negotiators have now hammered out an agreement aimed at resolving the dispute.

Put simply, seizing another country's ships is an *act of war*. The Clinton administration claimed to have known nothing about the FMC's decision beforehand. Nonetheless, administration officials let it be known that "if no accord was reached, the Coast Guard should be allowed to stop Japanese ships" (*New York Times*, 18 October). As the *Times* noted, the last time Washington imposed an embargo on Japan, cutting off vital oil and iron shipments, was in July 1941. That was a direct prelude to the 1941-45 Pacific War, which ended with the nuclear incineration of some 200,000 people through the A-bombing of Hiroshima and Naga-

saki by the U.S. imperialists.

According to the *Times*, the White House could not decide "whether this was a brewing crisis or a comic series of missteps." All proportions guarded, it was "missteps" of this kind that paved the way to the outbreak of World War I in August 1914, drowning humanity in an unprecedented slaughter. When the Austro-Hungarian Empire declared war on Serbia in late July 1914, a month after an Austrian archduke was assassinated by a Serbian nationalist in Sarajevo, the intent was to humiliate the small Balkan republic and to refurbish the great power status of the disintegrating empire. But in the space of a week, all of Europe had been drawn into a widening conflagration that would continue for four years.

The root causes of World War I went far deeper than the assassination of an aristocrat or the ambitions of individual diplomats. Rather, they lay in the inexorable clash among the imperialist powers over markets, natural resources and spheres of investment. Likewise, the recent action of this tiny federal agency in Washington simply casts a sharp spotlight on the burgeoning trade war

between the U.S. and Japan and the growing economic conflict between the two powers over the Far East.

The particular issue involved in the current port dispute is an attempt by shipping companies both in the U.S. and Japan to break the power of the Japanese dockers unions, which currently have some control over work shifts and how ships are unloaded. Last March, 50,000 dockers at 50 Japanese ports staged a 24-hour strike against the proposed union-busting measures and other anti-labor attacks. What is called for is international class solidarity in struggle among unions in the U.S., Japan and elsewhere to fight for the highest level of wages and working conditions in all countries. To its credit the West Coast International Longshoremen's and Warehousemen's Union vowed to defy the government's threatened embargo, as ILWU president Brian McWilliams declared, "We object to this anti-worker action and pledge to work any Japanese ships calling on a West Coast port."

This stands in marked contrast to the general practice of the AFL-CIO bureaucracy, which specializes in chauvin-

ist protectionism and virulent Japan-bashing, epitomized by the flag-waving "America first" mobilizations which derailed the Bridgestone-Firestone rubber workers strike a few years ago and the viciously racist Toyota-bashing protests staged by UAW officials in the 1970s and '80s. The ILWU tops have themselves joined in chauvinist campaigns for "American ships, American jobs," targeting Filipino and other foreign maritime workers. For their part, Japanese dockers union officials have also sought to divert workers' opposition to the shipping companies' anti-union attacks into nationalist channels. Thus, union leaflets issued last March focused on "intervention by foreign companies" and denounced Japanese firms for having "abandoned their responsibility" and "working in alliance with the U.S. and EU [European Union]."

On both sides of the Pacific, the chauvinist union misleaders seek to tie the workers to "their" bourgeoisies and subvert the class struggle against the capitalist exploiters. We say: The main enemy is at home! Down with the threatened U.S. embargo! For international workers solidarity!

Persian Gulf...

(continued from page 1)

(i.e., energy consumption) levels. Underlining the ominous character of these disputes is the threat by Washington to embargo Japanese cargo ships in American ports (see article above). Such threats have historically been the stuff of war preparations.

During the Cold War, the rival capitalist powers reined in their mutual antagonisms in pursuit of weakening and destroying their main enemy: the Soviet degenerated workers state. With the destruction of the Soviet Union in 1991-92, the world is increasingly coming to resemble the pre-1914 period that led to World War I. In the main resolution of the Second International Conference of the ICL in 1992, we warned:

"The end of the Cold War will not bring a new 'American century' but intensifying interimperialist rivalries. The global system of 'free trade'—the economic cement which held together the U.S.-dominated anti-Soviet alliance—is crumbling as the major capitalist powers seek to redivide the world into regional trade blocs."

—*Spartacist* (English-language edition) Nos. 47-48, Winter 1992-93

This prognosis has been amply confirmed, as Yankee imperialism seeks to



Painting by I.J. Brodsky

Revolutionary traditions of the fight for communism in the East: Painting depicts execution of 26 heroic commissars, murdered by British-backed counterrevolutionaries in bloody suppression of 1918 Baku Soviet.

extend the tentacles of its North American Free Trade Agreement (NAFTA) beyond Mexico to the entire Western Hemisphere, the Fourth Reich pushes to cohere a German-dominated "Fortress Europe" and Japan Inc. drives to build a present-day version of its Greater East Asia Co-Prosperty Sphere of the 1930s. Nowhere is the escalation of interimperi-

alist rivalries clearer than in the sharpening clash over energy resources.

Big Oil—From the Near East to the "Wild East"

In this post-Soviet world, the oil- and gas-rich region stretching from the Mediterranean to Central Asia has again become a tinderbox of competing imperialist interests and conflicts. Underscoring the utter hypocrisy of its latest tirades against Iraq and Iran, Washington simultaneously turned a blind eye to a full-scale invasion of the Kurdish region of northern Iraq by over 15,000 troops of its ally, Turkey, which boasted that its fighter planes had "leveled the camps [of Kurdish nationalist groups] to the ground."

Ever since the reactionary mullahs under Ayatollah Khomeini deposed the despotic U.S.-backed shah in early 1979, establishing an Islamic theocracy, successive American governments have branded Iran a "terrorist state." This takes somechutzpah coming from the U.S., whose cruiser *Vincennes* shot down an Iranian civilian airliner in 1988, coldbloodedly killing 290 passengers. And throughout the bloody eight-year war between Iran and Iraq, which ended that year, Washington supported first one side and then the other, prolonging the bloodshed

and draining both countries. With the election in May of "liberal" fundamentalist Mohammed Khatami as Iran's new president, influential sections of the U.S. ruling class have floated the idea that this may be the time to formally end the embargo of Iran. Pentagon chief Cohen took care to note that the "show of strength with the Nimitz was meant as a warning to Iraq, not Iran."

Despite talk of "liberalization" of the ayatollahs' regime, it remains as tyrannical as ever toward women, national minorities and workers. What is behind Washington's mooted change of heart is that Iran sits atop the world's second-largest natural gas reserves. A recent article in the *New York Times* (30 September) bitterly described how an earlier deal with Teheran by Total had initially been claimed by Conoco, until the American firm was forced to pull out by the U.S. government. The article goes on to report that Italian, German, Japanese and other companies are all active in Iran. Iraq, which has the world's second-largest oil reserves, is also negotiating contracts with 60 foreign firms ("pending" an end to the UN embargo). American concerns are frozen out of all these dealings by their own government.

Germany is today Iran's leading trade partner and military hacker. Utilizing these ties, Bonn engineered a spectacular prisoner exchange in August 1996 between the pro-Iranian Hezbollah guerrillas in Lebanon and Israel, encroaching on what had been an American preserve since the end of World War II. It was after this slap in the face by Germany—and when Total moved in to snatch the deal set up by Conoco—that Congress passed the D'Amato bill penalizing foreign companies for investing in Iran. After Bonn last March expelled a CIA agent who was snooping into the sale of high-tech German equipment to Iran, an American "national security expert" voiced Washington's "concern" over "what our Western allies, particularly the Germans, have been doing with the Iranians" (*Scientific American*, June 1997).

At the same time, as European spokesmen have been quick to point out, this summer Washington tacitly approved construction of a 2,000-mile pipeline through Iran to carry natural gas from the former Soviet republic of Turkmenistan to

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"Restore the Soviet Union"

Reprinted from *Workers Vanguard* Nos. 818 and 819

2 and 16 February 1998

"The Spartacists Reject the Slogan of the

Restoration of the USSR"

Translated from Russian by Internationalist, Division of the

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"Signatures, Poland, Chedeville

"ICFI/North's Counterfactual Trotskyism"

By the Spartacist League 7 October 1993

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Turkey. In an op-ed piece in the *New York Times* (18 August), analyst Stephan-Götz Richter commented acerbically:

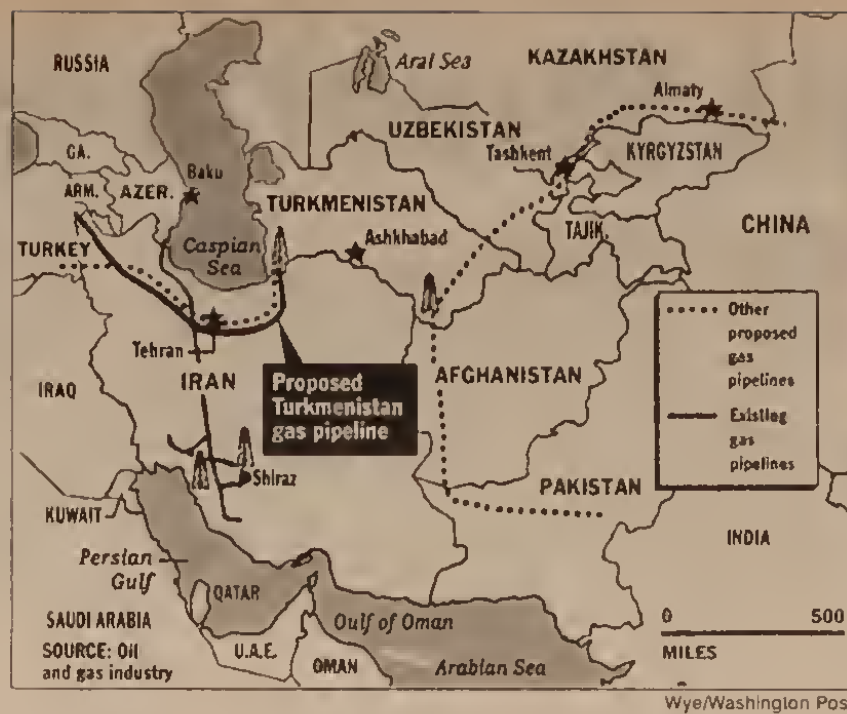
"On the one hand, the United States constantly reminds everyone that under United States law, Iran—like Cuba—is economically 'untouchable.' Yet this policy seems expendable as soon as American interests decide to go after Central Asian oil.

"Europeans find it particularly hard to swallow the idea that the entire world should dance to the tune of American domestic politics."

There is more than American hypocrisy at issue here. Hitler's *Drang nach Osten* (drive to the East) in World War II was in part aimed at seizing the Baku oil fields in what was then Soviet Azerbaijan. Today, following the collapse of the Soviet Union, the competing imperialist powers are increasingly fixing their sights on the Caucasus and Central Asia, the "Wild East" whose huge petroleum reserves are presumed to be worth trillions of dollars. In 1994, the U.S. and others signed a \$7.4 billion "contract of the century" with Azerbaijan. More contracts followed when Kazakhstan and Turkmenistan struck deals with France, Italy, Japan, Malaysia and China. Meanwhile, Chevron and Mobil have been staking out claims in the Tengiz oil fields surrounding the Caspian Sea.

Competition is now raging over pipeline routes, a question of strategic importance for the various imperialist powers. This was a key reason for Washington's initial support to the Islamic fundamentalist Taliban in Afghanistan, in the hope that these bloodthirsty cutthroats would consolidate a stable regime and ensure U.S. control over a projected pipeline through the country. And in September, the Pentagon staged a "rapid deployment" drill in Kazakhstan, flying in 500 paratroopers from Fort Bragg. Meanwhile, Germany hopes to use its position in Iran to exert control over the planned pipeline from Turkmenistan, while vying with the U.S. for influence in Turkey. And one factor in Turkey's ferocious war against the Kurds is its drive to control pipelines that may one day pass through the country's Kurdish areas.

The "great game" for control of the oil and gas resources of Central Asia and the Near East, which led to numerous wars in the past, is being played out again today, sketching the outlines of world conflagration in which all the belligerents will be armed with nuclear weapons. One thing is certain: continued imperialist domination can only mean further national oppression of the peoples of the region, intensified exploitation of the proletariat and sharpened interimperialist rivalries. To throw off the imperialist yoke, the working masses—leading behind them the impoverished peasantry, horrendously



oppressed women and subjugated national minorities—must sweep away the reactionary ayatollahs, Zionist butchers and blood-drenched colonels. This requires the forging of Leninist vanguard parties committed to the Trotskyist perspective of permanent revolution, linking the struggle against all the despotic capitalist regimes of the region with the fight for socialist revolution in the imperialist centers. For a socialist republic of united Kurdistan! For a socialist federation of the Near East!

Imperialism, War and Revolution

In this epoch of imperialist decay, the productive forces of society strain explosively against the boundaries of the bourgeois nation-state. This century has twice brought humanity devastation and ruin as the imperialists clashed over redivision of the world—markets, spheres of influence, greater profits and access to natural resources. In his 1916 book, *Imperialism, the Highest Stage of Capitalism*, Russian revolutionary leader V.I. Lenin argued against the notion propagated by German Social Democratic leader Karl Kautsky that an "ultra-imperialism" could overcome the contradictions of capitalist imperialism by peaceful means. Lenin asserted:

"Imperialism is the epoch of finance capital and of monopolies, which introduce everywhere the striving for domination, not for freedom. The result of these tendencies is reaction all along the line, whatever the political system, and an extreme intensification of existing antagonisms in this domain also."

With a handful of exceptions, the leaders of Kautsky's Second International went over to the side of their own bourgeoisies at the onset of World War I,

helping to mobilize the workers for the great slaughter. Lenin hailed the revolutionary German workers' leader, Karl Liebknecht, who proclaimed: The main enemy is at home! Lenin fought for a new proletarian International—a vanguard party of professional revolutionaries based firmly on the program of Marxism—that would carry through a split with all shades of opportunism and chauvinism.

It was only because of the Bolsheviks' firm opposition to national chauvinism that Lenin, Trotsky and their comrades were able to lead the multinational proletariat of Russia to power in the October Revolution of 1917. After usurping political power in 1923-24, Stalin and his heirs repudiated Bolshevik internationalism in favor of the nationalist dogma of "socialism in one country," undermining and subverting not only the fight for international proletarian revolution but the gains of the Russian Revolution itself, leading finally to the collapse of the Soviet Union and the bureaucratically deformed workers states of East Europe. From Berlin to Moscow, the ICL fought tooth and nail against capitalist counterrevolution, seeking to mobilize the working masses in political revolution to oust the Stalinist betrayers.

Today we continue the fight for new October Revolutions around the globe, seeking to forge an internationalist party of the type Lenin built. A revolutionary workers party in the U.S. can only be built through political struggle to oust the pro-capitalist labor misleaders, who fuel the danger of renewed interimperialist war by whipping up protectionist racism, spreading the lie that the workers of Japan, Mexico and other countries are responsible for unemployment at home.



Garanich/Reuters
U.S. Marines in Crimea in Ukraine. U.S. has beefed up military presence in the region to back up imperialist oil and gas ventures in Caucasus and Central Asia.

Such a party must act as a "tribune of the people," mobilizing the working class to fight all manifestations of social oppression. As the memory of the workers movement, we seek to instill the most conscious layers of the proletariat with the history of working-class victories and defeats in order to prepare for future class battles. Like Liebknecht and Lenin, we say today, in this era of sharpening imperialist antagonisms: The main enemy is at home!

With the U.S. entry into World War II, Socialist Workers Party (SWP) leader James P. Cannon and 17 of his comrades were sent to prison for opposition to "their" ruling class in the war. In December 1941, the then-Trotskyist SWP, section of the Fourth International, defied the war hysteria around them to issue a clarion call of proletarian internationalism, "A Statement on the U.S. Entry into World War II." We recall their fighting appeal as we struggle today to reforge Trotsky's Fourth International:

"Twice in twenty-five years world wars have wrought destruction. The instigators and leaders of those wars do not offer, and cannot offer, a plausible promise that a third, fourth, and fifth world war will not follow if they and their social system remain dominant. Capitalism can offer no prospect but the slaughter of millions and the destruction of civilization. Only socialism can save humanity from this abyss. This is the truth. As the terrible war unfolds, this truth will be recognized by tens of millions who will not hear us now. The war-tortured masses will adopt our program and liberate the people of all countries from war and fascism. In this dark hour we clearly see the socialist future and prepare the way for it. Against the mad chorus of national hatreds we advance once more the old slogan of socialist internationalism: Workers of the World Unite!"■

Black Monday II...

(continued from page 1)

wave of industrialization, following on the Industrial Revolution in England beginning in the late 18th century and then spreading to Germany, the U.S. and Japan a century later. Today, the "globalized" capitalism of the post-Soviet world means that stock markets around the globe are crashing—Hong Kong, Tokyo, the City of London, Wall Street.

The present crisis began last July when Thailand devalued its currency, the baht, thereby cheapening the cost of its exports in dollars, yen and major currencies. Other countries in the region were soon engaging in competitive devaluations aggravated by international currency speculators. During the Great Depression of the 1930s this was called "beggar my neighbor" trade policies. The economies of the relatively small capitalist states of East and Southeast Asia were further undermined by the flood of cheap exports from China, whose Stalinist bureaucrats are hell-bent on becoming

capitalist exploiters.

The East Asian "tigers" did all they could to attract money, from Tokyo, New York, London and elsewhere, for example, pegging their currencies to the dollar to ensure investors against loss through devaluation. Much of the billions of dollars, yen, pounds and D-marks which flowed in was squandered on luxury imports for the local ruling elite, real-estate speculation and payoffs to government officials and military men. But more fundamentally, these countries could not continue to generate the exorbitant profits expected by Wall Street and Tokyo financiers, even with police-state repression enforcing wages a small fraction of those in Japan and North America.

The recent economic boom in East Asia, like all such capitalist booms, generated a drive for ever-greater profits and resulting financial speculation which could not be sustained. It had to crash, and it did crash. Now Barton Biggs, a top honcho for the main branch of the House of Morgan, America's premier financial dynasty, complains that "the governments of these countries were not doing the tough things they have to do to clear the markets." This Wall Street bloodsucker is demanding that East

Asian rulers impose savage austerity on their already impoverished peoples.

When Hong Kong's stock market went into free fall last week, Wall Street analysts tended to argue that it would have little impact on U.S. financial markets. Nonetheless, as the London *Financial Times* (28 October) reported, while the latest sell-off was "initially prompted by the renewed turmoil in southeast Asian financial markets," it "was driven by worries over US corporate valuations."

The bull market on Wall Street was not generated by increased economic productivity and expanding productive capacity. The boom in computers and software is no substitute for the expansion of basic industry like steel, shipbuilding and machine tools. Behind the speculative feeding frenzy that has driven stock prices to record highs is the enormous intensification in the rate of exploitation of the American working class—two-tier wage systems, the shift of production from the North and Midwest to the non-union South and Southwest. But squeezing labor to expand the share of profit has its limits, not least by provoking worker resistance. Here it's significant that the biggest one-day sell-off on Wall Street before the present cri-

sis occurred during last August's UPS strike, the most effective and popular labor struggle in the U.S. in years.

The first modern global financial crisis—the panic of 1837—which was followed by a severe economic depression, came several decades after the onset of industrial capitalism. The world has not changed all that much since then. The question yet to be answered is whether the latest crash is also a prelude to depression. It is fashionable these days to ridicule the teachings of Karl Marx as a quaint anachronism. But as we observed in our article on the "Crash of '87" (WV No. 439, 30 October 1987), in the *Communist Manifesto* Marx pointed to "the commercial crises that by their periodical return put the existence of the entire bourgeois society on trial." Marx's economic analysis has been amply vindicated over the past 150 years. His political program is today all the more urgently posed: socialist revolutions internationally—ushering in a classless, egalitarian society based on production for need, not for profit—is the only answer to the anarchy and brutality of the capitalist system. It is our task to forge the proletarian leadership needed to lead humanity out of this abyss.■

Wall Street and the War Against Labor

Part One of this series appeared in WV No. 676, 17 October.

The United States is the only advanced capitalist country where the working class has not attained even a minimal level of political class consciousness. The American working class in its mass has never supported a party whose declared ultimate goal is the replacement of the capitalist system with a socialist society or which even claims to stand simply for workers' interests in their day-to-day struggles against the employers.

Ever since the emergence of an organized labor movement in the late 19th century, the American working class has been under the ideological sway of liberal populism, whose main political carrier is the Democratic Party. When Jesse Jackson addresses a labor rally today, he voices ideas and values that were the stock in trade not only of Franklin D. Roosevelt's Democratic Party in the 1930s—FDR's third-term vice president, Henry Wallace, in particular was a vaunted "progressive"—but of the Democratic Party of William Jennings Bryan, who in the 1890s denounced "the moneyed interests, aggregated wealth and capital, imperious, arrogant, compassionless."

As one early social-democratic labor historian wrote: "American labor has always been prone...to identify itself in outlook, interest, and action, with the great lower middle class, the farmers, the small manufacturers and business men,—in a word, with the 'producing classes' and their periodic 'anti-monopoly' campaigns" (Selig Perlman, *A Theory of the Labor Movement* [1928]). In the populist view, all economic evils are caused by certain sections of the capitalist class—the "robber barons," the monopolists, the Wall Street bankers—who are condemned on moral grounds as devoid of feeling for their fellow man. If only the government would adopt the right policies—"cheap money," trust-busting, spending for public works, taxing the rich—such a reformed capitalism would produce general and permanent prosperity.

While one can point to several factors accounting for the hegemony of liberal populism over the U.S. working class over the past hundred years, there are two fundamental reasons, both rooted in the country's origins. One is the enormous social weight of petty capitalist proprietors; the other is the ethnic and racial diversity of the working class and the population in general, the result of the slave trade and successive waves of immigration. In Europe (and also Japan) the capitalist system developed out of pre-existing feudal social formations. In contrast, the American nation-state was created through European colonial settlement of a continent-wide land previously inhabited by a sparse aboriginal population of hunter-gatherers and primitive agriculturalists; in the early South, the social/economic system was based centrally on the use of enslaved black Africans (supplanted after the Civil War by sharecropping and tenancy).

The legacy of the slave system—the all-sided oppression of blacks under capitalism—remains the central question of the American socialist revolution. Racial and ethnic divisions in the working class, deliberately fostered by the bourgeoisie, have been the single greatest obstacle to the development of proletarian class consciousness in this country.

Except in the South, the absence of a feudal inheritance in land tenure, the rel-

Part 2: American Populism in the 19th Century

ative shortage of labor and the availability of abundant and fertile land produced a highly commercialized and mechanized capitalist agriculture based on the family farm. Compared to the impoverished and benighted peasant villages of Europe, 19th-century rural America was prosperous and economically dynamic. With the right combination of business acumen and good fortune, a farmer could make a lot of money, many times that of a factory worker.

The U.S. working class thus developed in a social environment permeated with petty-bourgeois "republican" attitudes and values. The farmer, the merchant, the self-employed master mechanic or car-

in Richard Hofstadter, *The Age of Reform: From Bryan to F.D.R.* [1955]). Almost a century later, many workers, including trade unionists, still aspire to go into business for themselves.

Notwithstanding such profoundly false consciousness, on an economic level the American proletariat has historically been one of the most militant in the world. The latter half of the 19th century featured bitter class battles—like the 1877 railroad strike, the 1886 Chicago fight for the eight-hour day (marked by the infamous Haymarket massacre, which gave rise to May Day as the international workers holiday) and the 1892 Homestead steel strike. This history continued with the



From William Jennings Bryan in the 1890s to Jesse Jackson today, capitalist Democrats push liberal populism to bind workers to the class enemy.



penter were regarded as the backbone of the American republic, the main guardians of its "democratic way of life." A hired laborer was looked down on as a man lacking the moral fiber, enterprise or intelligence to become economically independent.

Even after the United States had become an industrial power dominated by giant corporations and banks, official bourgeois ideology still upheld the ideal of a nation of small proprietors. In the first years of the 20th century, a right-wing Republican U.S. Circuit Court judge, Peter Grosscup, wrote that "the acquisition of property, by the individuals who constitute the bulk of the people" is "the soul of republican America" (quoted

explosive citywide general strikes and sit-downs which led to the formation of industrial unions in the 1930s. Despite this, however, the American working class never developed a mass political party of its own.

The proletariat in the late 19th and early 20th centuries was heavily drawn from successive waves of immigration from different countries. These immigrants, who often did not speak English, usually settled in the same towns or neighborhoods in large cities as their fellow countrymen. This created a sense of ethnic-cultural identity which cut across class lines. A skilled German American machinist of the Lutheran faith might feel he had more in common with a German

American merchant or even a small manufacturer than with an Irish Catholic construction worker, much less an unskilled laborer. Ethnic and religious antagonisms—especially between Anglo-Saxon and German Protestant workers and those from Irish, Italian and East European Catholic backgrounds—impeded the formation of mass industrial unions until the 1930s.

Meanwhile, in the South, the hostility and contempt of even the poorest whites toward blacks prevented the development of any significant labor movement at all. The promise of black freedom heralded by the Civil War which smashed the slave-based plantation system was snuffed out by the defeat of Reconstruction codified in the Compromise of 1877. In the aftermath, most Southerners—both white and black—were horribly exploited sharecroppers or tenant farmers who worked land owned by the Bourbon elite. Toward the end of the century, Southern Populists made an admirable and heroic effort to unite poor black and white farmers around their common interests. But this movement was defeated when the local ruling class launched a new wave of racist demagoguery and violence.

Many Populist leaders, such as Tom Watson, openly embraced racism in order to carve out a niche in the Southern Democratic Party, which presided over the Jim Crow system of entrenched racial segregation in league with (and often overlapping) the race-terrorist gangs of the Ku Klux Klan. Watson's evolution was not unique. Anti-black racism and anti-immigrant nativism have historically been significant components of populist movements in the U.S. Such reactionary poison has infected the labor movement from the beginning, promoting the scapegoating of immigrant and black workers for the social ills produced by capitalist exploitation. For example, craft unions in California successfully fought to ban Chinese and Japanese immigration; in 1877, Chinese immigrants in San Francisco were the target of pogroms. At the same time, craft unions routinely excluded black workers or forced them into segregated locals.

In more recent years, the term "populism" has served as a cover for outright racist and anti-immigrant movements, many of which have been linked to the KKK and other fascist outfits. In the 1968 presidential campaign, George "Segregation Forever" Wallace's appeals to the "little man" were simply a threadbare veneer for virulent racist attacks on the minimal gains of the civil rights movement. The "white backlash" of the late 1960s and early '70s helped create the conditions for a successful capitalist offensive against the working class as a whole—two-tier wage systems, union-busting, falling living standards. But even those movements which partially overcame ethnic/racial divisions in the name of the common interests of American working people—Populism in the 1890s, the 1930s New Deal coalition which tied labor and minorities to FDR's liberal Democrats—were imbued with illusions in a reformed, progressive and benevolent capitalism.

The Social Roots of 19th-Century Populism

Free of a feudal heritage, transplanted to the virgin soil of the New World, the agrarian economy of 19th-century America developed in a historically unique way. In Europe, peasant smallholders

still primarily grew crops to feed their families, and the little that was left over mainly went to pay taxes. In the U.S., with the widespread construction of canals and railroads in the 1830s-40s, farmers in the North and Midwest increasingly produced for the market, developing the social mentality of small capitalist entrepreneurs. By the mid-to-late 19th century, many farmers were speculating in land, changing their crop mix from year to year in light of existing and anticipated market demand and borrowing heavily from banks to purchase new and improved farm machinery.

American family farms were not only on average substantially larger than European peasant plots, they were also worked by fewer hands. Rural French and German villages were commonly inhabited by the same families for centuries, while grown children of American farm families usually left home to move into the burgeoning cities or further west to start their own farms. The chronic labor shortage in U.S. farm areas spurred the mechanization of agriculture to a degree unknown in the Old World. Yankee inventor-entrepreneurs like Cyrus McCormick and John Deere revolutionized agricultural technology in the decades before the Civil War.

The highly commercialized and mechanized family farms generated a huge and growing market for manufactured goods. This in turn led to the formation of a large class of industrial, commercial and financial capitalists drawn from the ranks of the petty bourgeoisie and even the working class. Enterprising Yankee mechanics and carpenters borrowed money to start up small factories. The sons of well-to-do Midwestern farmers became bankers or owners of lumber mills or granaries. The small-town banker who had the local state senator in his pocket had no counterpart



Pitched battle with militia strikebreakers during 1877 railroad strike. U.S. working class has history of economic militancy.

for control of the Erie Railroad. The term "battle" is used here in a literal, military sense. At one point, the Gould/Fisk forces assembled their own private army which deployed cannon around the railroad's office in New Jersey.

Such antics would have been inconceivable at the time in Britain, France or Germany, where the state exercised far greater control over individual industrialists and financiers. For that reason, the class character of these states as guardians of the new bourgeois order was generally clear to the European working classes. But in the U.S., brutal exploitation of labor, financial panics and the periodic collapse of production were all blamed on the actions of a small number of greedy and unscrupulous men. The very term "robber baron" implied that

lished corporations and old-line managers who wanted to preserve them.

Another important feature of 19th-century American capitalism did much to shape populist ideology. Because the demand for investment capital to fuel the country's dynamic economy far exceeded the supply of domestic savings, American capitalists borrowed in European, primarily British, money markets. The foreign debt (government and private) of the United States increased steadily and massively for over a century, from \$60 million when the American state was founded in 1789 to \$3.3 billion in 1896. Not coincidentally, the latter year marked the high point of populism, the presidential campaign of William Jennings Bryan on the Democratic Party ticket.

A classic study of the House of Morgan by the Marxist intellectual Louis Fraina (writing under the pseudonym Lewis Corey) explained the conditions which gave rise to America's premier financial dynasty:

"The immense expansion of agriculture, industry and trade encouraged new borrowings of foreign capital by State governments and business enterprises. The United States was predominantly an agricultural economy and its demands for goods and capital exceeded supply. Foreign trade increased four-fold between 1820 and 1860 and the import of manufactured goods almost six-fold. There was an unfavorable balance of trade which increased steadily, our excess of imports over exports being paid for largely by the sale of American securities in Europe."

—The House of Morgan: A Social Biography of the Masters of Money (1930)

The House of Morgan originated in the 1830s when George Peabody, a well-to-do Yankee merchant turned investment banker, moved to London to sell U.S. state and corporate (mainly railroad) bonds. In the 1850s, his junior partner and successor, Junius Morgan, likewise moved to London because that's where the money was. The House of Morgan was in this respect typical of the top echelon of American financiers in this period. For example, in the decade or so following the Civil War, the most prominent figure in New York financial circles was August Belmont, the U.S. agent for the Rothschilds, the great German/

French/British Jewish banking dynasty. For most of the 19th century, Wall Street served as a large and important branch office for the City of London financiers.

Consequently, populist hostility to Eastern bankers was associated with American nativism, which was rife not only with intense antagonism to Britain but with anti-Semitism. The enemy was labeled the "Anglo-American Gold Trust," accused of plotting to enslave the American nation and its honest working people. In the mid-1890s, a manifesto issued by leading figures in the People's Party declared:

"As early as 1865-66 a conspiracy was entered into between the gold gamblers of Europe and America...."

"Every device of treachery, every resource of statecraft, and every artifice known to the secret cabals of the international gold ring are being made use of to deal a blow to the prosperity of the people and the financial and commercial independence of the country."

—quoted in Hofstadter, *The Age of Reform*

The Panacea of "Cheap Money"

Why did such views attract broad support from industrial workers as well as farmers? From the late 1860s to the late 1890s, "cheap money" was the main battle cry of leftist radicalism in the United States. Half a dozen or so parties—the Labor Reform Party, Greenback Party, Greenback Labor Party, Antimonopolist Party, People's Party—were formed around the central demand to replace a monetary system based on gold with one based on paper currency and/or silver. All of these parties enjoyed the support of significant sections of the labor movement of the day.

Prior to the Civil War, money in the U.S. consisted of gold coins and bank notes issued by the states which were convertible into gold. In order to finance the massive expenditures of the Civil War, the federal government issued nonconvertible paper currency, popularly called "greenbacks." Following the war, monetary radicals advocated the continuation and expansion of the greenback system. However, the forces of monetary conservatism prevailed. New issuance of greenbacks was halted, the amount in circulation gradually reduced, and in 1879 all paper money issued by the federal government was made redeemable in gold. Monetary radicals then shifted their tack and agitated for the unlimited coinage of silver, then in abundant and growing supply in the Western states.

It is difficult today to appreciate the widespread popularity of the notion that an expanding supply of money was the key to opening the door to general and permanent prosperity. This belief was held not only by some intellectual cranks but by intelligent, responsible and popular leaders of working people. In the late 1860s, William Sylvis, head of the National Labor Union—the first such organization in U.S. history—proclaimed:

"We now come to the greatest question before the American people—a question of the very first importance to every producer in the land—a question in which is involved the freedom or slavery of every workingman in America—a question that must destroy the power of a monster moneyed aristocracy, or bind the whole

continued on page 9



Populist cartoon in 1880s depicts brutal "robber baron" railroad magnate William Vanderbilt.

in late 19th-century Britain, Germany or Japan, where finance capital was far more concentrated.

In this period, the U.S. bourgeoisie differed from those of Europe and Japan not only in relative size and structure but also in social psychology. European large merchants and financiers were the descendants (in many cases literally) of the guildmasters of the late Middle Ages. Centuries of struggle against the feudal aristocracy, and then fear of social revolution from below, produced a European bourgeoisie with a high level of class consciousness, cohesion and organization. American capitalist entrepreneurs, on the other hand, were usually "self-made men" who took pride in their own ruthless abilities. They acted as laws unto themselves, beholden to no one. The popular designation "robber barons" captured the anarchistic individualism of the top dogs of the American business world.

A leading robber baron, Cornelius "the Commodore" Vanderbilt, exclaimed, "Law? What do I care for law? Hain't I got the power?" In the late 1860s, Vanderbilt and another gang of robber barons led by Jay Gould and Jim Fisk fought a bat-

tle for control of the Erie Railroad. The term "battle" is used here in a literal, military sense. At the beginning of the 20th century, liberal intellectuals would distinguish between "responsible" and "irresponsible" wealth. Their ideological successors in the 1980s would similarly distinguish between raiders and financial operators who wanted to liquidate estab-



Mechanization of 19th-century American agriculture produced a large class of rural proprietors with the social outlook of small capitalist entrepreneurs.

Young Spartacus

Columbia University

Victory to Campus Workers Strike!

Not content to sit by and watch as New York City's Columbia University attacks their standard of living, 800 largely female and minority clerical workers of UAW Local 2110 have headed to the picket lines. On October 16, the union rejected Columbia's insulting offer which included a raise averaging a paltry \$16 per week along with cuts in health care benefits. Local 2110 has also declared its opposition to Columbia's plan to restore the racist "merit" pay system, by which the supervisor—not seniority—determines who gets raises. The first union contract, in 1985, eliminated this scheme which was clearly designed to divide the workers. Restoring it would hasten Columbia's union-busting campaign, which has already led to the elimination of over 300 unionized clerical positions. The Spartacus Youth Club seeks to link the struggles of students with the power of the integrated labor movement as a whole, and came out to support Local 2110 on the picket lines. Students, faculty and campus workers must demand: **Victory to Local 2110!**

Columbia University is a chief think tank for the U.S. ruling class, a training ground for the bourgeoisie's future war criminals and union-busters, and a notorious racist slumlord with a history of routinely evicting black and Hispanic tenants in Morningside Heights and nearby Harlem. The same class and race prejudices permeate Columbia's relations with its employees. In a display of its ruling-

class arrogance, the university also is reportedly trying to force work-study students to do the work of the striking workers. Work-study students, along with all other campus workers and students, should refuse to cross Local 2110's picket lines and help shut down the university. No reprisals against work-study students who refuse to perform scab labor!

The elite private institutions like Columbia should be nationalized and run by the workers, teachers and students. Against the inherent race and class bias of higher education under capitalism, we demand open admissions and free higher education for all with a paid living stipend, posing the fight for the right to a decent education. Columbia's gates should be thrown open—including to those who work there!

In contrast to the 185,000 Teamsters at UPS who struck two months ago, a campus union does not have a lot of social power by itself, and the division of the workforce at Columbia into nine separate unions only compounds this lack of power. Defending the interests of all the workers at Columbia requires *one campus-wide union*, breaking the pattern of setting one sector of the workforce against another with separate contracts and pay scales. Workers must affirm the basic working-class principle that an injury to one is an injury to all. Crucial to winning this strike is the active support of students, faculty and particularly all the campus unions, as well as off-campus



Roberts/NY Times

Local 2110 clerical workers on strike against Columbia University. Picket lines mean don't cross!

workers like UPS and postal service deliverymen who should be honoring Local 2110's lines.

There has been a show of support among students and faculty, many of whom have come to the picket lines, and the Columbia College Student Council declared its "support for the members of Local 2110." The only way to win this strike is for the union to shut down the campus through strong picket lines. But at least one "strike support" demonstration began on campus, *behind* picket lines. This shows the absence of any perspective of class struggle. And when the strikers took down their pickets to join the student rally, the Students for a Fair Contract Coalition organizers accommodated the administration by refusing to let a union speaker use the sound system! With the administration hardlining it and the

campus continuing to function, the danger of a prolonged strike that would sap the energy and resources of the union is posed.

The picket line is the most effective weapon a union has; it is a potentially powerful tool of struggle, and should not be seen simply as a gesture of moral outrage. Moving classes off campus, although sometimes a symbol of solidarity, actually helps Columbia keep the university functioning and is counterposed to shutting down the school. What's needed is for professors and graduate students to bring classes *to build* the picket lines: mobilizing several hundred students and faculty at Columbia's gates would pave the way for a union victory. **Shut down the campus! No business as usual! Build picket lines—don't cross them! Victory to the Columbia strikers!** ■

California Protests...

(continued from page 12)

stop demonstrating.

The Spartacist League and the Spartacus Youth Clubs oppose the racist purge of higher education. At the same time we recognize that affirmative action programs are *at best* a limited gain for a tiny percentage of minorities and women, especially compared to the massive racial oppression which forms the bedrock of American capitalism. Unlike the reformists who accept the capitalist system but

merely want to improve it a little bit, we seek to end the ruling-class offensive by building a revolutionary party to fight for a workers government and the kind of world where decent education is the *right* of all, not a privilege of the rich. We fight for free, quality, integrated education—for open admissions with no tuition and including a state-paid living stipend. While reformists appeal to campus administrators to "defy" Prop. 209, the SYC calls to *abolish* the administration and the Board of Regents; the schools should be run by the students, workers and teachers. We also demand *jabs for all* so that students will be able to survive after graduation.

The Teamsters' limited victory against UPS and the six-day BART transit workers strike in the Bay Area in September signaled that the workers are fed up with the bipartisan ruling-class offensive and are ready to fight. The SYC at San Francisco State University (SFSU) rallied with the call "Victory to the BART strike! Unchain labor's power!" The SYC made the point that because the multiracial working class produces the wealth in this society and can stop production, it has tremendous social power to change society through social revolution. As our speaker said,

"We as students need to ally ourselves with these workers and help win their strike, not by appealing to our capitalist administrator [SFSU president] Corrigan or Democrat strikebreaker [mayor] Willie Brown—these are the class enemies of the workers. Instead students should come with us to the picket line which is where labor's battles are won."

The UPS workers struck against the company's part-time, low-wage exploitation of its overwhelmingly black and Hispanic workforce—the same layer (and sometimes the very same people) that faces exclusion from higher education with the end of affirmative action programs. The widespread racist harassment and job-tracking at UPS should have been taken up by the union as a whole during the strike, providing a big impetus for the organized labor movement to resist the all-sided racial oppression in this country. And in the BART walkout, the union bureaucracy, unwilling to play hardball, was instrumental in derailing the strike by chaining the union to the same Democratic Party to which the anti-Proposition 209 "movement" genuflects.

Fake Lefts March for Jesse

A host of organizations endorsed the march in Sacramento on October 27, including the National Organization for Women, the American Civil Liberties Union, the NAACP and the pro-Democratic Party labor tops of the AFL-CIO. But the real donkey work is being done by groups that claim to be "socialist." Forming a "syphilitic chain" that keeps the racist status quo intact, the ruling class enlists a Democratic president to protect its interests; the racist Democratic president utilizes the services of Jesse Jackson to rally the oppressed to the capitalist system; at the end of the chain, serving as loyal waterboys for Jesse Jackson, are various avowed "socialists."

Among the most enthusiastic of these



Young Spartacus

Berkeley, October 23: Spartacus Youth Club fights to make decent education the right of all, not a privilege of the rich.

ostensible socialists are: the Stalinist-derived Committees of Correspondence (CoC), whose members split from the Communist Party in 1991 largely because it didn't support Jackson strongly enough; the International Socialist Organization; and the Revolutionary Workers League (which, on the rare occasion that it travels under that name, nominally claims to be Trotskyist) with its current front group, the Coalition to Defend Affirmative Action By Any Means Necessary (BAMN). As far as defending affirmative action goes, the programs of these three groups are *identical*: each has its compass firmly fixed on the Demo-

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(continued from page 7)

labor of the nation, white and black, in fetters to gold—that question is one of finances."

—quoted in Gretchen Ritter, *Goldbugs and Greenbacks: The Antimonopoly Tradition and the Politics of Finance in America* (1997)

One of the leaders of the Massachusetts Greenback Party in the 1870s was Wendell Phillips, a former radical abolitionist who declared that the struggle against the "money monopoly" was more profoundly revolutionary than the struggle against slavery.

It is common to consider late 19th-century populism as a movement of small farmers seeking to reduce the burden of their bank debts by depreciating the currency. Indeed, agitation for "cheap money" peaked in the 1890s, a period of severe depression in agricultural prices which threatened large numbers of farmers with bankruptcy. The strongholds of the People's Party and the Bryan Democrats were the grain belt of the Great Plains and those parts of the rural South dependent on cotton and tobacco farming.

However, the breadth and intensity of support for monetary radicalism cannot be adequately explained simply by the economic self-interest of debt-ridden small farmers. The leaders of the populist movement were intensely "god-fearing" men, to use the language of the day, who believed they were fighting for the interests of all "productive" members of society, which included workers as well as farmers and small businessmen. Moreover, the leaders of major labor organizations (e.g., the Knights of Labor) were just as committed to "cheap money" as those of the Farmer's Alliance with whom they were in a political bloc.

Why did intelligent men like William Sylvius and Wendell Phillips, who were dedicated to the interests of the laboring classes, believe that the gold standard was a potent weapon of the rich against the poor? Why did they believe the steady expansion of the money supply would eliminate financial panics, economic depressions and even wide social inequalities? The answer is given by a leading populist theorist, Alexander Campbell, in his 1864 tract, *The True American System of Finance*:

"The rate of interest on money governs the rent or use of all property, and consequently the reward of labor. The centralization of the property of the nation into the large cities and the pockets of a few capitalists, is in proportion to the rate of interest maintained on loans of money



Frank Leslie's Illustrated Weekly

Anti-Chinese riot in Denver in 1880. Racist poison has historically weakened U.S. labor movement by scapegoating immigrant and black workers for capitalism's ills.

above the average rate of increase in the national wealth."

—quoted in Ritter, *Goldbugs and Greenbacks*

According to Campbell and his co-thinkers, increasing the money supply would reduce the interest rate bankers charged for loans and thus encourage farmers and other small businessmen to borrow more for productive investment. Hired laborers would benefit from the expansion of employment and a tighter labor market and would have greater opportunities to go into business for themselves. Furthermore, if small-scale manufacturers gave less of their revenues in interest to banks, more money would be available to raise workers' wages. This kind of economic thinking was by no means peculiar to 19th-century American populism. During the Great Depression of the 1930s, the British liberal economist John Maynard Keynes developed and popularized a substantially similar theoretical doctrine and political program.

Marxist Economics vs. Monetary Radicalism

Revolutionary workers' leaders Karl Marx and Friedrich Engels opposed the idea that an expansion of the money supply could overcome the basic contradictions of capitalism. When the U.S. government discontinued the limited coinage of silver in 1893 and returned to

a straight gold standard, Engels commented in a letter to his German American colleague Friedrich Sorge:

"The repeal of the silver-purchase law has saved America from a severe money crisis and will promote industrial prosperity. But I don't know whether it wouldn't have been better for this crash to have actually occurred. The phrase 'cheap money' seems to be bred deep in the bone of your Western farmers. First, they imagine that if there are lots of means of circulation in the country, the interest rate must drop, whereby they confuse the means of circulation and available money capital, concerning which very enlightening things will be brought out in Volume III [of Marx's *Capital*]. Second, it suits all debtors to contract debts in good currency and to pay them off later in depreciated currency."

Engels went to the heart of the matter: the theoretical confusion of the quantity of money with the availability of money capital for productive investment.

There were two competing trends in monetary theory among bourgeois economists and financiers in the 19th century: the currency school and the banking school. The currency school maintained that the quantity of money governs the overall level of economic activity. According to this view, an influx of gold into the country would lead bankers to lower interest rates in order to lend out the additional stock of money. This, in turn, would encourage indus-

trial and commercial capitalists to borrow and invest more, thereby increasing output and/or prices. A contraction of the money supply would have opposite effects.

The banking school held that the expansion or contraction of money capital adapts to "the needs of trade": in an economic boom, credit expands rapidly because both entrepreneurs and financiers believe that loans would be repaid out of the increased profits from new investment. In a depression, the reverse is the case. Within broad limits, the flow of money adjusts to overall economic activity through changes in what bourgeois economists term the "velocity of circulation." In this regard, Marx endorsed the views of the banking school:

"The mass of circulating media [currency] serving the expenditure of revenue grows decidedly in periods of prosperity.

"As concerns the circulation required for the transfer of capital, hence required exclusively between capitalists, a period of brisk business is simultaneously a period of the most elastic and easy credit....

"As long as the state of business is such that returns of loans made come in regularly and credit thus remains unshaken, the expansion and contraction of circulation [of money] depend simply upon the requirements of industrialists and merchants."

—*Capital*, Volume III

The validity of Marx's views was clearly demonstrated during the Great Depression, which was touched off by the stock market crash of 1929. In the mid-to-late 1930s, U.S. banks were swimming in excess reserves, with few borrowers. Following a further sharp downturn in 1937, the *Federal Reserve Bulletin*, the official organ of the U.S. central bank, recognized that "an abundant supply of gold and a cheap monetary policy do not prevent prices from falling" (quoted in Charles P. Kindleberger, *The World in Depression, 1929-1939* [1986]).

The decade-long depression and leftward radicalization of the American working class produced a new version of liberal populist ideology, which perpetuated illusions in a "progressive" wing of the capitalist class. A key agency in perpetuating those illusions was the Stalinist Communist Party which, adapting the class-collaborationist policy of the popular front to American terrain, worked to channel an upsurge in militant labor struggle into Roosevelt's New Deal Democrats. This was crucial in blocking the road to the development of an independent political party of the working class in the U.S.

[TO BE CONTINUED]

crats and aims to pressure the reactionary Rehnquist Supreme Court to overturn Prop. 209.

While sitting side by side pushing bus tickets to the same reformist march, these groups are also scurrying around stabbing each other in the back in competition for Jackson's attentions. At UC Berkeley, the CoC, having no doubt absorbed the fine art of witchhunting as victims of McCarthyite redbaiting, launched a hysterical campaign against BAMN—which, for its part, touted itself as the *real* Jackson lackeys, bragging that "Reverend Jesse Jackson...joined our call." The campus paper, the *Daily Californian*, demanded a "coalition against BAMN" to drive them off campus, which is littered with leaflets and signs stamped "not affiliated with BAMN."

The CoC's hysteria is not new. Two years ago, they distributed a deranged screed entitled "Divide and Disrupt" (a variation of Stalin's "split and wreck"?) which inaccurately berated the RWL/BAMN as "a vanguardist Trotskyist party" and called for their purge from the pro-Democratic Party protests. We oppose these attempts to dictate who has the "right" to protest affirmative action; although aimed at the liberal BAMN now, such censorship will primarily be used to

silence revolutionary views and serves only the interests of the ruling class.

None of these organizations can even conceive of demanding anything more radical than "defend affirmative action" (with the RWL mechanically tagging on the "militant" phrase "by any means necessary"). BAMN writes in one leaflet, "There is no liberal scheme that can replace affirmative action." But affirmative action was a liberal scheme—originally proposed as a union-busting initiative against union control of hiring and ultimately embraced by the ruling class as a means of buying off a layer of talented black youth and young women after the civil rights struggles of the 1960s.

Even at its most effective, affirmative action granted pitifully few spots in universities to blacks and Latinos. Subsequently, in the absence of significant class struggle, the ruling class sought to reclaim "its" universities for the privileged. The past years have brought escalating purges of blacks, Latinos and working-class youth from higher education through tuition hikes. Prop. 187, aimed at all immigrants and Latinos, paved the way for a racist assault on blacks. In 1994, *before* the passage of Prop. 209, blacks made up only 5.5 percent and Latinos only 13.8 percent of the

student population at UC Berkeley. To glorify this recent past by demanding no more than the overturn of Prop. 209 is to capitulate to hellish racist reality.

The key to victory is unchaining labor from the twin parties of capitalism, building a revolutionary workers party that fights in the interests of the working class and in defense of all the oppressed. We look to the example of Lenin and

Trotsky's Bolshevik Party which led the Russian workers to power in the 1917 October Revolution. The Spartacist League and Spartacus Youth Club are fighting to build such a party, forged in sharp political struggle against the pro-capitalist labor misleaders and based on the Marxist understanding that the capitalist system must be rooted out through socialist revolution. ■

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Britain...

(continued from page 3)

opposition to the bureaucrats, are making an all-out effort to channel anger against Morris and the TGWU tops into the dead end of lobbying the vehemently anti-working-class Labour government. The Socialist Labour Party (SLP, headed by miners union leader Arthur Scargill) is wedded to the same conception. At a Liverpool conference of dockers support groups in July, members of the Spartacist League argued strongly against a motion presented by Jimmy Nolan (chairman of the shop stewards committee and a member of the SLP), which called upon "the government to intervene in the long-running Liverpool Docks dispute in order to return the sacked dockworkers to their rightful place of work in the port of Liverpool." Our comrades pointed out that any "intervention" by the government would likely be the kiss of death. Since the dockers were sacked, the SWP and Workers Power, who supported Bill Morris for leader of the TGWU, have offered nothing but mealy-mouthed "criticisms" of Morris' back-stabbing of the dockers. What the dockers need is the mobilisation of the power of the trade union movement in joint strike action to smash the anti-union laws. Of necessity this means coming up sharply *against* the anti-working-class Labour government. *For a revolutionary leadership in the unions!*

For his part, Jimmy Nolan dismisses the possibility of class struggle alongside the dockers in Britain today, which reveals the SLP's defeatist perspective when it comes to the anti-union laws. This also shows up in the RMT (Rail, Maritime and Transport) union in London Underground and rail, where the SLP has a base of support. But it has no perspective to mobilise this racially integrated and strategically placed workforce, either to fight against the threat of privatisation, or against racist attacks which are a daily fact of life in the city. A Leninist party actively seeks such opportunities to mobilise the social power of the working class to combine the fight against racist terror with resistance to anti-union attacks. We fight for: *Full citizenship rights for all immigrants! For trade union/minority mobilisations to crush the fascists!*

Break with Labourism, Old and New!

In the general election we said "no vote to New Labour," which was standing on a blatantly anti-working-class, pro-imperialist programme, using the chauvinist symbol of the British bulldog. We extended critical support to the Socialist Labour Party, which stood against New Labour, albeit on a programme of Old Labour parliamentary reformism. Scargill's split from New Labour, in opposition to the latter's outright hostility to the working class, represents a fracture in the Labour monolith. It offers an opportunity to break the stranglehold of Labourism over the workers movement and an opening for Marxists to intervene to demonstrate the need for an authentic workers party. We campaigned for the election of

1996 destruction of Ravenscraig steelworks in Scotland symbolized gutting of British industry as bourgeoisie wages war on jobs, trade unions.

Colin McPherson



SLP candidates. At the same time we intervened into SLP meetings and widely distributed our election statement, "For a Revolutionary Workers Party! For a Federation of Workers Republics in the British Isles!" Workers' interests cannot be met through Old Labour reformism. History shows that the tradition of Keir Hardie and Nye Bevan (Labour Party leaders at the time of its birth and post-World War II respectively), upheld today by Arthur Scargill, is an anti-revolutionary, anti-internationalist tradition, which has at times frustrated the bourgeoisie, but has never raised a finger to overthrow the system of capitalist rule.

The SWP, Workers Power, Socialist Outlook, all joined in *hailing* Blair's landslide as a victory for the working

class. This is the main purpose of the SWP-organised 28 September lobby of the Labour conference in Brighton, demanding: "for workers' rights—keep the union link." This boils down to a call to keep the unions shackled to Labour. In a similar vein Workers Power demands that: "In every affiliated union a campaign must be launched now. Resolutions, petitions, district and regional conferences must all be used to demand no breaking of the union link..." (*Workers Power*, October 1996). This is pure parliamentarist pressure politics. The situation the unions face in regard to Labour reflects the relationship of class forces, which will not be fundamentally altered through resolutions in the trade unions or

During the imperialist anti-Soviet hysteria of the 1980s, they supported every counterrevolutionary scum, from the barbaric Afghan *mujahedin* to Polish Solidarność, Thatcher's favourite "union." They welcomed Yeltsin's accession to power, which resulted in counterrevolution. They stood with the pro-imperialist Labour Party on these decisive international questions for the working class.

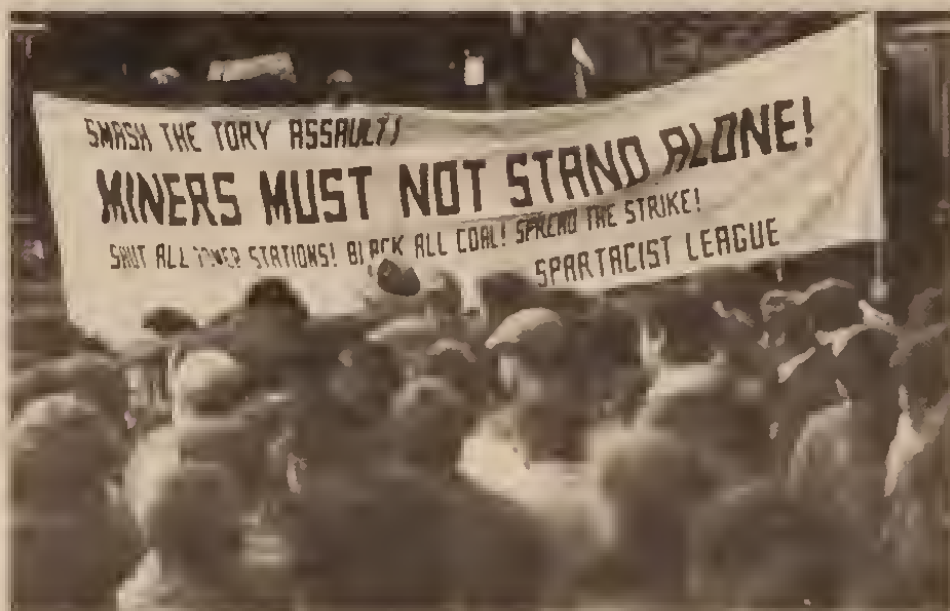
The 1917 Bolshevik Revolution was the signal event of the twentieth century, the first and only victorious proletarian revolution. But the pressure of imperialist encirclement on an economically backward country, the devastation of the Russian working class through the Civil War, and the failure and defeats of proletarian revolutions abroad—due in large part to the betrayals of West European social democracies—set the scene for a political counterrevolution in 1923-24. This led to decades of misrule by a nationalist, parasitic caste headed by Stalin and his heirs. The ultimate result of the Stalinist betrayals carried out under the lie of building "socialism in one country," whereby workers revolution was subordinated to an accommodation to imperialism, was the capitalist counterrevolution which destroyed the Soviet degenerated workers state in 1991-92.

As Trotskyists, the International Communist League (Fourth Internationalist) consistently defended the gains of October against imperialism and counterrevolution and fought for political revolution to sweep away the Stalinist usurpers. In 1979 we headlined "Hail Red Army in Afghanistan!" against the CIA-backed *mujahedin* Islamic reactionaries. We said extend the gains of the October Revolution to the Afghan peoples. In 1981 we said "Stop Solidarność counterrevolution." Only the Trotskyist programme of political revolution could have prevented the disaster of capitalist counterrevolution in the former USSR and Eastern Europe.

The Bolshevik Tradition vs. Labourite Treachery

The Labourite left regard the existence of a mass reformist party in Britain as something of a historic birthright—something that must always exist. The organisational structure of the Labour Party, based on bloc affiliation of the trade unions, is antithetical to building a proletarian vanguard party, that is, a party of the most class-conscious elements of the working class which can translate the historic interests of the proletariat into a fight for socialist revolution. The SLP's adherence to the Labour Party structure reflects their insular conception that the Russian Bolshevik Party is not an appropriate model for Britain, a prejudice which stems from rejection of the programme of Leninism.

An independent working-class party would necessarily have to have all the elements that were found in the party which issued out of the majority faction of the Russian Social Democratic Labour Party, in the course of many different struggles, learning from their mistakes along the way, in the period from 1903, through the outbreak of World War I. This experience included a wave of mass



Labour/TUC bureaucrats betrayed heroic 1984-85 miners strike. Spartacist League/Britain fought for a strategy to win through spreading the strike.

class. The bottom line for the SWP was to elect a Labour government, but during the election campaign they also occasionally used the slogan "Vote Labour or Socialist" to give themselves something of a left face, and to keep the door open to tailing Scargill's Old Labourism. Nonetheless their position was to the right of the SLP, which stood in opposition to Labour and refused to campaign for a Labour victory.

Even in the face of Labour's flagrant hostility to the working class, the SWP works overtime to foster the illusion that this vehemently anti-working-class gov-

in the Labour Party but through class struggle, which the Labourite bureaucracy are hostile to.

To polish up their image as a "socialist alternative" to Labour, the SWP recently wrote: "Winning fundamental improvements for working people means breaking with the Labourist, parliamentary tradition altogether and taking on the priorities of the bosses and their system" (*Socialist Worker*, 9 August). All well and good, but the SWP has never put forward a programme for breaking with Labourism. The SWP has supported the pro-imperialist Labour Party in every election. They uphold the Labourite view that cops and prison guards, who are part of the capitalist state, are part of the working-class movement, or potentially so. This is a rejection of the Leninist understanding of the capitalist state as "special bodies of armed men." Moreover, since their inception in the 1950s at the time of the Korean War, when the Labour government of the day presided over British imperialist military intervention on the side of U.S. imperialism against North Korea, China and the USSR, the SWP has taken the side of their own bourgeoisie on every crucial question of the international class struggle. Their refusal to defend the USSR and the North Korean and Chinese deformed workers states was of a piece with welcoming British troops to Northern Ireland in 1969, sent in by a Labour government.

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strikes unparalleled in the world, leading to the 1905 insurrection which was crushed, and the birth of soviets (workers councils) as organs of working-class power. The Bolsheviks acquired a wealth of experience combining parliamentary and non-parliamentary forms of struggle, as well as legal and illegal work. Lenin noted that one of the principal reasons the Bolshevik Party was able to lead the working class to victory in October 1917, based on the support of the broad masses of the proletariat, was that especially since the outbreak of World War I in 1914, they had been ruthlessly exposing "the baseness and vileness of social chauvinism" to which the views of the leaders of the Independent Labour Party and the Fabians corresponded. Through this experience the working masses in Russia became more and more convinced of the correctness of the Bolshevik views. Led by the Bolshevik Party, the Russian working class was able to win the support of the peasantry and, amidst the carnage of the war, to acquire a crucial base of support among the soldiers. The October Revolution of 1917 liberated oppressed nationalities and peoples from the yoke of Tsarist rule. Like the Bolsheviks we seek to build a revolutionary workers party that serves as a tribune of the people.

A Leninist vanguard party is counterposed to Karl Kautsky's conception of the "party of the whole class," of which the Labour Party and its organisational setup is a particular example. A party "of the whole class" necessarily submerges the most advanced layers of the class into the most backward ones; hence such parties are inevitably chauvinist, based on the dominant ethnic grouping and tied to the defence of the imperialist interests of its own ruling class.

Labourism is and has been the main obstacle to revolutionary struggle of the working class in Britain. A strategic perspective for revolutionaries is to split the working-class base from the pro-capitalist leadership. The formation of the Labour Party as a bourgeois workers party at the beginning of this century was a deformed and organisational expression of the political independence of the working class, separate from the capitalist Liberal Party. Yet the role of the Labour Party has always been to tie the working class to British capitalism and imperialism. This was particularly evident in periods of upsurge by the working class, such as in the aftermath of the Russian Revolution. Labour's adoption in 1918 of "Clause IV," which promised "common ownership," served to stave off the "threat of Bolshevism" which the British ruling class dreaded; the massive wave of struggles of the working class was diverted into the pursuit of reforms of capitalism through parliament.

Labour's "Clause IV socialism" was

the corollary to betrayal of actual struggles of the working class, such as in 1919, when the prime minister Lloyd George summoned the leaders of the "Triple Alliance," a powerful combination of the rail, coal and transport unions who were preparing a joint strike. Lloyd George noted that the army was disaffected and could not be relied upon, and that these trade union leaders were in a position to challenge the capitalist state power. He asked the union leaders: "Have you weighed the consequences," noting that this meant being prepared to "take on the functions of the State." Robert Smillie, the miners leader, commented that from that moment on "we were beaten and we knew we were" (from *In Ploce of Fear*, autobiography of Aneurin Bevan).

In "Left-Wing" Communism—an Infertile Disorder Lenin made it clear that mass reformist parties cannot be simply written off as "irrelevant" but must be engaged through intelligent tactics to win their working-class base to the communist party and programme. This has nothing in common with the "socialist" left's idea of "tactics," which amounts to always voting Labour to "keep the Tories out." The Labour Party was not, Lenin insisted, the political organisation of the trade union movement. It represented the political interests of a narrow, bureaucratic, upper stratum of the working class, who benefited from the superprofits of imperialism and were thoroughly imbued with the chauvinism of "their" ruling class. At the Second Congress of the Communist International in 1920, Lenin described the Labour Party in the following terms:

"Regarded from this, the only correct, point of view, the Labour Party is a thoroughly bourgeois party, because, although made up of workers, it is led by reactionaries, and the worst kind of reactionaries at that, who act quite in the spirit of the bourgeoisie."

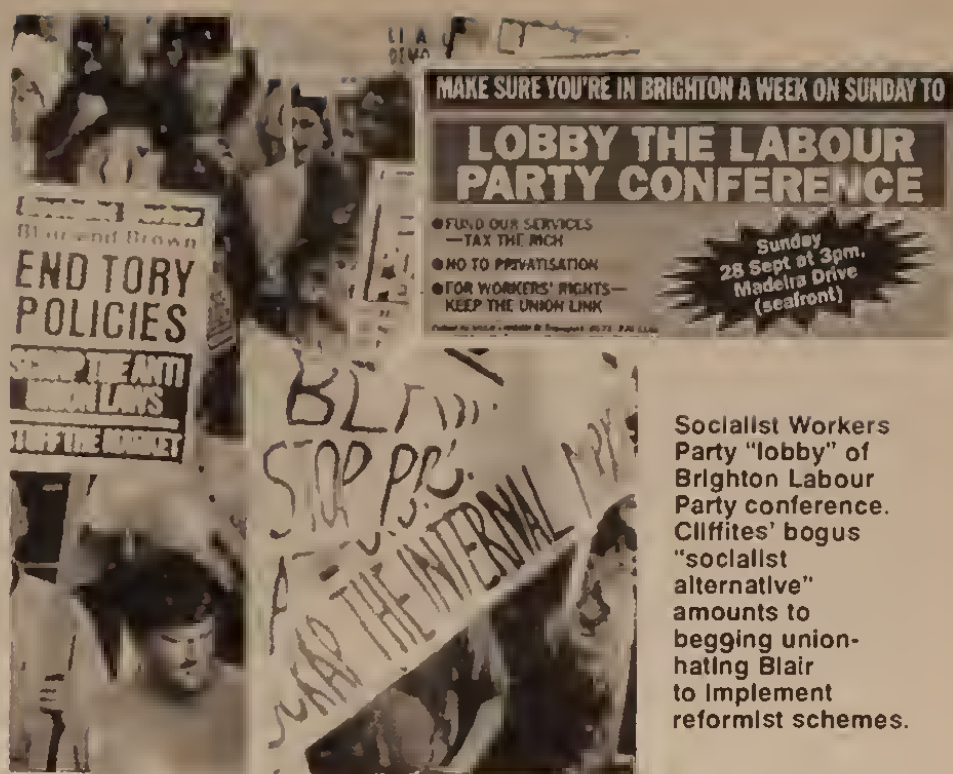
The Lessons of the Miners Strike

As Karl Marx and Friedrich Engels stressed in the *Communist Manifesto*, every serious class battle is a political struggle, and the Communists are distinguished from other working-class parties because "they everywhere represent the interest of the movement as a whole." As Leon Trotsky wrote in "Communism and Syndicalism" (1929), "The question of the relationship between the party, which represents the proletariat as it should be, and the trade unions, which represent the proletariat as it is, is the most fundamental question of revolutionary Marxism." As defensive organisations the unions must be built on the broadest possible basis to maximise the unity of the working class against the capitalist exploiters. This is directly linked to the fight for communist leadership within the unions.

health care and education—would be considered a necessary public service. But capitalism, with its frenzied competition for profits, is hardly rational. Only under a socialist, planned economy can there be a rational distribution of resources—democratically determined by elected workers councils (soviets)—to harness modern technology with the aim of providing public services to society as a whole."

Transport safety goes hand in hand with union power. Workers must be able to shut down unsafe equipment and work-sites with the full backup—including strike action—of the unions. The fight for a shorter workweek with no loss in pay is not only necessary to combat layoffs, but is literally a question of life and death for rail workers forced to work long shifts through the night. This must include fighting the bosses' racist employment practices. Every real measure to defend jobs and working conditions means a bitter fight against the rail corporations and the bosses' state—and a political struggle against their labor lieutenants.

Rail workers are potentially one of the most powerful sections of the working class, strategically positioned to cripple the economy and bring the capitalists to their knees. What is needed is a union



Jess Hurd

Socialist Workers Party "lobby" of Brighton Labour Party conference. Clifftes' bogus "socialist alternative" amounts to begging union-hating Blair to implement reformist schemes.

on the basis of our programme, against pro-capitalist and centrist elements who reflect and transmit the bourgeoisie's divide-and-rule policies. At the same time, the task of the communist vanguard party is to sharpen the differences between competing political tendencies in order to bring the workers to communist consciousness and to assemble the cadre, through splits and regroupments, in a Leninist party whose purpose is to lead the workers to state power.

Arthur Scargill, who led the miners strike to just about the limits of trade union militancy, at the time made it clear that his idea of "power" did not transcend a parliamentary Labour government, telling a miners rally in Mansfield in 1984 that "Above all, we will pave the way for a general election to elect a Labour government." In order to prevail against the bosses and their state it was necessary to spread the strike to other key sections of the working class. We fought for a fighting Triple Alliance of railworkers, dockers and miners. Such united strike action with the miners would have effectively meant a general strike, which goes beyond simple trade union struggle and poses the question of which class shall rule. Scargill refused to struggle for power. This would have meant a political break with the Labour bureaucracy. But it was the TUC/Labour "leadership," "left" and right, who did everything in their power to help Thatcher strangle the heroic miners. And the SWP played their own nefarious role—their steelworker members waltzed across miners' picket lines.

Today New Labour pushes the lies of bourgeois triumphalism, that the collapse of the USSR means the "death of commu-

nism," and the defeat of the miners and gutting of industry means the end of class struggle in Britain. The TUC under John Monks concurs, peddling "New Unionism" as a signal that "the unions are ready to take an active part in making the UK economy more competitive." It is precisely with the intention of making British Airways "more competitive" that Bob Ayling seeks to bust the TGWU, and why the Mersey Docks and Harbour Company wishes to return to non-union labour in the docks.

Especially since capitalist counterrevolution in the Soviet Union and Eastern Europe, the drive for competition between imperialist powers has become more intense. The need to increase the rate of exploitation means further grinding the working class and poor and fuelling anti-immigrant hysteria. Across Europe, social democratic parties in government, like Jospin's Socialist Party and the Party of the Democratic Left in Italy are, like Blair's Labour, the enforcers of vicious capitalist austerity and the racist anti-immigrant policies of "Fortress Europe."

To save the working class and oppressed from further devastation requires working-class rule and the establishment of a rationally planned economy on an international scale. The task of a revolutionary party in Britain is to fight for a new October revolution, which will sweep away the capitalist order. We say: for a start abolish the monarchy, House of Lords and established churches. For the revolutionary mobilisation of the working class—black, Asian and white; English, Scottish, Welsh and Irish—in a struggle for a federation of workers republics in the British Isles, part of a Socialist United States of Europe. ■

Rail...

(continued from page 12)

If the BMWE goes out, the bourgeoisie and its media mouthpieces will no doubt manufacture a crescendo of "public outrage," particularly aimed at mobilizing petty-bourgeois commuters against the strike. Not only rail unions, but all trade unionists and indeed all riders have a stake in supporting Amtrak rail workers. In recent years, cuts in government funding combined with "cost-saving" measures by Amtrak management and the profit-hoarded freight giants have turned the railways into a safety nightmare. As we wrote in "Death on the Tracks" (WV No. 640, 1 March 1996) in the wake of a series of deadly crashes early last year:

"As railroad magnates scramble for ever-greater profits—and the government at all levels slashes away at everything from welfare to health care to public transportation in order to boost corporate America's bottom line—the lives of workers and passengers have increasingly become an expendable commodity....

"In any rationally organized society, cheap, safe mass transit—like decent and affordable housing and free, quality

leadership willing to mobilize that power in joint strike action by all rail unions—passenger and freight, skilled and unskilled—breaking down the craft divisions and forming one industrial union of rail workers. This requires a political program based on intransigent class struggle against the capitalists and their

state—from the White House and Congress to the courts, cops and federal troops. A class-struggle leadership of the unions must be forged as part of the fight for a revolutionary workers party built in opposition to both the Republican and Democratic parties of capital. Victory to Amtrak rail workers! ■

WORKERS VANGUARD

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WORKERS VANGUARD

OCTOBER 28—As we go to press, the Brotherhood of Maintenance of Way Employees (BMWE) union has agreed to a further postponement, this time for eight days, in the deadline for the strike against Amtrak over demands to bring wages in line with those of workers at commuter and freight lines. The 2,300 BMWE members—who build and maintain track, tunnels, bridges, signals and buildings for inter-city trains and for commuter rail services which are operated by or run over Amtrak track—have been working without a contract or a raise since 1994. Indeed, only one of the 13 unions at Amtrak has a current contract. The rail workers have clearly been inspired by the UPS Teamsters strike two months ago, which broke the pattern of crushing defeats for labor over the past two decades. "Look at what the Teamsters did at UPS!" one BMWE member said to a *Workers Vanguard* reporter outside a union meeting in Metuchen, New Jersey last week.

Working under deadly dangerous conditions, often far from home, Amtrak workers average up to \$6 an hour less than their counterparts at other rail lines. Every time the government has cut funding for the public rail transport company, the union tops have accommodated by shoving through ever more givebacks, including a 12 percent wage "concession" between 1981 and 1992. But there is more than wage parity at stake here: the larger issue is an attempt at union-busting targeting not just the BMWE but all Amtrak workers and ultimately all railway unions!

In September, a House committee pushed through the two-year-old "Amtrak Reform and Privatization Act." This measure would deny Amtrak workers protection under the Railway Labor Act's Title C-2—which stipulates that laid-off rail workers receive six years' severance pay—allowing the company to shut

down even more routes, lay off unionized workers and contract out their jobs to lower-wage or non-union outfits. Such attacks will particularly target black workers. For example, Amtrak is already set on "privatizing" its Chicago reservations office, which includes over 200 workers, many of them black and with 20 or more years' seniority. And, as the *Journal of Commerce* (22 September) makes clear, "the bill opens the door to possible reductions in similar labor protections for a much larger number of freight railroad employees." Indeed, attacks on rail unions have historically been initiated in Amtrak and then extended to freight line workers.

Amtrak management and the capitalist government at all levels already have in place a formidable arsenal of anti-strike weapons. The BMWE was set to strike in August, just after the UPS settlement,

until Democratic president Clinton invoked the Railway Labor Act to impose a 60-day "cooling off" period. Now Congress is prepared to pass "emergency" anti-strike legislation in the event workers walk out, particularly if commuter service is shut down. In New Jersey, state officials have already set up an "emergency management command post" at State Police headquarters. All of this serves to underscore that any serious strike directly pits labor against the bosses' state, which is nothing other than the executive committee of the capitalist class as a whole, an apparatus of repression to enforce the exploitation and oppression of the working class and minorities. Yet it is this racist, strike-breaking government, and particularly Clinton's Democrats, that the union tops look to for "support."

A solid strike, backed with concrete

solidarity actions by the rest of the labor movement, could make short shrift of the capitalists' strikebreaking plans. But the BMWE officialdom has agreed to strait-jacket the union even before a strike has begun. The union leaders first postponed the strike deadline set for October 22 expressly for the purpose of negotiating deals to keep commuter service on Amtrak-maintained tracks operating. BMW members are being ordered to cross their own picket lines. That is exactly what the capitalist rulers want: with the exception of Amtrak's Northeast corridor, they don't give a damn about maintaining long-distance passenger rail service. BMW members should repudiate this strikebreaking deal, and if they walk out, all Amtrak workers should join them on the picket lines. Picket lines mean don't cross! One out, all out!

continued on page 11

Smash Union-Busting Against Rail Workers!



Amtrak Strike: One Out, All Out!

**Defend Affirmative Action!
For Free, Quality, Integrated Education for All!**

California: Protests Against Racist Prop 209

The assault on affirmative action is raw, naked race-hate—nothing less than a threat that blacks, immigrants and other minorities will never have access to a job or a decent education in this country again. Currently, 26 states have plans to destroy affirmative action programs. The

Young Spartacus

University of Texas law school, which since the 1980s has graduated more black and Hispanic lawyers than any other university, accepted only 4 black and 26 Hispanic students this fall. At the San Diego campus of the University of California (whose regents abolished affirmative action two years ago), the medical school rejected *all* black and Native American applicants. The heart of these attacks can be summarized by the Jim Crow slogan "no blacks need apply."

One year after California voters approved Proposition 209 which outlawed affirmative action programs in public education and government hiring and contracting, Prop. 209 was upheld as constitutional by the state courts on August 28, sparking protests on campuses up and down the coast. On October 13 at UC Berkeley's Boalt Hall law school, hundreds of students staged a sit-in at the registrar's office which ended in the arrest of 54 demonstrators, who are still facing charges. In Van Nuys, California, two leftists are on trial for protesting against "former" Klansman David Duke's speaking in support of Prop. 209 last year (see protest letter, page 2). The Spartacus Youth Clubs demand: Drop all charges against anti-racist protesters! Defeat the racist assault on affirmative action!

From San Diego to San Francisco, the immediate goal of protest organizers was to mobilize for a march with Democratic

October 13 protest
at UC Berkeley
law school against
racist assault on
affirmative action.



Riesterer/Oakland Tribune

Party leader Jesse Jackson in Sacramento on October 27. Jackson's "Save the Dream" rally has one sole purpose: to lead blacks, Hispanics and anti-racist youth into the Democratic Party fold. "Save the Dream" is a tool to perpetuate oppression by fostering illusions in the Democratic Party—which is no less capitalist than the Republicans—as the "friend" of the working class and oppressed. The Democratic Party has been

busy implementing racist welfare programs to starve welfare mothers and bust unions as billions go to build more prisons and execution chambers and horder cops shoot down immigrants at the increasingly militarized Mexican border. In fact, the strategy of pressuring the Democratic Party has demobilized the protests, as many students recognize the futility of hegging politicians and just

continued on page 8