



socialist

appeal

Jan/Feb 2000

The Marxist voice of the Labour movement Price: £1 ☆ no. 76

Inside

Blair project

**Livingstone
affair**

Tube crisis

Youth

**Marxism and
the
Millennium**

USA today

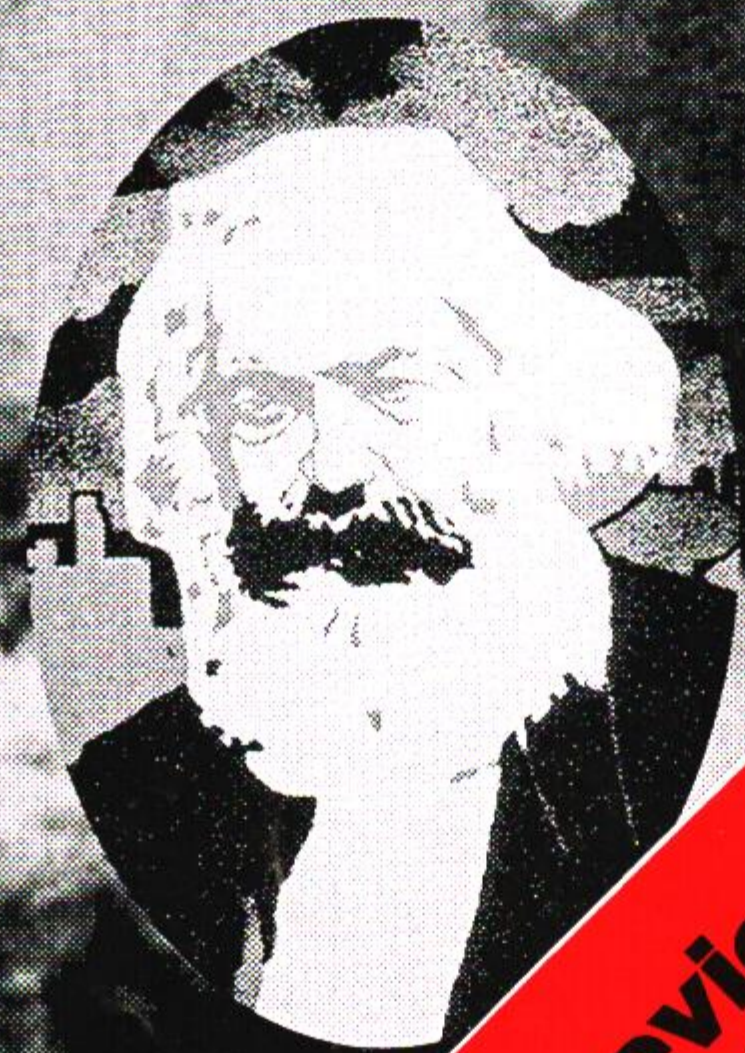
**Trotsky
anniversary**

**Yeltsin
resigns**

Socialism or Capitalism?

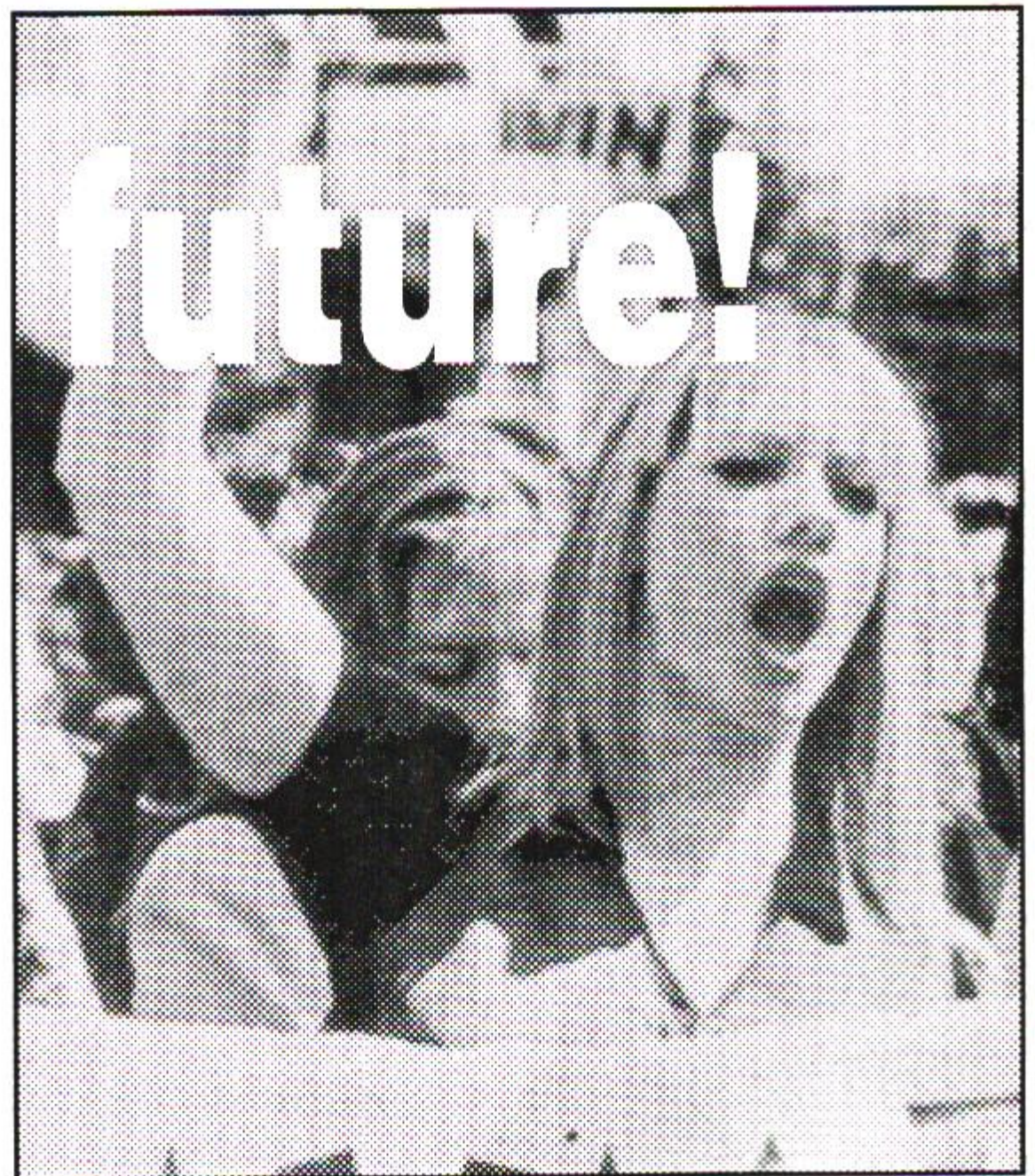
Prospects
for the

**New
Millennium**



**Reviewing
Labour's
centenary**
see page 10

Millennium challenge Fight for your



The new century poses huge challenges before the Labour movement, not least wrestling control of the Labour Party back from the Tory/SDP infiltrators who have subverted it in the name of "New" Labour.

Many activists have known periods of right-wing domination before. For much of the post-war period, the Labour Party and trade unions were dominated by the Gaitskells, the Deakins, the Carrons, and the like. After the 1959 general election defeat, Hugh Gaitskell, the Party leader, plotted to get rid of the Party's socialist aim enshrined in Clause Four, break the trade union links and change the name of the Party. He failed because of the revolt of the rank and file.

However, the Blairite clique that presently controls the Party has gone much further. They have got rid of Clause Four, undermined party democracy, and in reality changed the name of the Party. Their aim is to destroy the Labour Party and create a new centre-left Tory Party. Blair and his middle class friends have made it clear that they despise the Party. Blair has stated publicly that the break with the Liberals and the foundation of the Labour Party was a profound mistake.

Blair's words sticks in the throat of every Labour Party activist. The Labour Party was created 100 years ago to further working class emancipation, but its traditions are being systematically trampled under foot by the Blairites. They are repelled by our history. The only concern of these middle class upstarts is their parliamentary careers and their comfortable bourgeois lifestyles.

They have ditched the radical policies of the past and whole-heartedly embraced the market economy. The policies of the Blair government are largely a continuation of Tory policies. In the past, the right-wing talked about progressive taxation, increased public spending and the like. But not anymore. Now Gordon Brown has cut corporation tax, while benefits to lone parents, the disabled and the unemployed are axed.

The value of state pensions - to be increased by a mere 73p a week - is being undermined as Labour ministers advise working people to invest for their old age through insurance companies, already blighted with pension fund scandals. Local authorities - who are caught in the government's financial squeeze - are forced to sell off housing stocks, while council house

building dries up, and homelessness continues to rise.

The Blairites have made it clear that they want to transform the Labour Party into a "party of business". The Blair-Brown axis wants to go the whole hog creating a coalition with the Liberals and "left" Tories around Clarke and Hestletine. Blair's eagerness to share a European platform with them is a pointer to the future. They have been busy recruiting Tories and SDP traitors as advisers and collaborators, while business friends have been used to staff ever-expanding government quangos and committees. A layer who have helped to finance the Blairite machine have been rewarded with peerages and other titles.

Blair has also had the effrontery to admit he admires Margaret Thatcher. In defiance of the Labour movement, he has continued with many Tory policies, including keeping the bulk of the anti-trade union legislation. They have ingratiated themselves with big business at every turn, promising to continue with the privatisation - directly or indirectly - of London Underground, air traffic control and even the nuclear power industry. They are allowing business to further penetrate the public sector through public-private partnerships, while financially starving local authorities.

To blunt any opposition from the rank and file, the Blairites have introduced an authoritarian regime from Millbank. The latest has been the blatant attempt to block Livingstone becoming Labour candidate for London mayor. Despite the disarray in the Tory Party, this episode can undermine Labour in London, as Blair's underhanded opposition to Rhodri Morgan undermined Labour in Wales.

The pro-capitalist policies pursued by the Blair government have led to growing disillusionment amongst traditional Labour supporters. This was reflected graphically in the high abstentions of Labour voters last May and June. In Scotland and Wales this disenchantment resulted in the increased vote for the nationalists. In Wales, in particular, Labour was routed in its traditional heartlands of the Rhondda, Llanelli and Islwyn. Sickened by the Blair leadership, Labour activists were clearly absent in the election campaigns. Despite the right wing's claim that the apathy represented "contentment" with the Blair government, there was no enthusiasm for Labour.

There are none so blind as those who

will not see. But Blair does have a plan, whatever the consequences, to destroy the Labour Party and replace the Tories as the party of big business. That is why Mandelson was brought back into the Cabinet, to overcome opposition and to help further the Blair Project.

The Labour Party was created 100 years ago by the trade unions to represent the interests of working people in Parliament. Under the impact of the Russian Revolution, Labour adopted Clause Four, which committed the Party to socialism. The trade unions still in theory dominate the Party, through their affiliation, finance, and voting influence. The unions control 50% of the vote at annual conference. However, the right wing trade union input has largely supported the Blair "counter-revolution".

The Tory carpetbaggers that control the Party must be driven out. This task lies with the rank and file of the Party, and especially the unions. By cleansing the party of pro-capitalist elements and re-adopting a socialist programme, the historic aspirations of the working class can be fulfilled. Only by taking over the "commanding heights" of economy, the major monopolies, banks and insurance companies, under democratic workers control and management can the economy be planned in the interests of the majority.

With the beginning of a new century and a new Millennium, we must learn the lessons of history, and rededicate ourselves to the fight for a socialist future. Part of this must be to seize back control of the Labour Party for the working class, rearming it with a socialist programme, which alone can eliminate the problems we face under the anarchy of capitalism. That is the only celebration of the centenary of the Labour Party that has any meaning for working people. ☆

After the Woodward defection: Benn warns of National Government

"All this points to a realignment of British politics which I believe is being planned to ditch the Labour Party and to create a new Centre party, in which Michael Hesteltine, Ken Clarke, Paddy Ashdown, Shaun Woodward, the Prime Minister and others could happily serve together." Tony Benn, *The Express*, 21/12/99.

The recruitment of Tory front bencher Woodward to "New" Labour is a further milestone towards the realisation of the Blair Project. Shortly before this, *The Sunday Telegraph* revealed the contents of Paddy Ashdown's diary which disclosed a secret meeting on October 21, six months after the general election, at Downing Street attended by the Prime Minister, Peter Mandelson, Jonathan Powell, and two senior Liberals, Roy Jenkins and Ashdown. The meeting was convened to prepare a coalition government, referred to in the diary as "The Full Monty".

This is nothing new. *Socialist Appeal* has reported statements and plans that have leaked out concerning Blair's coalition plans over the last two years. "Tony Blair had planned and prepared for the possibility of a coalition cabinet", reported Ashdown in November. "The decision Mr Blair and I took, whether or not we would go ahead with the coalition, on May 2 1997 - well, I am not sure it was the right decision. He must speak for himself."

However, Blair remained tight-lipped about his plans for a coalition. The reason is clear. "Most ordinary Labour activists would have been appalled to learn that their leader might throw away the huge majority they had striven for 18 years to achieve", states the *Telegraph*, "and share power with the despised Liberal Democrats." (28/11/99). Instead, he preferred to make arrangements behind the backs of the Cabinet and the ranks of the Labour Party. His secret meeting with Ashdown and Jenkins, one of many for sure, discussed plans to sack Labour Ministers and replace them with leading Liberals, Alan Beith and Ming 'the Merciless' Campbell.

According to the diary, "We moved on to the TFM (the coalition), leaving the table for the sitting room. OMF (Blair) explained that he could see two easy people to move out

of the Cabinet at the moment. But he was really worried about the reaction from his party. All his instincts were to go early. PM (Mandelson) confirmed that his were too: in the best of all possible worlds we are going to do it, let's do it quickly.

"Powell revealed that he was for doing the thing straight after the election and couldn't understand why the pair of us had let that moment slip. OMF (Blair) said that he wished it had been done then. But now he was really worried about the reaction of the party. He wasn't sure he could carry them. He just didn't think we could get things ready by the winter."

Since then, Blair has made continued overtures to the Liberals and "left" Tories. He stated that the Labour Party should never have been formed, and has sought to weaken the trade union links. Recently, writing in the right-wing *Unions Today* magazine, he stated that the unions, which were "basically, a sectional interest", should "stay out of politics" and "embrace the new agenda".

At the time of the Woodward defection, Tony Benn on *BBC Newsnight* warned that Blair was preparing a National Government on the lines of 1931. The following day, he wrote an article asking "Why is Ken Livingstone, who led London for Labour, so violently attacked by Downing Street when Shaun Woodward, a leading Tory opposition spokesman has, apparently, been received there three times and was welcomed with open arms?"

He continued: "The answer to that must surely be that 'New Labour' is in reality, becoming a 'New Conservative' party, following many of the policies, like privatisation and support for market forces, pioneered by the last Tory government." (*The Express*, 21/12/99)

Blair would like to follow in the footsteps of Ramsay MacDonald. On the basis of a new world economic crisis, Blair could easily use the situation, backed by the capitalist press, to split the Labour Party and join forces with the Liberals and disgruntled Tories in a National Government. This is a warning to the Labour movement. The writing is on the wall for all to see.

It is essential the grip of the Blairites is broken before it is too late. No to Tory polices! No to coalition! For a return to bold socialist policies! ☆

Index

Editorial.....	2
Blair project.....	3
Livingstone.....	4
Tube crisis.....	5
Taxi dispute.....	7
Health service....	8
Youth.....	9
Labour Party centenary.....	10
Brecht.....	13
UNISON.....	14
Marxism & the Millennium.....	15
Trotsky anniversary.....	23
USA today.....	26
India.....	27
Yeltsin quits.....	29
Letters.....	32
Wellred	33
Fighting Fund...	34

Socialist Appeal

Published by
SA Publications

PO Box 2626,
London N1 7SQ
tel 020 7251 1094
fax 020 7251 1095

socappeal@easynet.co.uk

www.socialist.net

www.marxist.com

www.newyouth.com

editor: Alan Woods

Capital Idea



Christian Socialism (part 1)

Tough new moves to end the "soup kitchen culture" blamed for encouraging thousands of people to sleep rough (no doubt you have often thought of giving up your job to live in a cardboard box!) have been announced by Tony Blair.

The statement came as charities were preparing to give out food, sleeping bags and money to people who live on the street. Of course Tony believes that many "pose as homeless but are little more than skivers". He is to back calls for a crackdown on the "fraudsters" and a switch to helping the "hard core of rough sleepers" who are in "genuine" need of support. He will be proposing a "network of new, modern hostels, which are open all hours and the homeless will get proper advice from experts on how to sort out their lives and find a job" (!) Watch this space for the return of that good old Victorian institution the workhouse!

Christian Socialism (part 2)

Chancellor Brown has plans "to ask people to sign on every day if there is any suspicion that they are not working when able to do so. We will not hesitate to take the action once the detailed work is done".

Challenged on whether this is what voters might have actually expected when they elected a Labour government into power, Brown is unrepentant. "Clearly this is the time, when there are vacancies in the economy, to take tough action to bring those who are unemployed and able to work and not doing so into the workforce". He is convinced that it will be possible to move towards full employment 'in our generation'. Tell that to the people living in the North of England or those working on poverty wages. ☆

Livingstone: the fight is on

The next few weeks will see the struggle to decide who will win the nomination to be Labour's candidate for London mayor reaching a dramatic conclusion. With voting due to be finished by February 16th, there is very little time left for campaigning.

by Steve Jones

Not surprisingly the Millbank machine has been working hard to give every advantage to their favoured candidate, Frank Dobson. With plenty of available finance, the Dobson campaign office has been able to make full use of the London party membership lists which have been made available to it. Lists which were not made available to the other candidates until much later. Blair has been speaking at meetings urging support for Dobson. Also speaking around London has been Neil Kinnock, who has been dragged away from his very well paid 'job' in Brussels to explain how to win elections by opposing the Left. Coming from a man who lost two general elections in a row (whereas the GLC under Livingstone enjoyed considerable support in London) this flow of wisdom is suspect indeed.

Of course, the likes of Kinnock are somewhat miffed to have to be involved at all. The original game plan was for there to be a nominal election with the choice of the party apparatus sailing through. Livingstone would be ruled out on some technicality and that would be that. What they did not bargain for was the mood of opposition to this fix which started flowing through the ranks of the Labour and trade union movement. By the time the somewhat mysterious shortlist selection body came to meet, panic had set in. Blair was nowhere to be found and the selection body had to go into recess for two days while they waited for a signal to arrive from Millbank. Finally, as one insider put it, they blinked and reluctantly let Livingstone stand. This represents a tremendous victory for party activists and an indication of things to come.

It is clear at this stage that Livingstone enjoys considerable support. Those parties who have organised ballots of their members in order to give direction to their MPs have achieved high pro-Livingstone votes. In Tooting, Livingstone won 66.4% of the vote and in Hornchurch 66.5%.

However, the odds are still weighted against Livingstone. Party members are only to get a third of the votes in the electoral college. One third goes to affiliated organisations-who should certainly have a

full say- but concerted attempts have been made by right wingers not to consult or ballot their members but just to cast their vote regardless. This sudden lack of enthusiasm for the wishes of the members is not surprising given that in the ballot conducted by the RMT, Livingstone won 90.6% of the vote. Needless to say the RMT is just one of the affiliated organisations to be ruled out of the vote on a technicality! The RMT result has been matched by that of the TGWU where Livingstone scored 85.8% of the vote and Dobson came third with just 6.9% in a ballot where the turnout of 29% is considered to be unusually high for that union.

The Dobson camp are however putting great faith in the third of the votes which are disgracefully going to the likes of London MPs, MEPs etc. However, if enough support is whipped up and enough pressure put on the affiliated unions and the MPs and so on, it is still possible for Livingstone to overturn the Millbank machine and win the vote. All activists should make this their priority.

However, there is another issue which also needs to be resolved. At the time of the shortlist selection much was made about Livingstone's loyalty towards the manifesto, particularly over tube privatisation. What manifesto? When was all this decided? In 1997 Londoners voted overwhelmingly against tube privatisation in supporting Labour, yet now we are being told that the PPP version, privatisation in all but name, is to be in the manifesto. Surely the correct approach should be to call a conference of the London Labour Party to democratically discuss and decide on all this. This could still be done if an emergency conference was called-we should be demanding this without delay.

At the end of the day it is not only about which candidate is chosen but also about what programme they fight on and what they do about it when elected. Evidently, the mayor will be able to appoint all the members of the new body in charge of transport in London and a controlling majority of the Metropolitan Police Authority and the London Fire and Civil Defence Authority. So somewhat unintentionally there is a potentially important base there for a focal point of opposition to be established. Armed with a socialist programme and committed to defending the interests of the working class, such an administration could make a clear stand against the attacks of big business and central government in a way not seen since Liverpool in the 1980s. This is what Blair and the City of London fear and it is what we should demand. ☆

London underground: No backdoor privatisation scandal

One by-product of the fight over who should be Labour's candidate for London mayor has been renewed interest in what should be done about the London underground system.

Under the Tories there was chronic under-investment in the infrastructure of the tube. Now it is literally falling to bits, as anyone who has to travel on it will testify. Something has to be done. In 1997 the Tory plan to privatise was soundly rejected by the London electorate who voted Tory MPs out of office in droves. But what has New Labour now brought forward? Their favoured option of Public Private Partnership (PPP) is just privatisation by the back door.

by *Stuart McGee*

The current plan by the government is to split the London Underground into three parts: The Bakerloo, Central and Victoria lines, (BCV); the Jubilee, Northern and Piccadilly lines (JNP), and surface and sub surface lines which consist of the City, District, Metropolitan, Hammersmith and City and East London lines.

It was originally proposed that the surface and sub-surface section be handed over to Railtrack. Considering the disgraceful safety record of this firm, their failure to invest, and their total incompetence it is outrageous that a Labour government should even have considered handing over the running of yet more public services to this outfit. Thankfully this decision has now been rescinded, largely because Railtrack got cold feet rather than any rethinking on the part of the government.

The contracts for the other two segments of the Underground system are due to be awarded next spring and up until Christmas five consortiums were being asked to draw up bids. However this has now been thrown into confusion as a result of one of the consortia (New Metro) collapsing. One of the firms that made up the group (Taylor Woodrow) has withdrawn on the grounds that the venture was too risky. At the time of writing, Siemens, the lead company in the New Metro set-up is looking to either put another consortium together or link in with one of the other existing



groups. However it has also been reported in the *Financial Times* that another consortium is now 'shaky' as well.

The plan is that whichever firms win the contracts will 'invest' the equivalent of seven billion over the next five years in the infrastructure. They will be given the responsibility for the stations, signalling and track. They would then be paid to run and maintain these services over a twenty-five to thirty year period. This is the plan being pushed by the Blairites.

But all these groups are in business for one thing and one thing only. It isn't to provide a cheap efficient underground service to the public. It is solely to make profit - for them that is, not us.

Livingstone

Livingstone, on the other hand, wishes to raise the money for investment by issuing bonds, (basically the issuing of very safe promissory notes that people purchase and are then bought back at a low rate of interest). He claims that this would be a less expensive way of raising money as the security of such bonds would mean that the borrowing would be at a low rate of about 4 to 4.5%. Livingstone still thinks that contractors would have to be employed to carry out the work but this would still be significantly cheaper.

While it is generally accepted that it will be two to two and a half percent more expensive to raise the money under the system that the Government are propos-

ing, the pro-privatisation lobby are claiming that the risks would be taken by the private sector "who are far more effective and efficient than the public sector", and that therefore work would be likely to come in on time and on budget. This, according to the Millbank spin doctors, would more than offset the higher level of interest that may have to be paid to the bankers.

Gordon Brown has gone even further by claiming that Livingstone's bond proposals would cost £2.5 to £3 billion extra because there would be a 40% 'efficiency saving' by the private sector that would easily outweigh any savings as a result of the bond issue. This is clearly an admission that the money could be borrowed far less expensively through Livingstone's bond proposals. However the idea of 40% "efficiency saving" poses a far more worrying question. Every public sector trade unionist who has ever been under threat of privatisation will understand what is meant by "efficiency savings."

Despite the fact that on the day of transfer from a public to a private organisation, wages and conditions will be protected under the 'transfer of undertakings' legislation (TUPE), the fact is that when workers leave the service (as they tend to in droves once the profiteers have taken over) they are either not replaced, or, if they are, it is with workers on inferior wages and conditions. This means extra work for the same rates of pay for those who are left and the introduction of a two

tier wage system. With the pressure on, corners tend to get cut and as a result safety is compromised. This is how privatisation has always made savings and cut costs.

There have been counter claims from the Livingstone camp that the issuing of bonds on the basis of 4 to 4.5% interest being paid, could be up to £7 billion cheaper than the PPP proposals. It has been claimed that the total payback on £7 billions worth of loans would only be around £11 to £12 billion as opposed to £19 billion if the money was raised through the private sector.

As the old saying goes there are lies, damn lies and statistics. Even with a totally unbiased cost analysis from expert economists it would not really be possible to give an accurate projection. This is because there are so many factors involved and markets are unpredictable, but it seems likely on a capitalist basis that the bond issue would be cheaper.

Economics

If we were forced to choose which system to fund the Underground improvements on the basis of capitalist economics we would have to opt for the proposal that would give the best and most cost effective service to Londoners and the least to the parasites in the City of London. If it is true that there is a £7 billion difference, why should that money (that represents about £1000 for every Londoner) be going into the pockets of the bankers in the city who are doing nothing to improve the transport system or in fact any aspect of life in the Capital? Why should workers in the industry face the inevitability of increased exploitation if the private firms are allowed to take over? Why should the travelling public be forced to pay higher fares when we already pay the highest cost for transport anywhere in the industrialised world?

However, the moneymen will receive huge amounts of cash in interest payments without lifting a finger, whichever option is chosen. The shareholders in the firms that make up the consortium that eventually wins the contract will be paid a handsome dividend on their shares without



lifting a finger as well. We only have to look at the obscene amounts of money that senior businessmen (especially in the privatised industries) award themselves in wages, bonuses and share options to know where another large chunk of money is going. To be fair when they do lift a finger, it's usually the middle one to workers in the industry, the travelling public and to safety at the expense of profits. The proliferation of consultants who make a living from advising the parasites on how to exploit those who provide the service and those who use it is still spiralling under a Labour government.

But there is a far better alternative to both these options. We, along with most of the Labour movement, want to see a publicly run, publicly funded, cheap, efficient and properly integrated transport system in this country. A system that has a well-paid, well-motivated workforce providing a safe and comfortable service. There can be no doubt that proper funding for such a service would ensure more people using public transport and leaving their cars at home. This inevitably means a resounding "no" to the proposed part privatisation of the tube. But it also means the re-nationalisation of the railways and the buses as part of a socialist plan. It means direct and adequate investment from a socialist government, and a bringing into public ownership of the firms currently undertaking work on public projects and the development of a direct labour force capable of undertaking this work.

Re-nationalisation should take place only with minimal compensation and then only on the basis of proven need - nothing to the profiteers. Why should those who have been milking the system dry at the expense of the workers and the travelling public receive another penny? The truth is that a case could be made for confiscating the money they have already appropriated under false pretences.

Furthermore only those really committed to providing a decent, safe and efficient service should be serving at the highest level in the industry. They should be elected by and accountable to those who work in the industry, those who rely on its services, and democratically elected bodies representing the community as a whole. But perhaps more important than anything else is the day to day involvement of those workers who provide the service and those who use the service. The introduction of workers control and management would transform the whole transport network and release tremendous resources. At the end of the day a publicly owned and run tube and transport service operating as part of a socialist plan represents the only real solution to the crisis which, if left unchecked or worse increased courtesy of the profiteers, will steadily destroy this once great network. ☆

Kinnock resurrected

Neil Kinnock has been brought back from Brussels to go around speaking with Blair and his candidate Frank Dobson. When not distorting history by denigrating the former Greater London Council and alleging that under Livingstone's stewardship, it lost Labour votes, (which is completely untrue), he attempts to convince his audience that Private is efficient and Public isn't. He compares the overrun of the budget on the Jubilee line extension with the efficiency of the 'on time, on budget' completion of the Docklands light railway extension to Lewisham. He conveniently forgets the geological problems the Jubilee Line faced and the problems experienced by the tunnelling engineers and the industrial unrest caused by one of the very firms that is now part of a consortium bidding for the contract under the PPP proposals. He forgets the 'over time, over budget' fiasco of the privately run Channel Tunnel project, and he probably wouldn't have known that those old favourites Railtrack were just about to approach the Government with the begging bowl again as a result of their failure to come in on time and on budget in relation to the project to upgrade the West Coast main line. They now claim that the project will cost £6 billion which is two and a half times as much as the original estimate in 1994.

The Prime Minister himself has been caught out being economical with the truth on this issue. In an article in the Observer he repeated the Millbank line that New York City had nearly gone bankrupt as a result of issuing bonds to fund improvements in its subway system. Rosemary Scanlon, a fellow at the London School of Economics who was formerly the New York Deputy State Controller with responsibility for the New York Metropolitan Transport Authority was forced to point out in a letter that this was a "complete and utter untruth". New York City had gone bankrupt and had to be bailed out in 1975 when bonds had been issued to raise finance to pay revenue costs. The issuing of bonds to finance the subway improvement project did not take place until 1981 and it is a project that has been a tremendous success. In fact this is a standard method of raising cash for public projects in the States. However unlike, 'workfare', 'zero tolerance' and the Democratic Party's slavish adherence to the interests of big business, this is not an idea that he wants to import from the other side of the Atlantic. ☆

Licensed taxi drivers protest

As a result of the continuing Southampton TGWU campaign to remove roof signs and high profile advertising from Eastleigh licensed PHVs, we were approached by members of Eastleigh Taxi Association.

They were also incensed by Eastleigh Council's licensing conditions and many decided to join the TGWU. We organised a joint demonstration at Eastleigh Council Offices early in September and handed in a petition to the council leader.

by Steve Fricker,
TGWU branch secretary 2/621

Standing beside the Council leader was the major Eastleigh PHV owner, Mr Miller (about 130 plates out of 215 - many of which work mainly in Southampton). The latter had a megaphone with which he harangued the demonstrators. TGWU branch chairman Dave Griffiths attempted to hold a discussion with the Liberal Democrat leader of the Council - he harangued him also.

About 120 taxis from Eastleigh and Southampton took part in the protest and all involved thought it was a success for us showing the strength of feeling that prevails within the trade on this issue.

To publicise our case TGWU members and colleagues undertook a major letter writing campaign directed at Eastleigh and Southampton councillors and MPs, emphasising the need for proper enforcement of PHV law in Southampton.

The union called a mass meeting of the trades from the two towns at the Mayflower Cruise Terminal 1 in Southampton docks, in order to plan the way forward. Reginal Industrial Organiser Jennie Sanle spelt out the operations open to us and it was agreed that further demonstrations and actions were needed. An unhelpful response from a Liberal Democrat councillor was handed around. Those attending were informed about the Luton situation where PHVs there are being allowed illuminated roof sign boxes for a trial period.

A further demonstration was held on October 26 in Southampton when a leaflet

produced by the TGWU was distributed along the route to the council offices to the general public which set out our case. About 100 Southampton and Eastleigh drivers took part.

Mr Miller turned up with two of his Phipps Group Southampton licensed PHVs from the A2B company. Both vehicles were plastered with anti-union slogans and his case for high profile adverts. A further vehicle was an unlicensed private car which is the prototype of the livery he wants his A2B cars to carry. In small letters at the rear it explains "Not a Taxi- Not in Service".

We informed the Council enforcement officer about this and blocked them in until he turned up. As a result of our pressure the Eastleigh Council is to review its licensing conditions in December and the Union is to continue to lobby councillors in the run up to the review meeting.

In Southampton the issue is enforcement. Unfortunately the licensed taxi trade is unable to get good enough evidence to secure convictions for illegal plying for hire and consequently we are demanding the use of further enforcement officers so that adequate evidence can be obtained. The last enforcement operation was in July when officers were brought in from another authority. In such a situation many PHVs in Southampton and outside consider that there is little chance of being caught.

However Southampton City Council is taking a locally based company to court. The company concerned, seeing what Phipps Group got away with opened an "office of convenience" in Eastleigh and now operates with both Eastleigh and Southampton licensed vehicles as reported in April CTN.

A Phipps Group Company - A2B, operates from the National Express Coach Station. If they are unable to cover some work, they pass it on to another company in the Phipps Group. On September 1, I watched four fares go to the A2B booking office. Two got A2B cars and ten minutes later two Phipps Group Eastleigh licensed PHVs cars arrived for the other two fares. I reported the matter to the Council to be told that they had booking and no offence had been committed. ☆

Class divide



Life is hard

Mo Mowlam is about to sign a £350,000 deal to write her memoirs. Apparently things are looking bad for the Mowlam family. Her husband has just lost his £70,000 a year job (We wonder if he will be signing on every day) with the Bank of New Zealand. They are already faced with having to sell their North London home to make ends meet. But hey! There is still the £90,000 from her salary and we know some cheap places in Romford that she could probably afford.

The Language of priorities?

The homeless are still unhoused and elderly NHS patients are hustled towards death to release hospital beds but Tony has got his priorities right. So far he has found £211 million to refurbish the Houses of Parliament. £150 million alone has been spent on new office buildings for MPs. They have even spent money on brochures to assure them of the luxury they will enjoy - provided they do not do their proper job of calling the Government to account.

Lost in space

Downsizing is now the order of the day at Millbank Tower. As Labour's membership subs dwindle and the party overdraft soars to more than £4 million once again, one of the first to depart was one Adrian McMennamin. After only three weeks in his new role as the party's Chief Watcher - a post in which he was to amass a vast catalogue of local newspaper cuttings Adrian left to join Trevor Phillips' doomed campaign to become London's Mayor. Oh dear! Maybe New Labour should not be so confident about the job benefits of the market after all. ☆

Lanarkshire health service: Reheated Privatisation

In the Thatcherite years of the 1980s through to the Major years of the early nineties privatisation manifested itself in various forms. Unfortunately, despite the fact that the whole ethos of Toryism was emphatically rejected at the last election, privatisation in new and old forms continues unabated.

by a UNISON shop steward

A method of preparing food known as 'cook chill' was first used in the eighties to facilitate part or full privatisation, mainly in school canteens and hospital restaurants.

A private catering firm would purchase a large premises at which food would be cooked and then chilled at a certain temperature. The food would be stored and

then delivered at the appropriate time to the appropriate schools or hospitals, in accordance with the contracts that had been signed with the appropriate health and local authorities.

Many local councils and health authorities, who were suffering huge cuts in their budgets were, in effect, economically blackmailed into accepting cook chill. It takes far fewer cooks and kitchen assistants to reheat food than it does to actually prepare and cook it. The savings accrued by the authorities helped alleviate their immediate financial situation.

The economies of scale cooking and chilling so many meals meant handsome profits for the private contractors.

Those who lost out, as usual, were those who provided the service and those who used it.

There are major health and safety implications if food is not kept at the right temperature, or is not re-heated properly. Over time the cost of the meals increases, with the contractors constantly seeking to maximise profits and the authorities seeking to minimise costs. Jobs are lost in the school and hospital kitchens and for good measure some authorities used the introduction of cook chill as an opportunity to attack wages and conditions as part of the reorganisation that the introduction of this system brings about.

Now instead of an end to these attacks we see an intensification.

In Lanarkshire health authority a firm known as "Anglia Crown" is trying to get its foot in the door.

A Unison shop steward in the hospital takes up the story:

Lanarkshire health and primary care NHS trust had invited a cook chill company called 'Anglia Crown' to give staff a demonstration on the quality of their food. It is rumoured that they will then be brought in in February for a trial run. Given that it is believed to be a foregone conclusion, there is a general feeling that we are just going through the motions.

"We have been told that there are three options that the trust is allegedly examining.

- 1/ Cook Chill
- 2/ Renovation of the kitchens
- 3/ Continue as we are

"It is believed that the trust has recently spent half a million pounds renovating hospital kitchens so it doesn't seem likely that it will be that option.

"If we were staying as we were, what is the point of going to the time and expense of demonstrations and trial runs.

"It will be very worrying if this is the case. The trust has no redundancy policy, this means that if a worker is 'displaced' he or she could be offered another job with the authority that is completely unrelated to the previous job they did. For example this could mean a skilled chef being put into a lower graded job.

"On the day of the presentation the employers and the contractor attempted to ensure that the whole event was carefully stage managed. They tried to make sure that any questions raised were regarding the quality of the food and the practicalities of delivering the service. We were not supposed to question the ideological driving force behind the move i.e. privatisation.

"The presentation started with everyone who was invited being taken into a small conference room, there were about 40 people in attendance. All the trade unions, Unison, RCN, GMB, and AEEU/MSF were represented. Management personnel were also in attendance. The boss of the contractors got up and reassured everyone that, 'we at Anglia Crown do not use GM ingredients, we do not zap the food with radiation and we use good produce'. According to this individual no-one doubts this.

"The dietitians from the company stated that they would provide the best value, highest energy and highest protein service. The boss got back up and finished off by telling us that if they made 100% profit 50% of this was put back into the company.

"As soon as it was the turn of those in the audience a Unison member questioned them on the profit motive. The contractors boss got off to a great start by apologising for misleading the gathering and said, 'Say the profits are 100% then 50% is reinvested in the company, 25% goes to an employee related bonus scheme from which all the workforce benefit' (ever been sold a pup). He then continued by pointing out that the 'other 25% goes back to the shareholders', i.e. the three bosses who own the company.

"This master of modern capitalist economics then went on to challenge the Unison member by asking him to name any company who reinvested 75% of their profits back into the company. The Unison member somewhat taken aback pointed out that if these figures were true then one company could claim to have achieved this since 1974. However Anglia Crown was not a manufacturer it was part of the service industry.

"By this time there was a bit of a chill in the atmosphere. For some bizarre reason the bossman seemed to take offence at this and in front of the gathering announced that their company was not service sector but was indeed manufacturing.

"There were several other questions of a logistical nature and one or two criticisms in relation to some condescending remarks that had been made by Mr. Big about haggis, however it all blew up again when another Unison member pointed out that if there was a 25% profit that wasn't re-invested then this money should go back into the NHS.

"At this point the boss became somewhat angry and disorientated. Backdoor privatisation of this nature with the ensuing job losses and attacks on wages and conditions, the safety questions that it raises and the cost implications means that this must be fought every inch of the way." ☆

Join Youth For International Socialism!

We live in a world where the technological achievements of humanity could easily allow us to live in a world of peace, freedom, and plenty, in harmony with the environment. Instead, we have the absurd contradiction where millions of people are starving to death and living in squalor, degradation, ignorance and violence, while a tiny minority lead lives of the most appalling luxury and decadence.

by **Peter Johnson**,
Editor of YFIS magazine
New Youth

Many people criticize Marxism as "utopian". But it is not merely a "good idea" - it is materially possible! All it takes is a quick glance around us to realize that if we can land on the moon, we can certainly feed, clothe, shelter, educate, provide healthcare, and much more for the whole of the planet.

Instead we pay farmers to burn crops, we shut down perfectly usable factories and fire the workers, or worse yet, we go to war in order to conquer new means of production and destroy old ones so that we can rebuild them at a profit. But who exactly profits from all of this? It is certainly not the great mass of humanity - those who produce the wealth. It is the ruling class of course, the bourgeoisie - the owners of the means of production. So what can we do

about it?

The fact is that there are thousands and even millions of workers and youth looking for an alternative to the capitalist system. But they are often separated by wide geographic distances. Youth for International Socialism was formed as a way to defend and spread the ideas of Marxism on a global scale. Using the powerful medium of the Internet, millions of workers and youth around the world can share ideas and get involved in the fight for a better world. The New Youth website at <http://www.newyouth.com> is a source of news, analysis, and educational information which cannot be found anywhere else in the world. But the work of YFIS does not begin or end with the Internet.

By getting actively involved in the day to day activities of the working class and youth, YFIS members are able to make a difference in the world around them. With solidarity campaigns, first-hand reports from workers and youth around the world, discussion groups, and more, YFIS provides its members with the ideas and organization required to play an active role in the struggle for socialism.

We have been living through a turbulent period, and the ideas of Marxism have been attacked as never before. So we must ask the question: if the ideas of Marxism are so outdated and are no longer applicable to the modern world, why does the ruling class take such pains to discredit

them? The answer is of course that these ideas are not outdated. In fact they are the only ideas which can provide a way out of the present crisis of society. The best way to combat the lies of the bourgeois press is to expose them. YFIS provides news and analysis from a Marxist perspective - the perspective of the masses of people.

The capitalist system is hanging by a thread. Everywhere you look you can see the signs of its decay and rottenness. The choice before humanity is not between capitalism and socialism. It is, as Marx pointed out, a choice between socialism or barbarism. Either the working class and youth act to end the rule of the bourgeoisie, or we face the threat of a descent into chaos and self-destruction. But this is of course the worst-case scenario. In fact, the future is very bright. Through the united action of the workers and youth, guided by the ideas of Marxism, we can put an end to this exploitative and outdated system once and for all. In order to succeed we need to educate ourselves and others, organize our forces, and most importantly, play an active role in improving the conditions of the masses around the world while always tying our immediate demands with the only real, lasting solution - world socialism. That, my friends and comrades, is precisely the purpose of YFIS. Join us today! ☆

www.newyouth.com



**Youth for
Socialism**

A weekend school for youth and students is due to take place in London on the weekend of 29 - 30 January. Organised by supporters of *Socialist Appeal* and YFIS, the theme of the school will be revolutions, looking at a number of the key struggles which have taken place throughout history including, of course, the great Russian revolution itself. Speakers from both here and internationally will outline the continuing will of the masses to break the chains that bind them and fight for a better society. The school will also look at the key role that young workers and students can play in making the 21st century a socialist one. Available places are now very limited but if any reader is interested in attending then it may

still be possible to do so. Phone Phil on 020 7 251 1094 or visit one of our websites to request further information or ask about remaining availability of places.

The subjects for the school are:

- 1) The Russian revolution 1917
- 2) The German revolution 1918-23
- 3) The Spanish revolution 1931-37
- 4) The Coming American revolution

How the Labour Party was formed

In February 1900 129 delegates met in a hall in Farringdon Street, London. They represented 65 trade unions, and three socialist organisations - the Independent Labour Party, the Social Democratic Federation and the Fabian Society. As they made their way through the crowded streets they were not noticed by City workers. They had come to found the Labour Party.

Fifty years on the Labour Party published a golden jubilee pamphlet entitled "Marching on". It reaffirmed the principles upon which the movement had been founded. It read:- "We reaffirm our belief that the earth's resources should be employed in the service of the community and that this can be assured only if it is the community which commands their employment. Only in this way can we avert the pitiless paradox of unused resources and unsatisfied needs; of unemployed millions living in need of the very things they themselves could produce; the unemployed coalminer in need of coal; the unemployed weaver in need of clothes; the hungry farmworker, the ill-shod shoemaker, the homeless builder. Where human needs exist and where the resources of labour, raw materials and equipment required to satisfy those needs also exist, we believe that no intermediate interest, whether it be commercial profit or bureaucratic power, should stand between the two."

by Barbara Humphries

The "New Labour" leadership want to rewrite the history of the Labour Party because it is in conflict with the Blair project. Blair wants to change the Labour Party into a radical liberal party like the American Democratic Party. He regards the separation of Labour from the Liberal Party at the beginning of the century as a mistake. However the history of the Party clearly illustrates that Labour was set up as the party of the working class in this country, with the trades union movement as a bedrock. From the adoption of Clause 4 in 1918 the Party had a socialist constitution which reflected the aspirations of the membership of the Party. It was its class roots and socialist vision which motivated the commitment of thousands of working people to build the Party, into what became the major vehicle for change in Britain in the 20th century. Within twenty years of its foundation Labour had become the main opposition party, replacing the Liberals, and four years later had formed a minority government. The 1945 Labour Government led the reconstruction of Britain after the Second World War, with a programme of selective nationalisation and the establishment of the welfare state.

The Labour Representation Committee, which was to become the Labour Party, was set up by the Trades Union Congress

in 1900, as a means of securing trades union representation in Parliament. This was after two decades of class struggle in which trades unions had successfully organised unskilled workers, changing the face of the TUC from a body which represented respectable skilled working men, defending their relatively privileged status in the economy, to an organisation which was coming into conflict with the capitalist class. Trades unions which had operated like friendly societies were being outnumbered by those which organised strikes and picket lines. At the same time there had been a reawakening of socialist ideas, which had laid dormant in Europe since the 1840s. Political parties such as the Social Democratic Federation attracted thousands of members. Demonstrations and mass meetings not seen since the days of the Chartists took place in the 1880s. In this situation the TUC General Council was coming under pressure to break from their alliance with the Liberal Party. The franchise was gradually being extended to working class people, so that the two main capitalist parties - the Liberals and Tories had to appeal to working class voters for the first time. This had led to concessions such as legislation upholding the right to picket peacefully in industrial disputes.

By the end of the 19th century the eco-

nomical conditions for an independent labour party had ripened in Britain. The economy was increasingly controlled by monopolies. This meant the beginning of a massive concentration of wealth in the hands of a few and increasing division and conflict between capitalists and workers. It was revealed that only two-fifths of the national cake was consumed by wage earners. A quarter of the population lived in poverty. At the same time the heyday of British capitalism was drawing to an end. British industry now competed with Germany, France and America for markets and raw materials and investment abroad. Victorian expansion and unbridled prosperity for industry was over - the economy was faced with one crisis after another. From 1889 to 1913 real wages declined by 10%. This was the economic background to the political upheavals.

Craft Unions

The ruling class had grown used to the craft unions of the mid 19th century economic boom. These unions of skilled respectable men had few quarrels with the bosses. They sought to better themselves by using their skills to restrict entry to the union, in order to maintain wages and in setting up Friendly Societies. These men like Broadhurst who was secretary of the

A tradition of struggle



TUC supported the Liberal Party.

The political climate was changed in 1886, when John Burns and Henry Hyndman, two leaders of the recently formed Marxist Social Democratic Federation, began organising the unemployed. They led demonstrations of 75,000 people through the West End of London, to oppose factory closures. Attacks by police with batons on demonstrators brought about rioting, in which several people were killed. The ruling class horrified by broken windows in London's West End, believed that a war had broken out between the haves and have-nots. The poor were now regarded as a menace and a threat, no longer "the deserving poor" of Victorian England. The class struggle had begun in earnest.

Eight Hour League

John Burns, together with socialist trades unionist Tom Mann, organised the Eight Hour League with the aim of reducing unemployment. This campaign rapidly gained support amongst the unskilled workers and was adopted by the London Trades Council, as a means of reducing unemployment and giving the worker more time for his family. Sections of workers like the Ayrshire miners who had been committed to supporting the Liberal Party and had the tactic of restricting the output of coal in times of recession, now took up the campaign for the eight hour day. Increasingly employers were using the unemployed to break strikes and enforce wage cuts. The unskilled workers were particularly vulnerable as "they could be replaced by a hungry fellow from anywhere". Scottish miners were threatened that union members would be replaced by the Glasgow unemployed. One miner who was recruited to socialism was called Keir Hardie. From the "Eight Hour League", Mann and Burns went on to organise the unskilled workers, such as the dockers and the gasmen, the ones whom craft unions had left out in the cold. Deskillling was also to take place in industries such as engineering and ship-building and skilled workers had the task of organising the unskilled and semiskilled in their industry. There was a basis now for industrial or even general unions, rather than unions based on skills and crafts. Methods of organisation had to be different. Membership was liable to fluctuation. During the 1890s for instance, only 3% of dockers were unionised. Membership was difficult to sustain through slumps. The use of unemployed workers to break strikes inevitably brought the trade unions into conflict with picketing and property laws.

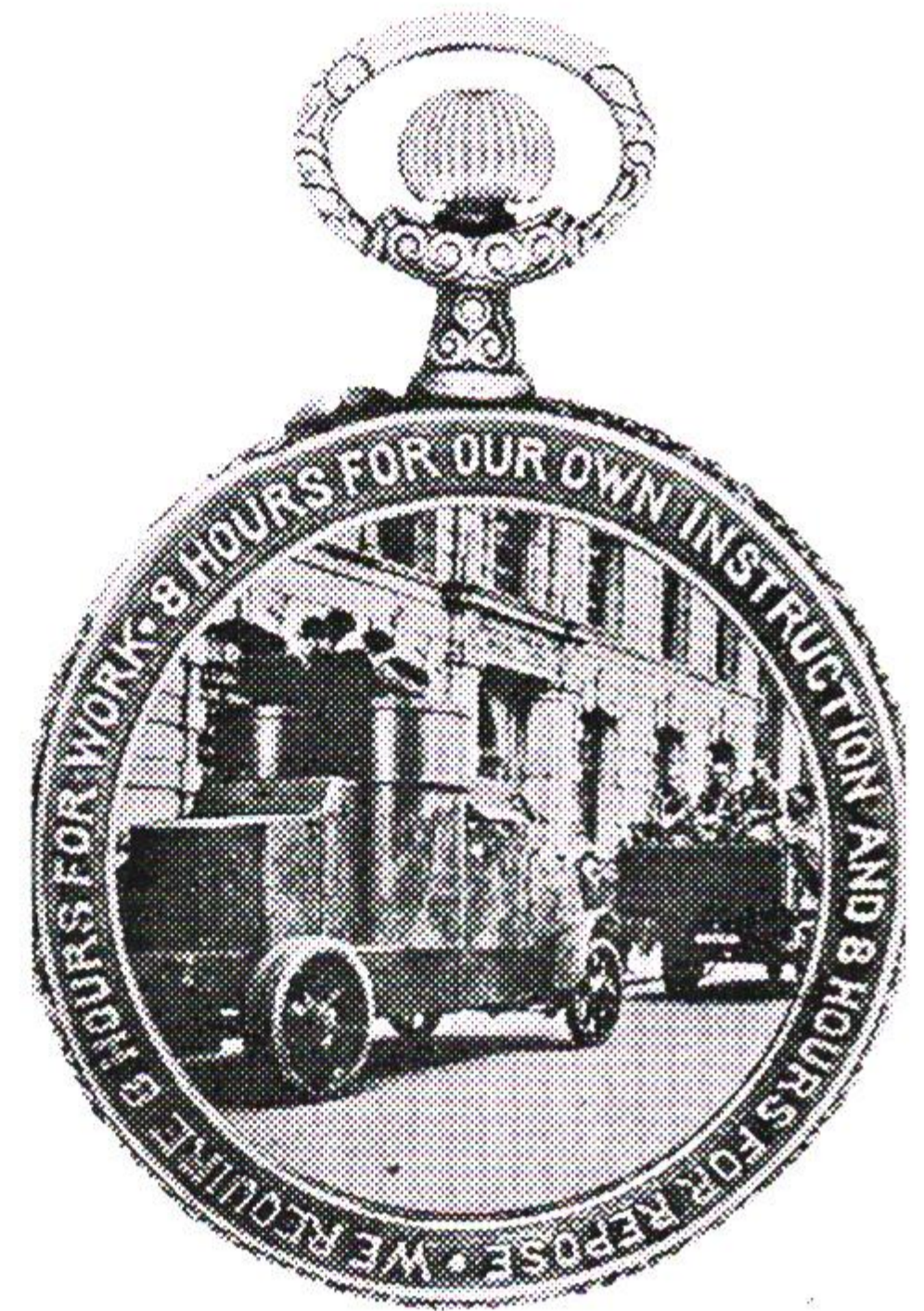
During the 1880s the main unions of unskilled workers were formed. The gasworkers led by Will Thorne won the eight hour day. Some women workers - the matchgirls of Bryant and May - were organised whose atrocious working conditions became famous world wide. Women

in the East End were consistently being disfigured by the use of phosphorous in the match industry. As far as the ruling class were concerned these people were an "underclass" - at the fringes of humanity. But the early socialists took up their cause and attempted to organise them into the trades union movement. Inroads were made into the organisation of agricultural workers, "railway servants" as they were then called and textile workers. All this was overshadowed by the dock strike of 1889. The dockers one of the most exploited sections of the working class went on strike for six pence an hour - the dockers' tanner as it became known. Oppressed for years by the system of casual labour, by which the employers hired and fired at will, the dockers came out and demonstrated through the streets of London for their rights. They carried red flags, and stinking fish heads to show what they had to live on. Their victory was gained from the support they received from the labour movement in this country and internationally. It is in struggles like these that the Labour Party had its roots. There was nothing respectable or Blairite about it at all.

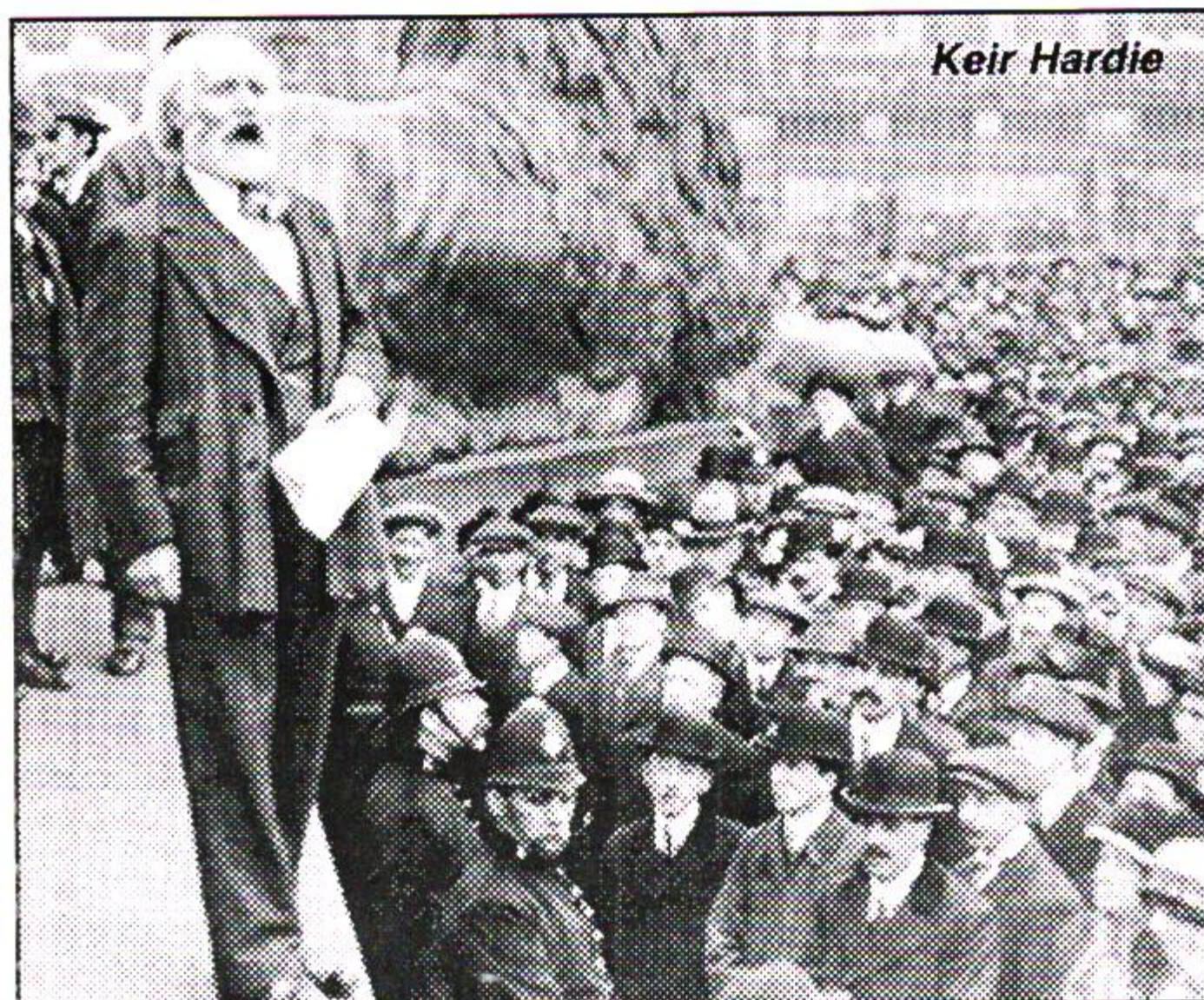
Unskilled Unions

The rise of the unskilled unions raised the need for a party of labour. Their tactics were completely different to the old craft unions. They could not restrict entry to the trade, they relied up on strikes and picketing. The use of scabs was backed up with police and sometimes army protection. This caused widespread violence in industrial disputes, arrests and jail sentences for trades unionists. That is how the battles of the new unions became political. There were conflicts with the law and the state. Not since the days of the Chartists in the early part of the 19th century had the issue of political power been so sharply posed, or had society been so polarised along class lines. Increasingly socialists linked the trades union struggles with their political goals of changing society. The call for an independent party of labour was campaigned for within the trades union movement. Engels wrote as follows to the Labour Standard in 1881 - "the time is rapidly approaching when the working class of this country will claim... its full share of representation in Parliament... the working class will have understood that the struggle for high wages, and short hours, and the whole action of the trades unions as carried on now, is not an end in itself but a means towards the end, the abolition of the wages system altogether"

The setting up of an independent party of labour was opposed by the old guard of the TUC, those who like Broadhurst represented the craft workers, the labour aristocracy, who wanted to maintain links with



the Liberals. They declared that the time was not ripe! But the campaign was maintained. Some socialists from groups like the Social Democratic Federation were also reluctant to support a party of labour on the grounds that it would be limited to labour representation in Parliament and would not be socialist! Others, like Engels believed that a party based on the labour movement would inevitably move towards the adoption of socialist policies as the parties of capitalism and what they stood for, became discredited. Finally in 1899 the Trades Union Congress voted to set up an independent Labour Representation Committee. After a decade of attacks upon the trades union movement and little support from the Liberal Party it was time to act independently. At the beginning this Labour Representation Committee did not gain the affiliation of the whole trades union movement. But that was set to change at a later stage. Also middle class reformers in the main did not give their wholehearted support to the Labour Representation Committee at this stage. They still had hopes that the Liberal Party would carry out social reforms, modernising British society and overcoming the growing gulf between labour and capital, whilst leaving capitalism intact. It was only later that they jumped on the bandwagon, when the Labour Party was clearly poised to replace the Liberals as the opposition to the Tories in Britain, and the labour movement looked like a better bet for carrying out social reforms. The same can be said of the "socialist think-tank" - the Fabian Society, whose "socialism from the top downwards approach" had also led them to consider the possibility of influencing the Liberal Party before the founding conference of the Labour Representation



Keir Hardie

recruits to Marxism who were later to play a role in the foundation of the Labour Party, but it failed to make the breakthrough of becoming a mass party and forming an alternative to the Liberals and Tories. A party was needed which had links with the trades unions and which would challenge the Liberals and Tories in the parliamentary arena. By the 1890s the SDF was declining in favour of the Independent Labour Party.

The Independent

Labour Party had more success in the North of England. It was founded in Bradford in 1892. It had the backing of Bradford Trades Council and was formed in the wake of the defeat of a strike at the Manningham mills which had involved 5,000 people against the local mill owners. The trades union movement had suffered declining membership and attack during the 1890s. Unemployment in shipbuilding rose to 20% and in Hull in 1891 1,000 scabs recruited by the employers broke a shipping strike under the protection of police, troops and gunboats. Of the towns magistrates, four were shipowners, and nineteen others had shares in major shipping companies. This was how blatantly the forces of the state were arranged against labour. Many of these employers were Liberals as well as Conservatives showing that the trades union movement could have little confidence in the representatives of these capitalist parties. Scab organisations like the National Association of Free Labour were set up to recruit strikebreakers on a national scale. The trades unions were becoming more in need of political representation, which strengthened the case of those who argued for the Trades Union Congress to launch a party of labour. As well as the ILP, the Scottish Labour Party added its voice to this campaign. This party had the backing of the Scottish miners recruited after a long strike in Ayrshire in 1886-87. The first independent Labour MP's like Keir Hardie were elected to Parliament. Advice given to the first ILP MP's was as follows: "A working man in Parliament should go to the House of Commons in his workday clothes..he should address the speaker on labour questions, and give his utterance to the same sentiments, in the same language and in the same manner that he is accustomed to utter his sentiments, and address the president of the local radical club. Above all he should remember that *all conservative and liberals are joined together in the interest of capital against labour*".

Committee. Without the trades union affiliation therefore, the Labour Party would not have existed.

So what of the socialist groups which had existed before the Labour Party? The aforementioned Social Democratic Federation had been in existence for over fifteen years. It is important to note that the term Social Democrat meant Marxist in those days. The model Social Democratic organisation was the German Social Democratic Party, which was soon to abandon its commitment to Marxism. Then socialists tended to abandon the term "social-democrat", in favour of "socialist" or "Marxist". The term was later to be used by a group of Labour MP's who left the Labour Party, attempting to split it in the 1980s, and who did not have the courage to openly call themselves Liberals or Conservatives!

Independent Labour Party

However the Marxism of the Social Democratic Federation was like that of the German Social Democratic Party. They believed that socialism was inevitable. The movement would continue to grow and the majority of the population would see the light. Hyndman, a conservative who had converted to Marxism, did not see the connection between militant trades unionism and socialism, on one occasion condemning strikes as a waste of time because they left the capitalist system intact. The activities of party members however drew them into practical politics - some into trades unionism, others into the municipal socialism of school boards and health boards. But they did not see this activity as raising workers' consciousness. Tom Mann and William Morris eventually left the SDF because of its political sectarianism. William Morris went on to set up another organisation called the Socialist League. Nevertheless the SDF gained a sizeable following with 43 branches in London alone. It popularised the spread of socialist ideas through propaganda and won

The first leaflet published by the Labour Representation Committee was written by Ramsay Macdonald who was later, as prime minister to betray the labour movement. However in an article entitled "Why trade unionists should support the Labour Representation Committee" he said "Trade unions are being constantly threatened by attempts made in Courts of Law to undermine their legal basis, and at any moment the existence of organised labour may be put in jeopardy by the decision of a Bench of Judges". Trusts were combining against the interests of labour and war would ensue. In Parliament politicians of both parties (Tories and Liberals) were active on the Employers' Parliamentary Council. Labour had to combine politically to fight this.

The use of the law against the Society of Railway Servants in the Taff Vale Judgement vindicated these founders of the movement and brought more affiliations of trades unionists to the LRC, or the Labour Party as it became known in 1906. Electoral gains were made for Labour in the 1906 election. However in spite of the the class aims of the Labour Party deals were done between Labour MPs and the Liberal Government. Labour was to replace the Liberal Party decisively as the main opposition only after 1918. During these early years the British ruling class did everything in its power to destroy two minority Labour governments in 1924 and 1931. However the tide of history could not be held back forever and Labour achieved a landslide victory in 1945.

Socialist lesson

After nearly a century the Labour Party is still in existence. It has remained throughout that time a classic "united front" of socialists, social-democrats and trades unionists. It has helped to perpetuate the reality of class politics by maintaining, for most of this time, electoral opposition to the party of British capitalism - the Conservatives. It has been capable of winning elections without alliances, and has achieved much in the way of carrying out reforms which have benefitted working class people. The 1945 Labour Government was instrumental in implementing the welfare state. For these reasons it would be wrong for the links between the trades union movement and the Labour Party to be broken and it would equally be wrong for socialists now to leave the Labour Party. Of course the Labour Party has not carried out the socialist transformation of society. But socialists should soberly reflect on the fact that no other party in this country has done so either and that attempts to build socialist "sects" outside of the party have failed, whereas socialists within the Party have been successful in changing party policy and gaining support. That is the lesson of the past 100 years. ☆

If sharks were people

"If sharks were people," the landlady's little daughter asked Mr. Keuner, "would they be nicer to the little fishes?" "But of course," said he. "If sharks were people they would have big boxes built in the sea for little fishes to live in. Inside these habitations they would deposit all manner of nourishment - plant as well as animal matter. They would see to it that the boxes always had fresh water, and generally take all kinds of sanitary precautions. If, for instance, a little fish damaged one of its fins, it would be bandaged immediately, so that the sharks would not be deprived of it by a premature demise.

In order that the little fishes should not feel depressed, great water festivals would be held, for happy little fishes taste better than miserable ones. In the schools the little fishes would learn how to swim into the sharks' jaws. They would need geography, for example, so that when the big sharks were lazing about somewhere, they could find them.

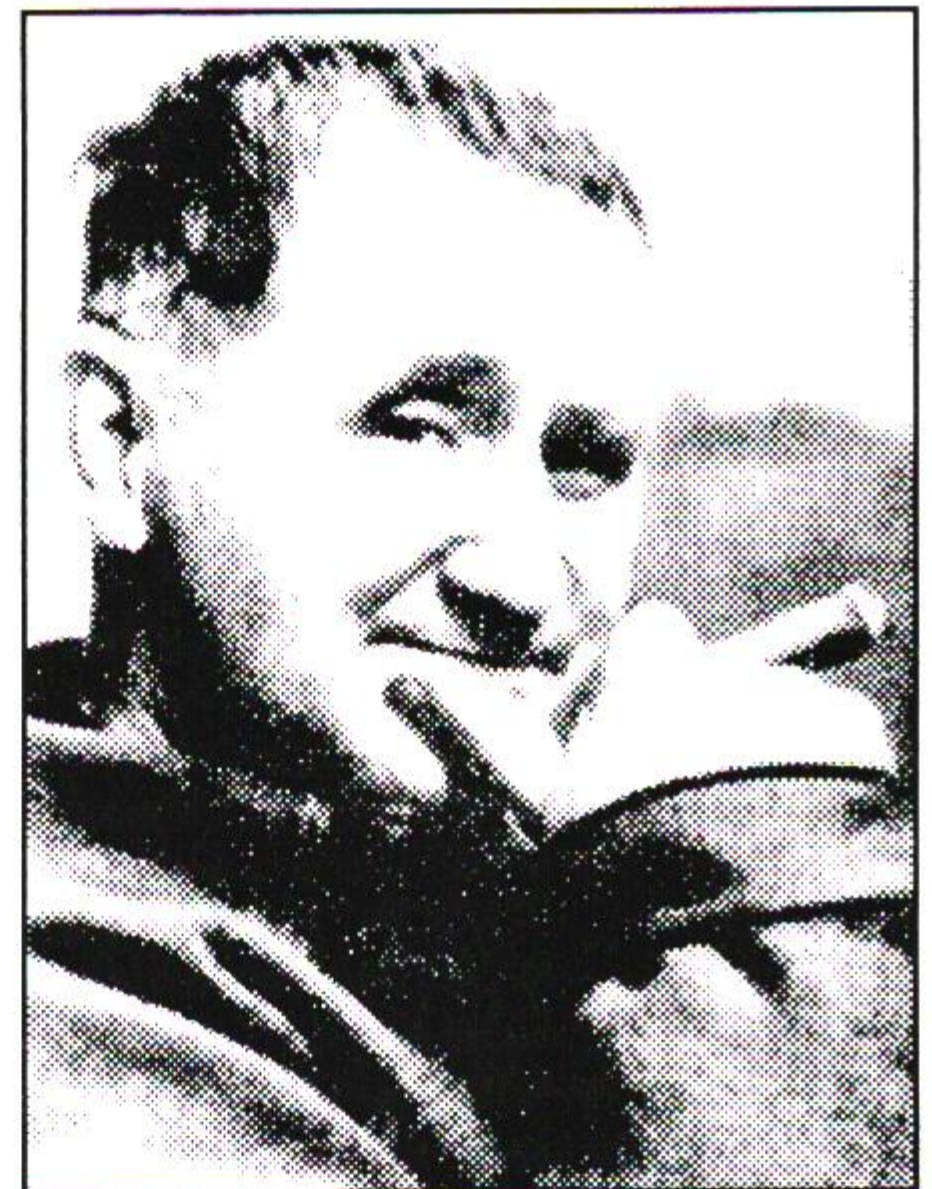
The main thing, of course, would be the moral education of the little fishes. They would be instructed that the Greatest and the Finest thing for a little fish was to sacrifice itself joyfully, and that they must all believe in the sharks, especially when they promised a great future. The little fishes would be told that this future could only be assured if they learned obedience. Above all, they would have to be on their guard against all base, materialistic, egotistic, and Marxist tendencies, reporting at once to the sharks if any of their number manifested such tendencies.

If sharks were people they would naturally wage war among themselves to conquer foreign fish-boxes and little foreign fishes. They would let their little fishes do the fighting for them. They would teach the foreign fishes that there was a vast difference between them and the little fishes of other sharks. Little fishes, they would proclaim, are well known to be dumb, but they are silent in quite different languages, and therefore cannot possibly understand each other. Each little fish who killed a few enemy fishes in battle - little foreign fishes, dumb in a different language - would have a little seaweed medal pinned on his chest, and be awarded the title of 'Hero'.

If sharks were people they would naturally have art. There would be exhibitions of beautiful pictures of sharks' teeth in glorious colours. The theatres on the sea-bed would show heroic little fishes swimming rapturously into the sharks' jaws and would just stream forward with melodious

streams of music thrilling in their ears, and blissful thoughts lulling their senses.

Why, there would even be a Religion if sharks were people. This would teach that little fishes only really start to live inside the bellies of sharks. Moreover, if sharks ever became people, not all the little fishes would be equal as they are now. Some of them would be given positions, set above others. Certain of the more important ones would even be permitted to gobble up little ones. This would certainly please the sharks, who would thus more often have larger morsels for themselves. The more important 'official' little fishes would be responsible for keeping order among the rest: they would become teachers, officers, fish-box constructors and the like. In short, the sea would only start being civilised if sharks were people.



Questions of a reading worker

Who was it built seven-gated Thebes?
 In the books there are kings' names.
 Was it the kings who lugged the great stone blocks?
 And oft-destroyed Babylon,
 Who built it up again so many times?
 In which of the houses
 Of gold-glittered Lima did the labourers live?
 On the evening the Great Wall of China was finished,
 Where did the bricklayers go? Great Rome
 Is full of triumphal arches. Who put them up? Over whom
 Did the Caesars triumph? Did fabulous Byzantium
 Only have palaces for people to live in?
 Even in legendary Atlantis
 On that night when the sea swallowed it up
 The drowning men were bawling for their slaves.
 The young Alexander conquered India.
 All on his own?
 Caesar smote the Gauls.
 Didn't he even have a cook with him?
 Philip of Spain wept when his Armada
 Was sunk. Did no-one else weep?
 Frederick the Second won the Seven Years' War. Who
 Won apart from him?
 On every page a battle.
 Who cooked the victory feast?
 Every ten years a great man.
 Who footed the bill?

So many reports.
 So many questions.

*Both pieces on this page by
 Bertolt Brecht*

Liverpool Community College Bosses backtrack on pay promise

Members of Unison at Liverpool community college were forced to take strike action on 14th December after management refused to honour the national pay rise of 3%.

by **Mike Hogan**, Unison branch secretary.
Liverpool Community College
(Personal capacity)

Support staff at the college are angry for two reasons. Firstly because although the college is a member of the association of colleges it does not abide by its agreements with the union. Secondly if this pay cut is not reversed it will, when added to a previous pay cut, mean college staff will be five and a half per cent behind council workers when there was once parity.

Over 250 support staff were joined by the majority of NATFE members who lost £100 by refusing to cross picket lines.

Three out of six college centres were effectively closed. Teaching staff at the college have suffered even worse than support staff, many teachers have not had a pay rise since 1995 because they refused

to sign non-negotiated contracts.

The roots of this dispute go back to 1993 when further education colleges were made independent of local councils. They were also subjected to a funding regime based on the market. Added to this colleges in poorer areas had their budget per student cut, this ignored the fact that extra money needs to be spent to support students in these areas, e.g. on free nurseries. The New Labour government has reversed this somewhat, but, it has to be said that for Liverpool this means less cuts not a restoration of cuts already made.

To make cuts the colleges attacked the pay levels of the staff, This year, for the third year running, only about 50% of colleges have been paid the full amount of the increase.

Despite this Unison believes that the college can pay this year's award. To add insult to injury senior management pay is being reviewed, our attitude is that if they can pay senior managers a pay rise, they can pay those staff who actually provide the service.

The days strike was the beginning of our campaign, there will be further action. Unison's campaign will target the chair of our corporation board, Gideon Ben Tovim who is the new Blairite leader of the

Labour Party in Liverpool. The question will be posed to him that if he agrees with senior management that the cuts are so bad the college cannot pay the rise, how can he defend the policies of the government in further education?

The college management claim pay levels at the college are good for the F.E sector. This is only the case because of the endemic low pay among F.E support staff. Our answer to this is that the union has to defend what it has, but the question also has to be posed to the national Unison leadership how are you going to fight firstly to restore national pay bargaining and secondly to end low pay in the F.E sector. Messages of support and donations to Mike Hogan:

**Liverpool Community College
Colquett Street
Liverpool
L1 4DB**

Protests to Gideon Ben Tovim - Chair of the Governors:

**Wally Brown - Principal
Liverpool Community College
Old Swan Centre
Broadgreen Road
Liverpool
L13 5SQ**

Subscribe to Socialist Appeal

The Marxist voice of the labour movement



I want to subscribe to Socialist Appeal starting with issue number.....(Britain £15 / Europe £18 / Rest of the World £20)

I want more information about Socialist Appeal's activities
 I enclose a donation of £.....to Socialist Appeal's Press Fund

Total Enclosed: £.....(cheques / PO to Socialist Appeal)

Name.....Adress.....

.....Tel.....

E-mail.....

Return to: Socialist Appeal, PO Box 2626, London N1 7SQ

Marxism, Socialism and the New Millennium

by Ted Grant and Rob Sewell

At a minimum, the tensions can provoke financial collapses and runs on currencies and stock markets; at worst, as we have witnessed over the last century, the consequences are war and mayhem."

Editorial, *The Observer*, 2/1/00

"The historical task of our epoch consists in replacing, in disciplining the forces of production, compelling them to work together in harmony and obediently serve the needs of mankind. Only on this new social basis will man be able to stretch his weary limbs and - every man and every woman, not only a selected few - become a citizen with full power in the realm of thought.

"But this is not yet the end of the road. No, it is only the beginning."

Leon Trotsky.

At the dawn of the New Millennium, the possibility of a new vista of human advancement or the most horrific of calamities lay before us. The potential for mankind, which the new technologies open up, could allow us to establish a classless society built on co-operation, harmony and superabundance. We could have a true paradise on earth only dreamed about by previous generations. Given the possibilities inherent in the productive forces accumulated over the last 300 years, this is no Utopia as the sceptics imagine. However, the barrier to this outcome - the capitalist system based upon private ownership and the nation state - still stands in our way. If allowed to continue, it will mean economic depression, chaos and terrible "local" wars, as in former Yugoslavia.

Over the past century, the working class has repeatedly taken up the struggle to change society, especially after the valiant example of the Russian

working class in October 1917. Despite the heroism of the masses - which was sufficient to carry through the socialist reconstruction of society again and again - their efforts ended in failure. The fundamental reason for this was the failure of the leadership of the old organisations.

The programme, tactics, strategy and theory for the successful overthrow of capitalism exists in the treasure-trove of writings of Marx, Engels, Lenin and Trotsky. However, for the reformist and Stalinist leaders of the workers' organisations these ideas were - and remain - a sealed book. Consequently, the revolutionary events in Germany, China, Spain and France following the Russian Revolution, as well of those of the post-war period, were sabotaged and betrayed by both the reformists and Stalinists.

At best, where capitalism was overthrown in Eastern Europe and China, although based upon nationalised property forms, the new regimes which emerged were created in the image of totalitarian Stalinist Russia. The lack of workers' democracy in these regimes - an essential prerequisite for the move towards socialism - was to end in a bureaucratic impasse and the move towards capitalist counter-revolution. As Trotsky brilliantly predicted, the Stalinist bureaucracy would eventually seek to preserve its power and privileges through capitalist restoration.

At the beginning of a new century and a new Millennium, capitalism has been able to partially overcome its fundamental crisis as explained by Marx. The system was able to do this by developing the world market - so-called globalisation - but at the cost of new and deeper contradictions. Globalisation has meant that the fate of all countries are bound together as never before. "Economies grow ever

more interdependent as a result of the vast new flows of trade and finance", states *The Observer*. (2/1/00) This is especially the case in the new industries of information technology, which has added to the crisis of overproduction that is now affecting a whole number of sectors of the economy. As predicted 150 years ago in the *Communist Manifesto*, capitalism has reached unheard of levels of concentration and centralisation of capital. "If you take the combined market capitalisation of just five stocks - Microsoft, Dell, Intel, Cisco and SBC communications - you would end up with an entity that is valued more highly than the annual output of the UK", stated *The Guardian* recently. "In other words, the equivalent of the fifth-largest economy in the world. Microsoft alone would be the 11th largest economy in the world." (20/12/99)

A crisis in one country will have a knock on effect throughout the world. This was sharply brought home by the Asian crisis that spread to Russia and then Latin America. Despite all the empty euphoria over a new paradigm, it is a crisis that is far from over.

The share values in hi-tech industries have hit the stratosphere, even where they have yet to make a penny in profits. Colt's were up 125% in three months, Logica's by 100%, Sema's by a mere 54%. This orgy of speculation has created a classic stock market bubble - which is set to burst in the coming period.

"Wall Street and the City appear to be in the best of health, with the Dow Jones and the Nasdaq indices scaling new heights", continues the *Guardian*. "But the amazing performance of the high-flyers has disguised the fact that a pretty ferocious bear market is already under way in New York and London. More than half the S&P 500 stocks are down this year.

"Some analysts have started to show concern at this trend. It is highly unusual for stock market indices to be rising as quickly as they are when more shares are

going down than up. Even more unusual when the gap between a small number of highly capitalised stocks and a long tail of under-performers is as big as it is at the moment. Indeed, the recent trend bears striking similarities to the period running up to the great crash of 1929.... as we know from the Great Depression there is a real risk that the wild speculation and its inevitable aftermath can cause severe damage to the real economy."

Despite all the so-called wonders of globalisation and the new technological revolution, they have not altered the fundamental laws that govern capitalism - explained by Marx in *Capital*. It is true that capitalism since the war has experienced a new lease of life. This was due primarily to the expansion of world trade after 1945, and the unprecedented exploitation of the Third World countries. But this is reaching its limits, as can be seen by the desperate scramble for markets today. The ex-colonial world has been squeezed dry by the G7 powers - forcing them to lower their tariffs, open up their markets, denationalise their utilities, and follow the dictats of the IMF and World Bank.

Deepening crisis

In Africa, despite all the talk of an "African Renaissance", the last two decades have seen a deepening crisis throughout the continent. Half of the region's 600 million people live below the poverty line. The economies have been squeezed by IMF-imposed cuts and the spiralling cost of debt servicing. Twice as much is spent on servicing debt as on primary education. Since 1980 outlays on education fell by one-third per pupil. In the Nineties, 13 African countries cut their education budgets under IMF programmes. In Mali, Zambia, Burkina, and Chad education spending has fallen to 1% or less of GDP. One effect has been the privatisation of education; consequently, fewer and fewer children attend school. At the same time,

such is the morality of capitalism, African states spend some \$7bn a year on arms to fight obscene proxy wars on behalf of the imperialist powers.

At the present time, the Third World is being ravaged from one end to the other. In the coming epoch, the post-colonial world will experience one upheaval after another. In the past, the colonial revolution was derailed by the Stalinist "two stage" theory, which subordinated the struggle for socialism to the so-called "national democratic" revolution. This blind alley, resulting in a whole series of defeats and setbacks from Asia to the Middle East, prepared the way for the emergence of monstrous Islamic fundamentalism. However, the collapse of Stalinism and the crisis of fundamentalism, as witnessed in Iran, will open the road once again for the genuine ideas of Lenin and Trotsky and the Permanent Revolution. Only the socialist revolution, led by the working class and in alliance with the poor peasants, can offer a way out for the ex-colonial world.

The creation of the world market, together with the centralisation and concentration of capital have created a world dominated by a handful of ruthless giant corporations. They have acquired more power than a single state. Within countries capitalism has presided over a colossal polarisation of income and wealth not seen since the Depression of the 1930s. In the United States, Bill Gates has a wealth greater than that of 120 million North Americans combined. Globally, more than a billion people live in abject poverty, their collective income no more than 400 of the richest men and women on earth. Despite all the talk of "regeneration", the inner cities remain centres of crime, violence and drug abuse, and offer no future for the new generations. Here is "social exclusion" at the sharp end, to use the new vocabulary. We have a recent article in the *Los Angeles Times* entitled "Cities Great Depression", where the US Deputy Treasurer Secretary, Lawrence Summers, a leading advocate of the US economic model, acknowledges "the ironies of the current economic boom". In an address to the distinguished corporate executives of Silicon Valley, he notes "a child born today in New York is less likely to live to the age of five than a child born in Shanghai." (29/4/98) And this, as we enter the new Millennium, in the most wealthy and most powerful country on the planet.

Stalinism in the USSR, as predicted by Trotsky, became so corrupted that it ended in capitalist counter-revolution. The Stalinist bureaucracy betrayed the Revolution, and sought to transform themselves into capitalists. However, this introduction of the wonders of the market economy and the break-up of the planned economy has meant a regime of decline, resulting in the destruction of the productive forces, the impoverishment of the bulk of



Bill Gates, the richest man on earth.

the population, mass unemployment and life expectancy plummeting. Even according to the World Bank, 50% of Russians live below the poverty line, up from 2% in 1989. Male life expectancy has dropped dramatically from 72 to 58 years in less than a decade. Despite the totalitarian and corrupt nature of Stalinism, the planned economy was able to provide everyone with a job, free medical services and a (cheap) roof over their head. The USSR was a second world super power. The Mafia-capitalist regime, staffed with ex-Stalinist bureaucrats, has now destroyed these achievements and plunged the mass of the population into a nightmare. Welcome to the wonders of capitalism in the 21st century!

Also in the metropolitan countries of the West there has been a tendency (especially in Britain) towards denationalisation, deregulation and an all-out assault against the working class. The "counter-revolution" in the workplace has seen an intensification of labour, speed-ups, and the introduction of a ruthless regime of exploitation. This has not only affected the blue-collar workers, but also the white-collar sections of the proletariat. The so-called middle classes are becoming proletarianised in the new world of lean production. As Marx explained long ago, under capitalism, the introduction of machinery, far from reducing the working day, tends to lengthen it. The British worker - at the sharp end of the attacks - works longer hours, have shorter holidays and less pay than its European counterpart. This has resulted in a massive increase in stress and ill health across the working class and amongst the "professionals". In Britain, a recent Labour Force Survey revealed that casual bar staff have more job security than senior university academics! We see a merciless pressure on workers generally to work longer hours for less pay in order to increase the amount of unpaid labour - surplus value - for the bosses. The top of the league for over-work is in the United States, the citadel of capitalism.

Under the market economy it cannot be anything different. And yet, the key to a cultural revolution for the masses, with the opening up of culture, art and science, lies precisely in the generalised reduction in the hours of work. This is the precondition for the involvement of the mass of people in the running of industry, society and the state. As Engels explained, so long as a privileged minority uses its position to secure a monopoly over culture, government and science, then it will abuse its position to maintain its class rule. "He who owns surplus-produce", explains Trotsky, "is the master of the situation - owns wealth, owns the state, has the key to the church, to the courts, to the sciences, and to the arts."

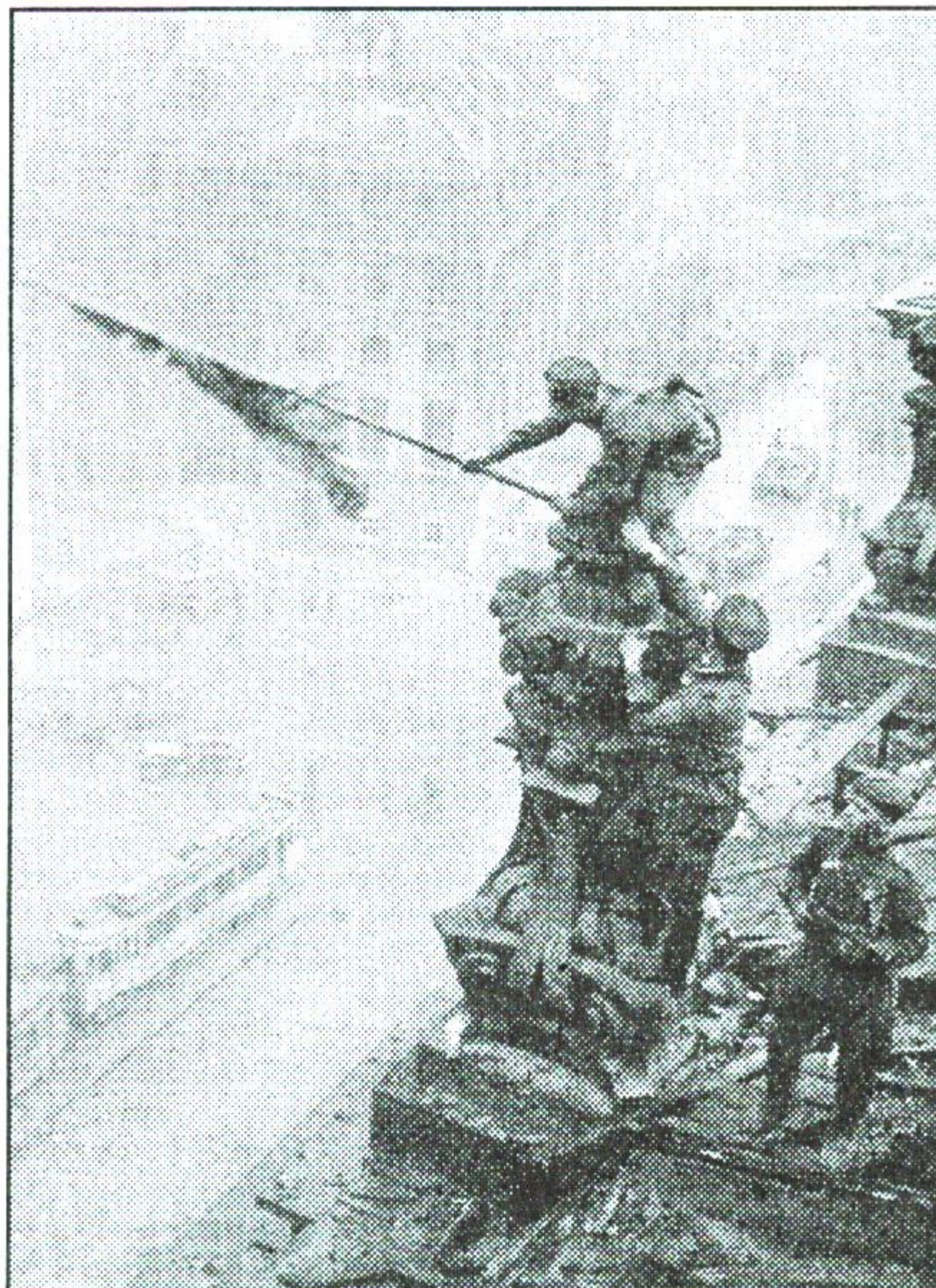
Exploitation of the labour of the working class is the driving force of capitalism. It is

the source of inequality. As we enter the New Millennium, given the intensification of labour, insecurity, anxiety and stress affects wide layers of the population. There has been a return to a more "normal" development of capitalism - its more ruthless side, more akin to the inter-war period and the *laissez faire* of the 19th century. As Marx explained, conditions determine consciousness. These new conditions of capitalism are preparing in the very bowels of society a new revolutionary movement.

The upswing of capitalism following the Second World War, arising politically from the failure of the post-war revolutionary wave, dialectically served to heal the scars of the 1930s. It saw the increased strength and cohesion of the working class on a global scale. The working class is immensely stronger, even in the Third World, than in Russia in 1917. The failure to carry through the socialist revolution in the past eighty years has nothing to do with the weakness of the working class. This responsibility lies squarely with the leadership of the movement, the subjective factor in Marxist terminology. This has been the key to the continuation of capitalism. As Trotsky wrote in 1938, "The crisis facing mankind, is a crisis of leadership."

Unfolding crisis

The unfolding crisis of capitalism on a world scale will again provide opportunities for socialist revolution. However, the past failures of the leadership of reformism and Stalinism have created frustration and despondency. In Britain, the Blair government has carried out capitalist policies and stands as a second edition of the Tory party. This has led to widespread disillusionment, reflected in the election results of last May/June. A revolt of the working class against these pro-capitalist policies is inevitable in the next period. Similarly in western Europe and Japan, just as capitalism enters profound crisis, the social democrats have adopted pro-capitalist policies, while the "Communist" Parties continue on the disastrous road of reformism. In Russia, it is the ex-Stalinists leaders of the CPRF who prop up the Yeltsin/Putin regime. Despite Yeltsin's sudden departure, which is a desperate gamble to make Putin the president in March, this will not



Red Army takes Berlin, May 1945

save the regime in the long run. A new Russian revolution is inevitable, possibly ushered in by the coming world slump.

The new Millennium offers the working class a new perspective for change. Capitalism has entered an impasse. Unlike the period 1914-39, world war appears to be ruled out, given the continuing threat of nuclear annihilation that hangs over the planet. Even so, there have only been 17 days of "peace" since 1945, with wars taking place in some part of the world or other. With the collapse of Stalinism, world relations have never been so unstable as at the present. A period of profound instability opens up in front of us. This has provoked a new arms race, where the EU has now agreed to establish a 60,000-strong rapid-reaction force, independent of NATO in preparation to intervene militarily against the colonial revolution. The cold-blooded cruelty of imperialism was graphically shown in the bombing and blockade of Iraq, where hundreds of thousands of children have died, alongside the bombing of Yugoslavia with the wholesale destruction of its infrastructure. The Russian military is now simply following the West's example in brutally subjugating Chechnya. Despite the imperialist's hypocritical bleating, they are forced to keep subsidising the Yeltsin/Putin clique with billions of dollars to prevent a new revolution, with all the revolutionary international implications that accompany it.

A new revolutionary epoch will develop

in the west, the ex-colonial world and throughout the entire planet. The Russian Revolution in 1917 mainly ushered in a European revolution, although it had consequences in the under developed world. Now we have entered decisively the epoch of world revolution. A new world slump, which could initially stun the working class for a period, can offer renewed activity on the part of the working class on the lines of the Spanish revolution of the 1930s. In this turbulent period, events will put to the test the reformist and Stalinist parties. The mass of workers who will be propelled into political activity will move first of all to their traditional mass organisations, transforming and re-transforming them. This is a process that our tendency explained many years ago. One revolutionary success in one important country would transform the world.

Capitalism has entered a blind alley, reflected in its inability to harness and fully use the enormous productive capacity in information technology and computers. It means the development of a crisis of overproduction, as Marx explained. Already overproduction ("over-capacity") is affecting a whole series of sectors: cars, steel, agriculture, computer chips, and others. This is particularly the case in S.E. Asia, where the two dominant economies of Japan and China are in serious deflationary difficulties. Japan has been in a slump for the last decade after its stock market crash in 1989. Repeated attempts to revive the economy have failed, despite 124 trillion yen being spent over the last seven years. Japan's level of debt is rapidly heading towards 120% of GDP. China is experiencing an economic slow down with a fall in growth every year since 1992. Her growth has slowed dramatically in the past year and has only been propped up by massive government spending. A renewed slump will have a devastating impact on South Asia economically, socially and politically.

According to a recent article in the *Financial Times*, China has experienced "26 consecutive months of price deflation, a key economic ill that has led to price wars, depressed the profit margins of already hard-pressed state enterprises and hit incomes among a rural population of some 900m. The waning fortunes of state enterprises have rendered them less able to service debts, applying further pressure on a state banking system already swamped by bad loans amounting to around 25% of total assets." (29/12/99) The article continued: "The other main cause of deflation - retail prices fell 2.8% in November - is over-capacity and oversupply. These bottlenecks will be difficult to rectify because of political resistance - especially at city and county level - to factory closures." The World Bank estimates that up to 35% of some 140m workers in the state sector are "surplus to require-



The Depression

ment". With unemployment already at 100m in the rural areas and 18m in the cities, Beijing is clearly terrified at the social upheaval that is being prepared. Scattered strikes and workers' protests have already been reported in some industrial cities in recent months. Their desperate attempt to get into the WTO will backfire on them as they are forced to open up their markets to foreign competition. The crisis in South Asia is not over. It is only just beginning.

Globalisation

This new technology, which could completely transform the world and guarantee increased living standards for all under a planned economy, add to the difficulties of world capitalism. Globalisation does not mean a lessening of the problems, but on the contrary, an enormous intensification of the contradictions. The deregulation of world markets and the financial centre have introduced greater volatility and instability into the system. The bourgeoisie becomes increasingly parasitic as it invests less in industry and more in services and financial transactions. Gambling on the stock and money markets have become a major preoccupation, with an astronomical \$25 trillion of derivatives sloshing around the world economy. The ruling class has lost all sense of proportion as well as their historic mission. They have become a mighty brake on society, just as the feudal

aristocrats of the past.

The impasse of capitalism is reflected in a crisis of the ruling class itself, which is haunted by the malaise of their system. They talk of a new industrial revolution, but are faced with mass unemployment in all the main capitalist countries. This is not "cyclical" unemployment, but organic "structural" unemployment that is gnawing away at the very heart of society. Millions are forced to work longer and harder, while millions are forced to rot on the dole. The confidence of the upswing of 1948-74 has disappeared. Then, capitalism was able temporarily to grant full employment and reforms under the pressure of the working class. All that is now at an end.

The more far-sighted strategists of capital are consumed with doubts and even alarm. Those, like Georg Soros, JK Galbraith, and even Milton Friedman, have warned of growing crisis that can destroy the system unless something is done soon. They sense the general malaise of capitalism and look to the future with growing anxiety. They are aware that their system is in serious difficulties, but are powerless to avert an impending catastrophe. At the time of the Russian crisis in the autumn of 1998, Soros warned that capitalism "was coming apart at the seams." They have temporarily escaped this scenario by the skin of their teeth. But only temporarily. As the leader in *The Observer* commented: "We only need to look back to the begin-



ion years - Millions faced with mass unemployment

ning of the century to realise how in very similar circumstances - an emerging global market, an era of immense technological innovation and the creation of a world financial system - that the resulting inequalities had consequences that proved ungovernable and were the underlying driver of war and depression." (2/1/00). There is a spectre haunting capitalism, the spectre of revolution.

The drawn-out crisis of the system finds its reflection in a crisis of ideology, identified as a crisis within the political parties and structures, within the official churches, morality, the bourgeois family, and even science and philosophy. Official politics has become as corrupt as hell. The scandals surrounding the Clinton presidency, the British Tory Party, the Christian Democrats in Germany and Italy, as well as elsewhere, is all a reflection of the decayed nature of capitalism. This malaise percolates down from the top to the whole of society, where a general anxiety prevails about the future. "The cold economic rationality of capitalism", states The Observer, "in which every institution is subordinated to the calculus of profit and loss, does not answer the question posed to every human being and every society - that there is more to life than the pursuit of economic efficiency. We are social as well as economic beings."

After twenty years of monetarist reaction fostered by the likes of Thatcher and Reagan, the decay of capitalism also

reflects itself in a return to crude materialism in a dog-eat-dog society. Marx once explained in the opening pages of *Capital*, that the capitalist mode of production presented itself as "an immense accumulation of commodities". He explained that the system, based upon the disguised exploitation of human labour, the real relation between men and women is translated into a relation between things. Workers are regarded simply as "commodities", to be dispensed with as other commodities by the owners of capital. What these commodities are, are of no concern to the capitalist, who is only interested in turning them into money as quickly as possible. "I am not interested in making cars", stated the car manufacturer Lord Stokes. "I am interested in making money."

Trotsky once noted in relation to the United States - the citadel of world capitalism - that money relations had sunk deep into the national consciousness that people were referred to as being "worth" so many dollars. Today, market relations and ideology permeate all spheres of life, from schools run as businesses, to hospitals and all manner of public utilities. Everything must be privatised and handed over to big business. You are no longer a "passenger" on our privatised rail network, but a "customer". That is, someone who has money to pay. Everything is reduced to a business transaction. Human relations are devalued and subordinated to the market economy. Human beings are regarded as things, while objects, especially money, are regarded with awe, possessing great supernatural powers. This is the fetishism of commodities, described by Marx, inherent in a society based upon capitalist relations.

As we explained in the book, "Reason in Revolt", issued to commemorate the centenary of Frederick Engels' death, "In capitalist society, people are regarded as dispensable commodities. Goods which cannot be sold lie idle until they rot. Why should human beings be any different? Only it is not so simple with people. They cannot be allowed to starve to death in large numbers, for fear of the social consequences. So, in the ultimate contradiction of capitalism, the bourgeois is obliged to feed the unemployed, instead of being fed by them. A truly insane situation, where men and women wish to work, to add to the wealth of society, and are prevented from doing so by the 'laws of the market.'

"This is an inhuman society, where people are subordinated to things. Is it any wonder that some of these people behave in an inhuman fashion? Every day the tabloid press is full of horror stories about the terrible abuses committed against the weakest, most defenceless sections of the community - women, children, and old people. This is an accurate barometer of the moral state of society. The law sometimes punishes these offences, although in gen-

eral crimes against (big) property are more energetically pursued by the police than crimes against the person. But in any case, the profound social roots of crime are outside the powers of courts and police. Unemployment breeds crimes of all sorts. But there are other, more subtle factors.

"The culture of egotism, greed and indifference to the sufferings of others has flourished, particularly in the last two decades, when it was given the stamp of approval by Thatcher and Reagan, has undoubtedly played a role, though it is not so easy to quantify. This is the real face of capitalism, more accurately of monopoly and finance capital - ruthless, crude, grasping and cruel. This is capitalism in its period of senile decay, attempting to recover the vigour of its youth. It is parasitic capitalism, with a marked preference for the fleshpots of financial and monetary speculation, instead of the production of real wealth. It prefers 'services' to industry. It closes factories like matchboxes, ruthlessly destroying whole communities and industries, and recommends miners and steelworkers to find work in hamburger bars. It is the 20th century equivalent of 'Let them eat cake.'" (Woods & Grant, p. 409).

Working methods

Now the reformist leaders, like Tony Blair, are engaged in aping this moralising effluent. They too demand that workers prostrate themselves before Capital by adopting "flexible" working methods. They must become pliant tools of business in the name of "modernisation", "productivity", "globalisation", and "competition". In true Victorian style, they lecture the unemployed to find jobs - as if they are to blame for their plight. The Welfare State must be "modernised", that is, cut back to the bone, and supplemented by the "glorious" private sector, as in the 19th century. The rightwing reformists now worship at the shrine of the market economy, just as it approaches its demise. "We are the party of business", announces Blair. While Stephen Byers, the trade secretary, urges the company bosses to award themselves "world class pay", while the workers should show "restraint". Just like inadequate upstarts, they have to prove their undying loyalty to the ruling class in the most crass terms. Like some Uriah Heap, with the Bible tucked under their arm, they fall over themselves to grovel to their new bourgeois masters. They remind you of the pigs in the last chapter of *Animal Farm*.

These reformists, who portray themselves as ever so "practical" people, preside over a growing class divide. The inner cities, like Glasgow, are racked with poverty and despair. Along with poverty come ill health. A recent study from Bristol University showed the shocking - and widening - gap in life expectancy between rich and poor. The poorer you are, the greater your chances of dying before 65,

suffering a long-term debilitating illness or having a baby that dies before it's one year old. Labour's national commission on social justice in the 1990s recorded an eight-year gap in life expectancy between the affluent outer wards of Sheffield and the much-deprived inner city. The most recent report notes a 9.5 years gap in life expectancy between professional men and their unskilled manual contemporaries.

"Mortality variations between the richest and the poorest areas are now among the worst in Europe", states *The Guardian*. "The widening gap has pushed the UK even further down the developed nation's league table on life expectancy. The new research shows the 10 constituencies with the worst health records have a mortality rate twice as high as the 10 healthiest. Between the very top constituency (Wokingham) and the bottom (Glasgow Shettleston) there is a phenomenal fourfold variation in mortality rates. But it is not just death rates. Add in similar unequal distribution of sickness, disease, pain and discomfort charted by morbidity statistics... of the 100 constituencies with the worst health, 97 are Labour; of the 100 best, 81 are Tory." (*The Guardian*, 3/12/99). The future offers no reprieve. "If we think inequality now is becoming unacceptable", states *The Observer*, "then what promises to unfold in the years ahead will take us into new realms." (2/1/00)

The past two decades of mild reaction have had wide-ranging consequences. The tread-mill of economic advance has forced workers to find a way out within the confines of capitalism, through over-time, couples working, and the like. This has served to militate against involvement in the labour movement. The lack of participation of the working class in its traditional organisations has allowed the rightwing to impose their domination - at least for the moment. As in a stagnant pool, the scum rises to the top. Events however will shatter this present inertia. The domination of the rightwing is doomed. The crisis of capitalism will have a profound impact on the outlook of all classes, especially the working class. It will have no alternative but to seek a way out of the calamity that will engulf its life. The ruling class will find it cannot rule in the old way, and will look increasingly to more authoritarian methods to bolster up its rule. The traditional labour organisations will also be thrown into crisis, as the mass of workers move towards the left. The rightwing will be spewed out, propelling the mass organisations further to the left, even in a centrist direction, betwixt reformism and Marxism. Opportunities will be given again

and again to the working class to change society. The key to the situation, however, remains the subjective factor, the leadership of the working class.

The left reformists, while prepared to talk radical under the pressure of the workers, have no perspective or understanding of how to overthrow capitalism. Their Keynesian programme seeks to work within the framework of capitalism, at best, taking partial measures against the system. This serves only to antagonise the capitalists, without resolving the problems of the working class. On the other hand, the Stalinists have long since abandoned any pretence of standing on the ideas of Lenin and Trotsky and the Russian Revolution. They have suffered a national and reformist degeneration. To resolve this historic problem requires a leadership that has learned the lessons of the epoch. It requires a Marxist tendency that has established deep roots in the working class and its organisations. Such a tendency cannot be created overnight, but has to be painstakingly built over a prolonged period on the basis of correct ideas, tactics and strategy. That today remains our fundamental task.

Global warming

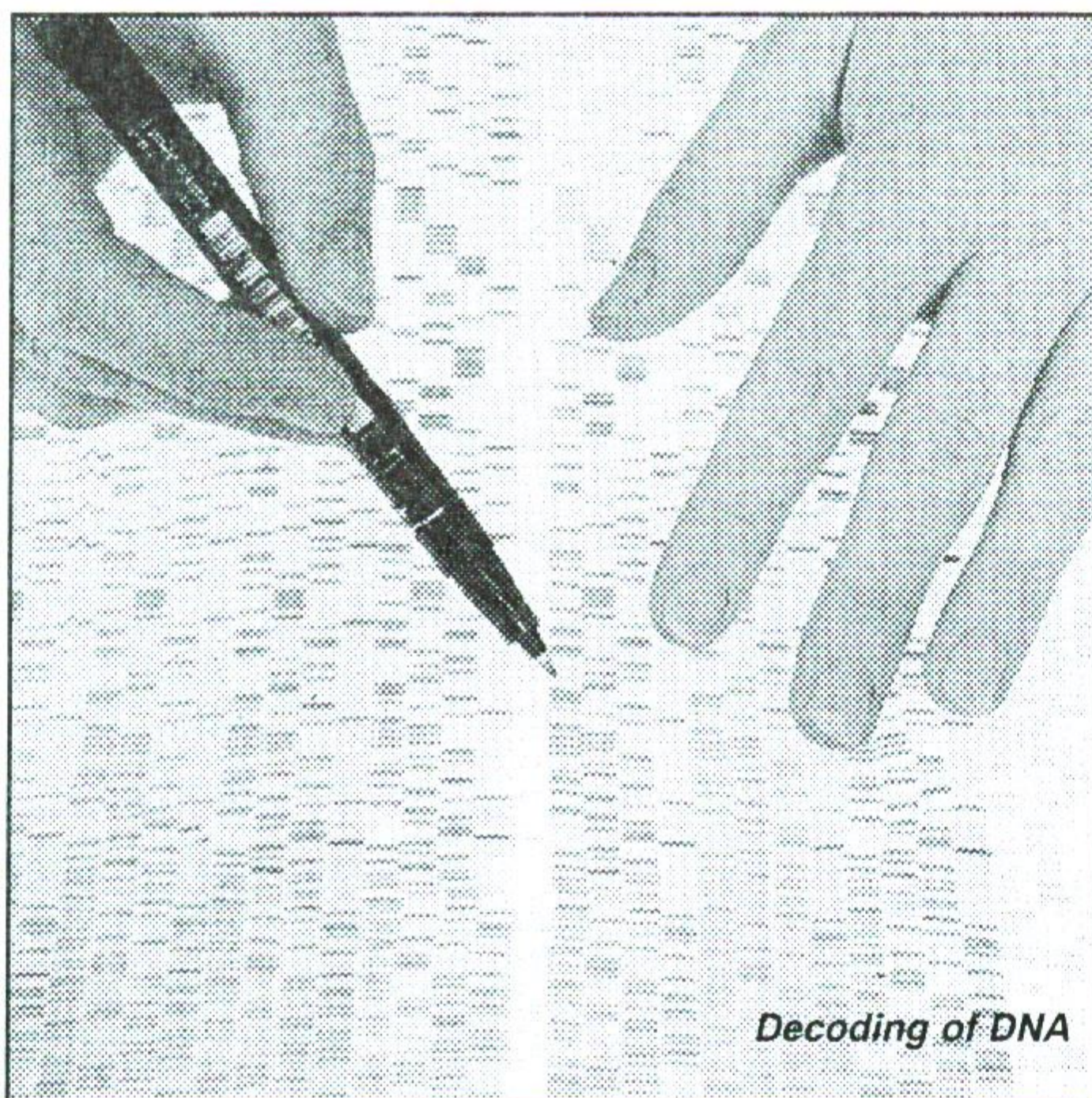
The rule of the monopolies is a colossal brake on society, threatening to poison the planet in their rush to extend their power and wealth. The economy, the environment, the air we breathe, the water we drink, the food we eat - are all under threat. Global warming and the rise in water levels, which will have catastrophic consequences on the environment, threaten the planet. In Britain, where in the pursuit of profit, cattle were fed with animal carcasses, creating the scandal of BSE, and hushed up by the Tory government. Recently, reports appear of accidents at

nuclear processing plants, which are of grave danger to the public, but have again been kept secret. The latest accidents in Japan highlight the dangers of nuclear power where capitalist interests are involved. The runaway chain reaction at the JCO company's uranium-processing plant 70-miles outside of Tokyo bathed workers in radiation and sent levels outside the plant soaring 4,400-fold, causing residents to flee. If the workers had poured in 40kg of uranium oxide into the precipitation tank instead of the mistaken 16kg, then they would have produced not a "minor" chain reaction, but an atomic bomb that would have devastated the capital, Tokyo.

Prior to this, a scandal had emerged at the British Nuclear Fuels where inspectors had bypassed procedures and falsified data on batches of uranium-plutonium oxide fuel destined for Japan. In their pursuit of profit, capitalism has chosen the cheapest and most dangerous form of nuclear power - nuclear fission. A much cleaner and safer form - nuclear fusion - was by-passed on grounds of cost. In the aftermath of these disasters, the Blair government still plans to privatise the remainder of the nuclear industry! All this to appease big business and the City of London, despite the overwhelming opposition of public opinion. Again, the recent huge oil spillage from the Maltese tanker off the Brittany coastline has devastated the marine environment. The oil companies like the energy giant TotalFina that chartered the tanker are not interested in the environment. Cargoes could be carried in double-hulled ships, but these are too costly. Their prime concern is making money - at the expense of the environment and human health - which are expendable as far as capitalism is concerned.

The enormous advances in science and technology are increasingly turned into an almighty threat to humankind by big business. The development of genetics holds tremendous possibilities for society. This will allow us to eradicate certain diseases and revolutionise our approach to medicine. Biomedical scientists believe there are 4,000 hereditary diseases caused by faults in single genes which could be rectified in time. The recent decoding of chromosome 22, through international co-operation, will lead scientists to once unimaginable cures and treatments for illnesses that are still barely understood. However, genetics in the hands of multinational corporations, in their race after monopoly profits, can and will lead to all kinds of man-made disasters.

Industrialists are rapidly muscling in on genetic research, such as the US corporation



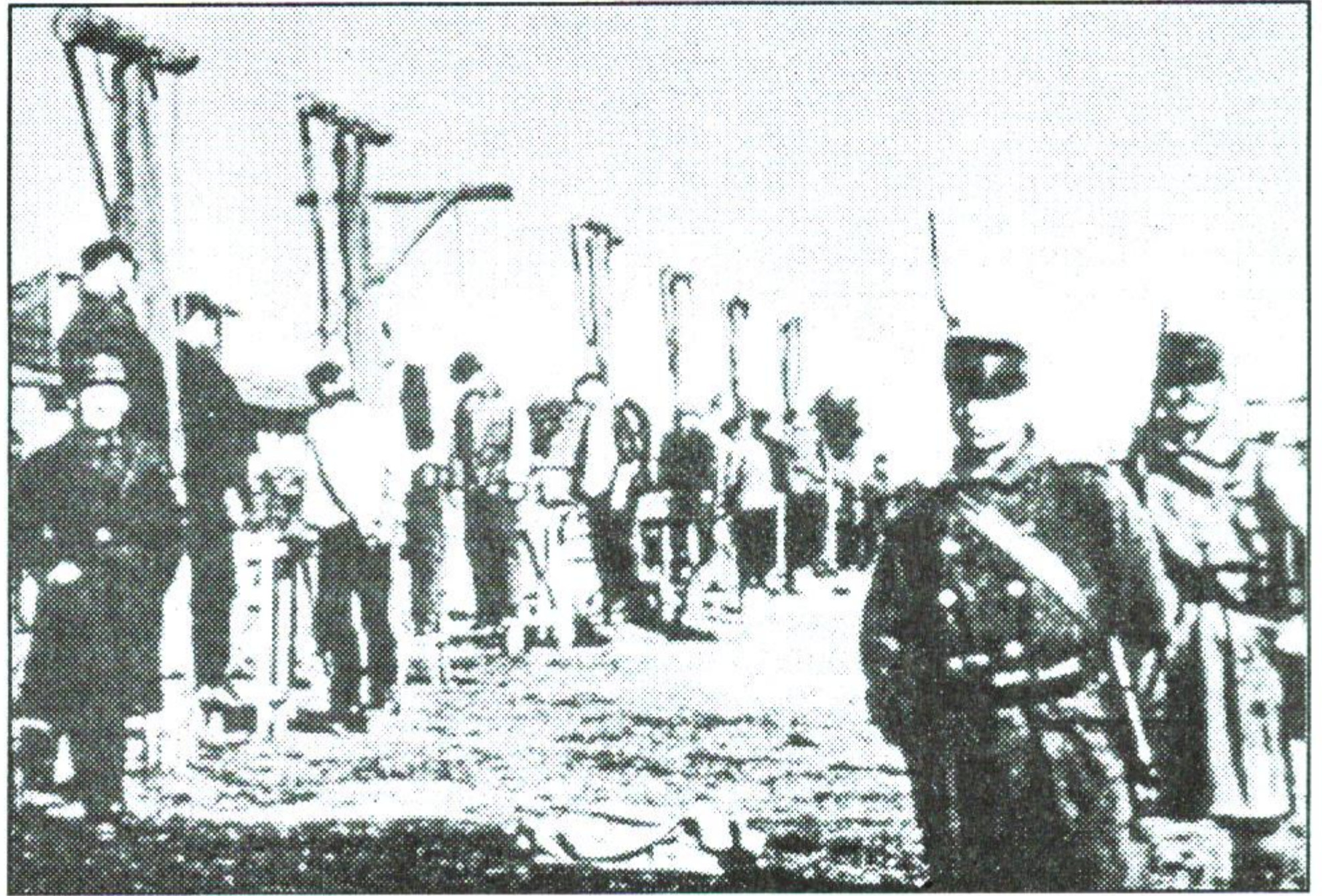
Celera Genomics, which has already applied for patents on 6,500 lengths of DNA. Researchers for the corporation are concentrating on the more "profitable" genes, whose data can be made available to paying subscribers. This is in complete contrast to the data from the US-British Human Genome Project, funded by charities and taxpayers, which publishes data as soon as it is available free of charge. Inevitably, drug companies and biotechnology companies, to secure their stranglehold over the market, will ultimately apply for patents on the uses of the new information. These monopolies, in search of big financial returns, are desperate to hold the rest of society to ransom.

Again, the development of genetically modified food may have great possibilities for the future development of foodstuffs. However, in the hands of multinationals, eager for profit and power, there are terrible dangers. The BSC scandal is such a horrendous warning. Over-intensified methods of farming, using hormones and antibiotics have polluted the food chain. The huge biotechnology firm, Monsanto, manufactures rbst, a genetically modified version of bovine growth hormone, which is injected into about 30% of US dairy cattle. Although given official health approval, big objections are still raised by consumer groups, and even governments. According to research by veterinary experts, animals treated with the hormone suffered from side effects, including lameness and fertility problems. Antibiotics, which find their way into milk and therefore to humans, give rise to allergic reactions and antibiotic resistance.

The consequences for releasing GM hormones and crops into the food chain, with the minimum of research, is an absolute scandal. Social consequences are so much small change to the monopolies. The effects on human health are unknown, and yet, GM produce has been pumped onto the world market in ever-greater quantities by the agro-corporations.

Monsanto produced a so-called "terminator" gene that directly affects the fertility of a plant. Although the plants are considered "healthy", the modified gene means the seed it produces is sterile. With such a weapon, Monsanto hoped to sell the seed to farmers in the under developed world, who would then become totally dependent upon these companies for their crop each year. After public outcry, Monsanto promised not to commercialise the project. However, other companies, like Zeneca, are still pursuing similar research in maize. Such technologies certainly have tremendous potential for future agriculture, but only on condition that it is taken out of the hands of private profiteers.

Marx and Engels warned that the choice facing society was between socialism or barbarism. The reformist politicians dismissed these ideas as fanciful. They are



Victory of reaction in Ukraine, 1918

incapable of understanding or even recognising the class mechanics under capitalism. They regard the fascist barbarism of Hitler, Mussolini and Franco, not as representative of capitalism in the epoch of decay, but as accidental features of the past. Yet capitalism over the last century brought with it the nightmare of world slump and Depression, Fascist barbarism, mass unemployment and two world wars, which came close to extinguishing the human race. Even in the post-war period, where capitalism was able to partially overcome its problems, there was hardly a single day of peace. Mankind witnessed an arms race that built up an arsenal of nuclear and conventional weapons that could destroy the planet over and over again. Man had developed sufficient knowledge to destroy its species through the medium of Mutually Assured Destruction. Despite the collapse of the USSR, these murderous arsenals continue today to cast a dark shadow over the planet.

Barbarism

Even the bourgeois strategists are not unaware of the dangers. An editorial in *The Observer* newspaper, which analysed the future pessimistic perspectives for the capitalist system, was forced to mention the possibility of a "new barbarism" in the future, where Chechnya and Kosovo are a salutary reminder. "It is just as plausible to argue that we stand on the verge of a new barbarism, in which the economic and social gains we enjoy disappear in a welter of nationalism, local wars, financial crises and trade protection, as it is to argue that the decades ahead will build and extend the progress we have experienced over the last 55 years..."

"More than that, the contemporary global capitalist system is built on sand.

International finance has ruptured national boundaries and has gone global with a capacity to speculate feverishly on a scale never witnessed before. Currencies of the world's largest economies - the US and Japan - can swing violently over months; for small economies, the movements are even more vicious. The warnings that Wall Street is a bubble stock market, with hugely inflated prices and prone to excessive speculation, may have become routine but they are no less serious; the contagion, via the speculation in loss-making Internet companies, is spreading to London. It will only take one over-stretched bank or one unexpected economic calamity to knock the whole house of cards sideways and, given the international linkages, for the entire financial system to be sent reeling." (2/1/00)

Despite the thin veneer of cultured appearance of western civilisation, capitalist reaction can flourish rapidly in the soil of economic, political and social crisis. After all, before the rise of Hitler Germany was the most cultured country in Europe. The German labour movement was the strongest in the world. At the time, the German Blairs and Monks' dismissed the threat of fascist reaction - right up until 1933. "It could never happen here", they said, attempting to lull the working class to sleep.

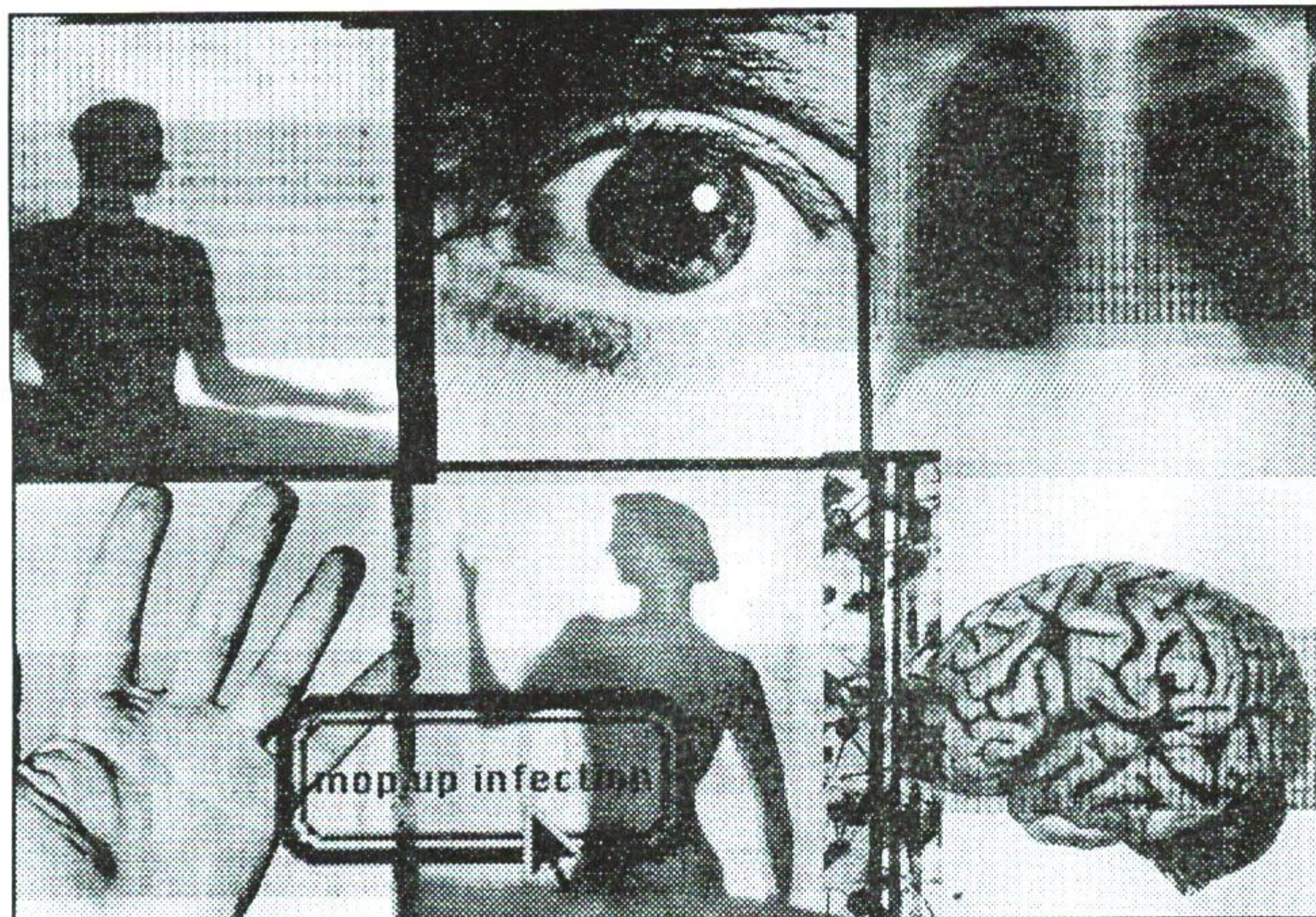
While, it is true the bourgeois would not want to risk again handing power over to the fascist maniacs, where their power is at risk, they could easily hand things over to a military-police regime, as in Chile in 1973. It is interesting to note that prior to Pinochet, Chile was regarded as the "Britain of Latin America". The officer caste is much more reliable than the fascist upstarts. Their outlook, personal ties, education, and so on, make them a more

preferable alternative. And as General Pinochet demonstrated, the military can adopt the most ruthless measures when needed. It is true that the bourgeoisie prefers to rule through "democracy" at present, as the democratic representatives are more pliant than the generals, especially in the case of Noriega in Panama and Zia in Pakistan. However, in periods of social crisis, such Bonapartist regimes are a more appropriate means of bourgeois rule - at least for a time. But given the strength of the working class in America and Europe, such a regime, as in Greece in the late 1960s, would not necessarily be long lasting, and would lead to further revolutionary convulsions. That is why the ruling class would think repeatedly before embarking upon such a risky venture.

Today, elements of barbarism are present in the genocide in Rwanda, Uganda and Somalia - in many parts of the globe. But this is no problem of the "backward" countries. On the "civilised" European continent, the horror of ethnic cleansing is taking place today in the Balkans - under the very noses of NATO troops. The cold cruelty of the imperialist powers can be seen in the bombing of Yugoslavia and Iraq. In Russia, the bourgeois regime is waging a bloody war against the Chechen people. These developments are a warning to the labour movement. The working class does not have indefinite time to overthrow capitalism. If there is no other way out, the capitalists will inevitably turn to Bonapartism to hold on to their power.

The stakes are extremely high. But the position of the working class is not a hopeless one. On the contrary, in terms of numbers and cohesion, the working class has never been stronger. There is a very favourable balance of class forces for the proletariat internationally. In the past, there has been no shortage of revolutionary opportunities. And that will be the case in the future. The recent overthrow of the hated Suharto dictatorship in Indonesia, which ruled for thirty-five years and murdered over a million communists and trade unionists, shows the determination of the masses. Unfortunately, the weakness of leadership has meant that the revolution is far from complete, and given this weakness, will unfold over a number of years. It nevertheless demonstrates one thing: nothing can break the will of the working class to change society. The proletariat is like the Greek god Anteus; when each time he was thrown to the ground, he got renewed strength from his mother, the earth.

The mole of revolution, to use Marx's expression, is burrowing deep in the foundations of capitalist society. Those organisations that attempt to hold the workers back will be broken by the crisis within their ranks. Dialectically, events will shake society to its foundations, and with it the working class and its organisations. Out of this struggle of living forces, the most con-



scious layers of the proletariat will find the road to Marxism. All the great Marxist teachers had enormous confidence in the ability of the working class to change society. "Scientific socialism is the conscious expression of the unconscious historical process; namely, the instinctive and elemental drive of the proletariat to reconstruct society on communist beginnings", stated Trotsky. "These organic tendencies in the psychology of workers spring to life with utmost rapidity today in the epoch of crises and wars."

Marxist ideas

Events, events, events will transform the whole situation. The working class will learn from the painful experiences of life that capitalism offers no way forward. In the words of Lenin, "an ounce of experience is worth a ton of theory." Socialist and Marxist ideas will gain a mass audience as the left recaptures the workers' organisations. The Marxist tendency must base itself upon the capacity of the working class to struggle. On their shoulders rests the fate of society and the future of humankind. The working class will be propelled on the road of socialist revolution in one country after another. Armed with correct tactics and strategy, the coming to power of the proletariat in one important country will transform the entire world situation. It would set the world alight, resulting in the establishment of the Socialist United States of Europe as a stepping stone to the World Federation of Socialist States.

This would open the road to the unlimited development of society, science, technique and culture. It would literally open the road to the stars. For the first time, human beings would begin to master nature. Ninety five percent of scientists who have ever lived are alive today. There is much talk about the Internet revolution, which has amazing possibilities for the

future planned economy, but today, three-quarters of the earth's population do not possess a phone let alone have access to the World Wide Web. This field of science is still in its infancy. The possibilities are infinite. But only on the basis of world planning, world co-operation and a world government. Such a system can only be based upon world socialism, and the dissolution of the state, violence and all forms of oppression.

"Man will make it his purpose to master his own feelings, to raise his instincts to the heights of consciousness, to make them transparent, to extend the wires of his will into hidden recesses, and thereby to raise himself to a new plane, to create a higher social biologic type, or, if you please, a superman.

"It is difficult to predict the extent of self-government which the man of the future may reach or the heights to which he may carry his technique. Social construction and psycho-physical self education will become two aspects of one and the same process. All the arts - literature, drama, painting, music and architecture will lend this process a beautiful form. More correctly, the shell in which the cultural construction and self-education of Communist man will be enclosed, will develop all the vital elements of contemporary art to the highest point. Man will become immeasurably stronger, wiser and subtler; his body will become more harmonised, his movements more rhythmic, his voice more musical. The forms of life will become dynamically dramatic. The average human type will rise to the heights of an Aristotle, a Goethe, or a Marx. And above the new ridge new peaks will rise."

(Leon Trotsky, *Literature and Revolution*)

3rd January, 2000

Leon Trotsky, Marxist and revolutionary



Leon Trotsky

Fifty-nine years have passed since that hot afternoon on the 20th August 1940 in an old house surrounded by leafy trees and cactus in a peaceful suburb of Coyoacan, in the capital of Mexico. Lev Davidovich Bronstein, better known as Leon Trotsky, revolutionary Marxist and, alongside Lenin, one of the most outstanding leaders of the 1905 revolution and the October revolution in Russia, fell victim to an assassination expressly ordered by Joseph Stalin.

On that afternoon of August 20th, a professional assassin of the sinister GPU or NKVD, the mere mention of whose initials made any Soviet citizen shudder, carried out a perfidious and treacherous plan that had been painstakingly worked out. Under the pretext of correcting an article, he managed to gain access to the creator of the Red Army. While the two men were alone together, the assassin struck from behind, wielding a sharp steel ice-pick used by mountaineers, with a shortened handle. In a few seconds, the brain of one of the most brilliant fighters for socialism was destroyed.

With the assassination of Leon Trotsky - that implacable enemy of the bureaucracy that had usurped power from the hands of the revolutionary proletariat - Stalin's counterrevolutionary extermination of a long list of leaders and participants in the October revolution was completed. Thus Stalin was confirmed as the grave-digger of the Bolshevik revolution - a title bestowed on him by his victim long before.

To me, that bloody and tragic afternoon of the 20th of August still seems to have happened yesterday. I was a young man 14 years of age, Vsevolod (Seva) Esteban Volkov, grandson of Trotsky on my mother's side, and had arrived in Mexico only one year before after a period living with the Rosmers, those close friends of Natalia and Lev Davidovich. I was given the bedroom next to my grandparents and had already had a taste of gunpowder and felt the heat of a bullet grazing my right foot during the first attack on the family led by the Stalinist painter Alfaro Siqueiros and his machine-gunners in the early hours of the 24th of May 1940.

GPU murderer

Nearly three months later I was returning home from school in a cheerful frame of mind, walking along the long Vienna Street at the end of which stood the old house. Suddenly I noticed something unusual in the distance: a car obviously badly parked was straggling the dusty way and various uniformed police officers in navy blue and wearing military berets seemed to be standing in the entrance of the house. Such a disturbance was a bit unusual. A sharp pang of anguish gripped my breast as I had a foreboding that something awful had happened in the house and that this time we were not going to be so lucky.

Instinctively I hastened my pace, stepping quickly through the gate which was open, hurrying through the garden, where I

This year marks the 60th anniversary of the death of Leon Trotsky. *Socialist Appeal*, as a tribute to this great Marxist and revolutionary leader, intends to publish each month an appraisal of his ideas and contribution. To begin this series, we are publishing an article by his grandson, Esteban (Seva) Volkov, originally produced for the popular web site (www.marxist.com), *In defence of Marxism*, which deals with the assassination of Trotsky.

bumped into an American comrade, Harold Robins, one of my grandfather's secretaries and bodyguards. He was very agitated, with a revolver in his hand, and could only shout at me in a desperate voice: "Jackson! Jackson!"

At the time I could not grasp the meaning of this hasty exclamation. What had the husband or boyfriend of the American Trotskyist Sylvia Ageloff and friend of the Rosmers and the guards got to do with what was happening? But as I made my way across the garden path towards the house I came across a man with his face covered in blood whom I did not immediately recognise, being held up by two policemen. The man whom I supposed must be the Jackson referred to by Harold, was making a lot of noise, complaining and sobbing, which merged into a kind of howling. He was a real mess.

When I entered the library and looked through the half-open door of the dining-room, I immediately understood the magnitude of the tragedy. My grandfather was lying on the floor with a wound to the head, in a pool of blood, with Natalia and a group of comrades standing around him, applying ice to the wound to stem the flow of blood.

So Jackson - the generous and attentive husband of the Trotskyist comrade Sylvia Ageloff, the man who took the Rosmers in his car to Veracruz when they went back to Europe, and who entertained some of the guards at good restaurants in the centre of Mexico city, the man who displayed a total indifference to politics, and

who pretended to have a wealthy Belgian mother who always looked after his material well-being, and a boss overseas who paid juicy commissions for his business deals - was no more than a vulgar agent of the sinister GPU who had wormed his way into the life of the revolutionary leader.

He belonged to that army of murderers and torturers who exercised their reign of terror over the Russian people. These were the shock troops of the counter-revolution, the main pillar of the dictatorship of Stalin and his bureaucracy. They disposed of limitless resources derived from the wealth squeezed from the Soviet working class by the bureaucracy. They were the elite of the elite and the pampered favourites of the dictator.

"My mother is in their hands! They forced me to do it!" Jackson blurted out amidst whimpering and complaints, as the bodyguards, alerted by the first deafening cries of the "Old Man", rushed to the scene of the murder and overcame and beat the assassin. "Jackson!" Lev Davidovich said, as he clung to the door-frame of his office, covered in blood, pointing out the aggressor to Natalia who had come running. It was as if he was trying to say: here it is, Stalin's attack which we were waiting for. With laboured gestures, he tried to point to the study, "Don't kill him - he must talk!" he managed to say while lying on the floor of the dining-room to those who surrounded him. And he was right. This was the best way to shed light on the character of the crime.

Now there are no secrets. The plot proceeded in stages: Stalin, Beria, Leonid Eitingon, his lover Caridad Mercader and her son, the Catalan, Ramon Mercader (alias Jackson) were the people who murdered the founder of the Red Army and the comrade-in-arms of Lenin.

"We have been given another day of life, Natasha!" Lev Davidovich used to cheerfully exclaim to his inseparable companion Natalia Sedova every morning, as daylight streamed into their darkened bedroom - the same place where they had miraculously escaped with their lives on the night of May 24th when the house was machine-gunned by Siqueiros and twenty other assailants. But the truce was a brief one! "To die is not a problem when a man has accomplished his historic mission," Trotsky once told a group of young com-



Esteban with Trotsky

rades.

Leon Trotsky was not the sort of man to die peacefully in bed of old age. He fell in the front line of the struggle for real socialism - the socialism that was conceived by Marx, Engels, Lenin and Trotsky himself. This is the way in which the heroes of the proletarian revolution give their lives - with a red flag in one hand and a combat rifle in the other. He left this life with the immutable serenity of one who has done his duty and has accomplished his historic mission.

Role of Trotsky

Side by side with Lenin, he provided a Marxist ideological basis for both the defeated revolution of 1905 and the victorious October revolution of 1917. In the latter, Trotsky's intervention was decisive. In order to remove any doubts or remnants of Stalinist falsification, we reproduce the remarks of the Swiss military expert, Commander E. Léderray: "The Red Army, created and led by Leon Trotsky, was a key factor in the triumph of the Bolshevik revolution." He was on two occasions elected president of the Petrograd Soviet, in 1905 and 1917. He was also appointed Minister of Foreign Affairs of the Soviet state.

But the pages that will be forever engraved in the annals of history will be the last period of his life: the indomitable and heroic fight to the death which he waged, together with a small group of

comrades, against one of the most sanguinary and bestial dictatorships known to humanity, which arose from the usurpation and betrayal of the first socialist revolution in the world.

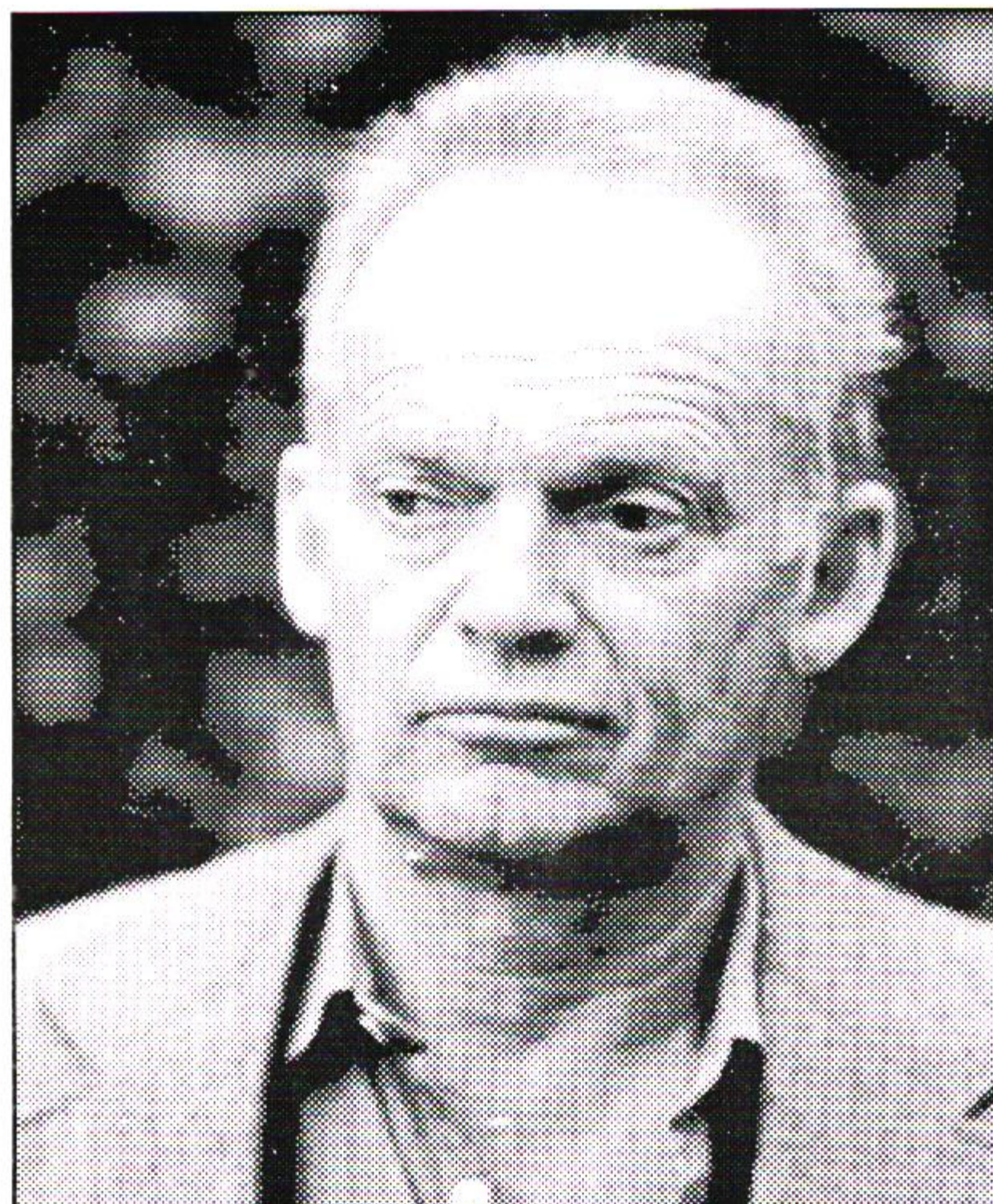
Initially, from 1923, Trotsky waged the struggle inside the Communist Party of the Soviet Union through the Left Opposition, in an attempt to redirect the Party away from the road of bureaucratic degeneration and abandonment of Marxism-Leninism, and back to the traditions of the proletarian revolution and October. But the fiery speeches and declarations of the organiser of the Red Army fell on deaf ears. The Party was already thoroughly infiltrated by the creatures of Stalin. The prevailing mood was one of careerism and the pursuit of personal ambition, or fear of the nascent dictator.

In 1927 Trotsky was expelled from the Party and deported to Alma-Ata. The Left Opposition practically ceased to function. In 1929 he was expelled from Russia. Beginning with Turkey, he commenced his long journey

through what he called the "Planet without a visa." Later he went to France, Norway, and finally Mexico. He was fully aware that his days were numbered. From the beginning of his exile, accompanied by his wife Natalia and his son Leon Sedov, and with the help of loyal collaborators, Trotsky made use of every minute of his existence to keep ablaze the beacon of Marxist revolutionary thought and denounce before international public opinion and the working masses all the crimes and betrayals of Stalinism.

After the terrible defeat of the German working class and the triumph of fascism and Hitler's rise to power as the result of the capitulations, betrayals and mistakes of the German Communist Party and the Stalinised Third International, which Trotsky characterised as a "stinking corpse", he concluded that the attempt to regenerate it was a lost cause, and from that moment he dedicated himself to what he considered to be the most important task of his life - the creation of a new revolutionary advanced guard in the shape of the Fourth International, which he succeeded in launching just two years before his assassination by Stalin.

Marx and Engels carried out an exhaustive and masterly study of capitalist society which Lenin developed in his analysis of the imperialist phase of capitalism. Trotsky too, following the Marxist method, made a masterly analysis of the



Esteban Volkov

transitional period following the overthrow of capitalism. He explains how Stalinism arose as a political counterrevolution, in the form of bureaucratic Bonapartism in the Soviet Union. His analysis and definitions in *The Revolution Betrayed* - a work written over 60 years ago - are extremely rigorous and totally valid today. Here we have a description of a society in transition - neither capitalism nor socialism - under the domination of a caste of bureaucratic usurpers.

Falsification of history

Such a social formation did not have any functional role in production, nor could it have any permanent significance, and thus, in itself, it did not rise to the category of a class in the Marxist sense of the word. It could only maintain itself in power through the falsification of history and through terror. The end result was the restoration of capitalism in Russia. Trotsky urgently advocated a political revolution in Russia, in which the working class would reconquer the power usurped from them by the bureaucracy, save whatever had survived of the gains of October, and reconstruct the basis for genuine socialism, based on workers' democracy with genuine soviets, the abolition of one-party rule and the introduction of workers' democratic control and management of the planned economy.

To this day, this has not been implemented, as a result of the political inertia of the Russian working class after 70 years of suffocating bureaucratic dictatorship. According to the historian Volkogonov, the publication of *The Revolution Betrayed* in

1936 (it was immediately translated into Russian for Stalin) led to an acceleration of the plans to assassinate Trotsky from December of that year. Volkogonov - who had access to the archives of the KGB - states that Stalin was always afraid of Trotsky. So the publishing of his biography of Stalin, which was in preparation in 1939-40, cannot have done much to calm the murderous fury of the master of the Kremlin. Contrary to what one might think, Trotsky wrote this book without much enthusiasm, out of economic necessity, at the request of an American publisher, leaving to one side a biography of Lenin, a work which he was far more interested in.

The contribution of Trotsky to the arsenal of the workers' movement is vast: Marxist theory, polemics, historical works, autobiography,

to name only the main ones. The English Professor Sinclair has published a bibliographical index of more than 400 pages which contains only the list of the titles collected by him. As Ernest Mandel, who died recently, put it: "Trotsky will go down in history as the most important strategist of the socialist movement".

In his tenacious and uninterrupted struggle against the Stalinist bureaucratic dictatorship, which turned him into the most slandered and persecuted revolutionary in the world, one thing stands out for its historical importance: the counter-trial which he organised in answer to Stalin's Purges. After his brief period of exile in Scandinavia, which turned into six months of enforced silence and house arrest imposed by the "socialist" government of Norway, on Stalin's insistence, Trotsky finally went to Mexico. Having been granted asylum by the Mexican president General Lazaro Cardenas, immediately after his arrival in January 1937, Trotsky set to work. He now had complete freedom to prepare his defence, and also that of his son, Leon Sedov and all the other revolutionaries falsely accused in the bloody farce of the Moscow Trials. By these means, Stalin and his Kremlin clique hoped to find a legal fig-leaf to justify the extermination of all those who could provide living testimony to the traditions of October.

At Trotsky's suggestion, an investigating commission was set up, presided by the celebrated American philosopher and educationalist, John Dewey, and composed of persons of absolute integrity, with no connection with the accused. Trotsky

announced his willingness to hand himself over to the GPU executioners if any of the charges were proven. His aim in organising this Counter-trial was not just to save his honour and reputation as a revolutionary and to denounce before humanity and before history the crimes of Stalinism, but also to make it difficult for Stalin and the bureaucracy to carry out further trials and exterminations. After 13 days of exhausting sessions, with the presentation of 18 accusations and decisive answers, the commission delivered a "Not guilty" verdict, and characterised the Moscow Trials as the most monstrous falsification in the whole of history.

The brilliant revolutionary career of Leon Trotsky - in preparing the revolution and in carrying it out; in later defending it against its enemies and usurpers - was at all times based on Marxism, providing irrefutable proof of its vitality and truthfulness right down to the present day. The correctness of his analysis is further underlined by the collapse of the Stalinist and neo-Stalinist regimes, which Trotsky predicted with unshakeable confidence to the end. His heroic life remains a source of inspiration and a great example for all revolutionaries. ☆

by Esteban Volkov, Mexico City



The sweated boom in America

The boom in the American economy is in its 106th month - the longest expansion ever in U.S. history. Has capitalism entered a new phase of development unforeseen by Marx? Is this really a "new paradigm" as is heralded by so many apologists of capital? Or can the theories of Marxism explain this unprecedented upswing?

by Peter Johnson, editor of
New Youth (www.newyouth.com),
USA

We have been predicting the inevitable collapse of the boom for months now, yet it has not come yet. So why has the economy continued to grow beyond the expectations of even the most optimistic defenders of capitalism? As has been explained in great detail elsewhere there are many reasons for the unparalleled boom. The expansion of world trade in the recent period, investment in new information technology, cheaper production costs due in part to the lowest raw material prices in 150 years, the fact that wages have been held down in real terms, and low interest rates all contributed to the economic growth. These are all ways by which the capitalist class has put off the inevitable bursting of their bubble, and they are all reasons which were explained by the Marxists. But there is one factor that is of particular significance: the merciless squeezing of the working class.

The boom is due largely to the workers' sweat, tears, mental illness, broken families, alcoholism, insomnia, and all the other ills of this diseased system. I can remember a decade ago when we used to cringe at the excessively long hours the Japanese workers had to put in. Sure, they were an economic powerhouse threatening to buy up Disneyland and the rest of America, but at least we had more time off to spend with our families and friends! And just look at what this sacrifice on behalf of the Japanese working class got them - ten years of recession and the worst unemployment levels in recorded history! Yet now, incredibly enough, the American working class works more than the Japanese. It is astonishing to find that between 1977 and 1997, among those working 20 hours or more, the working day was lengthened from an average of 43 hours to 47 hours a week! We also work an unbelievable eight weeks longer each year than the average Western European. Not only that, but the percentage of those

working 50 hours or more per week rose from 24% to 37% over the same period.

The enormous wealth created by the boom has been in part the result of "working smarter" (higher productivity - relative surplus value). But the longer hours, the increase in absolute surplus extracted from the workers, has also gone a long way to keep the economy going. So the question is, how big a piece of the pie is the American working class getting for its longer hours and increased productivity? According to the Economic Policy Institute, between 1989 and 1996, the average annual gain in income was only \$300. Only \$300 a year! But at what price? These increased hours away from home have a minimal impact on the overall economic well-being of the workers (\$300 is not even enough to pay one month's rent!), but have a devastating effect on the family. The crisis in society and the family as evidenced by the ever more common shootings among school children is but a symptom of a much deeper problem. There is an increasing, unconscious feeling among the workers and youth that there is no hope for future. Suffice it to say that a majority of Americans polled feel that their only chance at a decent retirement pension is if they win the lottery! And the young people involved in the school shootings feel that they're more likely to be remembered if they die in a "blaze of glory" than by educating themselves and contributing to society.

Golden Age

The new millennium promises a continuation of the new American "Golden Age", but history shows that all such epochs inevitably come to a crashing end. The recent events in Seattle during the anti-WTO protests confirm our view that the mood is definitely changing in America. People are willing to slave away for others only as long as they think things are getting better. So while all the defenders of capitalism hail the booming economy, the average working class family quite justifiably wonders what all the fuss is about. They are certainly not getting \$250,000 Christmas bonuses or more as the top CEOs do! Even the somewhat elite



Information Technology sector has become proletarianized. Young, well educated workers sleep under their desks and resolve to sacrifice the best years of their lives working 120 hour weeks for Internet start-up companies which will likely never make a dime! Their hope is to retire at age 30 as millionaires, but when the new technology boom goes the way of the railroad boom, they will be left with little to show but their prematurely gray hair and dark circles under their eyes.

The American working class and youth are already beginning to realize that their long years of sacrifice are not paying off as well as they might have hoped (not to mention the sacrifices of the people of the developing world). With the unavoidable economic crash, their dreams will be shattered. They will inevitably begin to look for alternatives. The basic ideas of scientific socialism are really quite simple. Humanity has developed the means of production to the point where we can easily provide food, housing, education, healthcare, transportation, and much more to the entire world. Yet the form of social organization we have created and are living under (private ownership and benefit from the means of production, the market economy, the national boundaries) is simply no longer compatible with the massively developed productive powers. There is only one solution to this contradiction, and that is for humans to create a new social form which is in harmony with the productive forces and creative potential of humanity. That new social form is democratic socialism, plain and simple. The ideas of Marxism provide the framework for achieving this new society, based not on the exploitation of billions for the benefit of a handful, but rather on the cooperation and mutual understanding of all of humanity. If the overworked workers and youth of today can understand how to communicate with machines through the use of computer languages, then they should have no problem understanding the ideas of scientific socialism. ☆

"Communist" leaders back privatisation

While the streets of Seattle may have dragged some of the issues surrounding liberalisation into a wider public consciousness, the newly elected right wing Indian government, supported by the main Congress opposition, is driving full steam ahead with its programme of economic reform. In December it was the turn of the insurance indus-

try to face the opening up of the market to private companies, as the small Left opposition succumbed to inevitable defeat in the Lok Sabha (parliament). The existing companies are not themselves being privatised but they will be in direct competition with private firms.

by Sarah Glynn, Calcutta

In a long article in *The Statesman*, Communist Party of India MP, Gurudas Das Gupta explains that Indian insurance is not only already a healthily growing industry, but that it at present invests 70% of its funds in government bonds and securities, where they can be used for public sector projects. So that opening the industry up to private businesses, far from contributing to national growth, will only divert funds to short term and speculative investment. Large foreign firms could also afford to undercut the existing businesses and then exploit their monopoly, and he points to the appalling record of dishonesty and insolvency in private insurance industries in places like Japan and the US. Further, the nationalised insurance industry uses cross subsidies to help provide insurance for at least some of those who could not otherwise afford it - such as life insurance for selected occupations. (The *Statesman* 1st December 99). Nation-wide resistance to the privatisation began on 29th October, and has included two one-day strikes. Left parties and unions collected 15 million signatures petitioning against the legislation, insurance workers together with bank workers (banking privatisation is due to follow) marched on Parliament last Monday, and all the country's insurance workers - more than 200,000 people - came out on a day's strike on Wednesday.

The Left has gone down fighting, and their battle has made headline news, but it was lost long ago, and they have mainly themselves to blame. India's first prime minister, Jawaharlal Nehru, in line with his policy of reformist 'socialism', carried out large scale programmes of nationalisation and central

planning, but with no attempt at any sort of workers' control, and the result is an industrial bureaucracy worthy of a Stalinist state. It is not without reason that people here complain about the inefficiency of their nationalised industries. To give a small domestic example: to get a telephone connection to our flat took us two visits to the telephone exchange, completion of a lengthy form including signatures from two witnesses and other supporting documents, three visits to the flat, each by two or three telephone engineers, and some extra unaccounted for rupees.

Improvement

To be able to make calls outside Calcutta we had to collect and complete another form, which, with accompanying passport photographs, had to be signed by a 'government gazetted officer'. That the connection process took less than three weeks was considered a great improvement on previous norms, which our neighbour put down to the telephone company having to face competition from cellular phone companies. And here he expressed the general

view that the answer to inefficiency is privatisation and market competition, and for him it may be true. For those who can afford to pay for better services, privatisation will bring a benefit, at least in the short term, but at whose expense? Private firms may fall over each other in their eagerness to cater to those with money, but they will be less keen to invest in services for the poor or those in distant rural locations, and in India that means the vast majority. And even the Indian capitalists may not reap the benefits that they look forward to. Few Indian firms will be able to withstand competition from the international giants, as has been demonstrated so clearly in the soft drinks industry, where those old Indian brands which have survived have all been bought up by Coca-Cola. And foreign firms will probably not invest their profits in India.

But it is not only the capitalists and aspiring capitalists who put their faith in this new medicine to cure the ills of the economy and bring the country Western prosperity. In the rush to attract foreign investment, the old 'Marxist' parties have abandoned not only their principles, but finally even their rhetoric. When India first brought in its New Economic Policy under a Congress government in 1991 (at a time when the now ruling BJP preferred the rhetoric of right wing isolationism and protectionism) the left forces were powerful enough to have blocked the legislation, but instead, although they argued against it, they chose to abstain from voting. Here in Calcutta, the long-ruling 'Marxist' state government brutally demonstrated its determination to make the city seem attractive to foreign investors by clearing the hawkers off the pavements of the main commercial districts. Now, two years later, they have still not been



found a viable alternative place to trade and claim to have suffered numerous deaths through the consequent poverty. Recently the General Secretary of the Communist Party of India-Marxist was even quoted as admitting that 'you can't have a revolution in India' (The Statesman 25th November 99), and a leading party figure here told us that the CPI-M was now a fully social democratic party and had lost touch with the mood of the country's youth. The CPI-M in West Bengal is so bankrupt of forward vision and leadership that it won't even accept the resignation of its elderly long-serving chief minister.

Investment

The communist parties may be putting up a token fight, but they have lost all credibility. While West Bengal's Left Front government tried to prove how friendly it was to capitalist investment, the communist dominated unions diffused possible resentment to pro-capitalist policies through symbolic one day strikes, which often coincided with festivals. Even now that the insurance industry is facing such major upheavals, there is no serious talk of real industrial action, and the arguments used against privatisation are not so much anti-capitalist, as anti foreign monopoly capital. Amongst all this activity, no-one has addressed the underlying arguments against privatisation per se, or bothered to argue how it can only in the end benefit the capitalists at the expense of the ordinary workers. Ganashakti, the organ of the CPI-M in West Bengal, notes that the rural sector will lose out in the privatisation of the insurance industry, but does not extend the argument to private industry in general.

It is more anxious to explain how the exceptional growth of the Indian insurance industry (nearly 18% compared to a world figure of 3%) is attracting the predatory American giants, and urges its readers to 'oppose such measures which mortgage our economy to foreign interests'. Small wonder, then, that workers who might once have rallied behind the red flag have turned to the populist leaders of the rising regional parties. Here in Calcutta they rush to follow the cotton sari-clad figure of Mamata Banerjee, whose rallying cry is a constant belligerent attack on the ruling Left Front and who has tied her party opportunistically to the BJP. In neighbouring Bihar, parties are increasingly divided along caste lines. But these populist leaders will not be able to solve any of the underlying problems, and this road can only lead to disillusionment and disappointment.

Yesterday it was the turn of the development officers to demonstrate. These middle ranking insurance workers chose the favourite Indian method of a hunger strike, though this was only for a day. Here in Calcutta, they were supported at lunch time by a good crowd of other insurance workers and their union leaders, and the bank workers held a parallel demonstration in the main square. Union leaders told me that they are not against internal reorganisation, as recommended by a 1993 government committee, but that they are totally against privatisation. The union zonal secretary explained that their union was apolitical, by which he means it has no attachment to any political party (and indeed political banners were noticeably absent), but that they are totally against

the opening up of the economy. Whilst the biggest threat is clearly perceived to be foreign capital, he assured me that they were in favour of nationalised industries because this enabled 'the progressive growth of the Indian economy'. In this 'era of decaying socialist force' with 'imperialist forces in top gear' they got inspiration both from the success of the Indian liberation movement against the seemingly invincible British Empire and from the demonstrations in Seattle. This is the end of phase one of the insurance workers' protest. Where it goes now is in the hands of the union leaders.

Proletariat

This month's strikes and demonstrations will not stop the privatisation of the insurance industry, but they do show that, despite frequent betrayals by their leaders, there are still vast numbers of workers ready to take a stand against government action. As the effects of the New Economic Policy bite harder, it becomes even more urgent that all those who really do believe in a socialist alternative work with them to revive a genuine working class Marxist movement out of the decay of the old communist parties. We need to be fighting alongside these workers, explaining Marxist ideas and how they have been betrayed by Stalinism, and building cadres to take the movement forward. India is a country of enormous disparities of wealth. It has a large proletariat and a strong tradition of working class militancy and socialism. There is every reason to believe, given the right leadership, that you can have a revolution in India. ☆

Evans' view



Yeltsin departs as Russia falls apart



US President Bill Clinton claims that he was most anxious about the impact of the millennium bug in Russia. Fearing the breakdown of a nuclear reactor and another Chernobyl, he instructed his CIA officials that he was to be informed immediately of any news from Moscow. Well the bug certainly hit, but while the lights stayed on, it was the Russian President who went out.

The announcement of Yeltsin's resignation raises a lot of questions. What effect will it have on the lives of Russian workers? What will change? What are the prospects now for completing the restoration of capitalism in Russia? What about the war in Chechnya? And who is Vladimir Putin?

by Ted Grant and Phil Mitchinson

Canadian journalist and Russia expert Fred Weir takes up this last question for us.

"Yeltsin has been President for a long time, and though I didn't really like him, he did give us stability," said Igor Svetlichny an 18 year old student. "This change is so sudden. I don't understand why it had to be now, and I don't really know who this new guy really is."

In fact he is a 47 year old ex-KGB agent, plucked from obscurity five months ago to head Yeltsin's government. Putin, Fred Weir continues, delivered "the traditional New Year's Presidential address to a stunned Russian TV audience. "Today I have been vested with the duties of head of state," he announced, sitting in a stern, military-style posture and speaking forcefully. "I am drawing your attention to the fact that there will be no power vacuum, even for a moment. I want to warn that any attempt to exceed the limits of the law and Russia's constitution will be decisively

crushed," he added."

Under that constitution the prime minister takes over the role of the Presidency for 90 days when a new election is held. That election is now scheduled to take place on March 26th.

So far since taking office, Putin has sacked five Kremlin advisers, including Yeltsin's daughter, Tatyana Dyachenko. These are very superficial changes, however. In reality Putin represents the same clique of oligarchs (an oligarchy is a state ruled by a small handful of people or families) and Kremlin officials as Yeltsin.

Why did Yeltsin retire early and not cling on to his beloved office until the last moment? A significant pointer is provided by Putin's first act on taking hold of the reins of power, the granting of complete lifetime immunity from prosecution, arrest, search or even questioning to the former President. This pay off was further sweetened by a substantial pension, a body-guard, a government country home, and

much needed medical care.

"That may provide the best clue to why the notoriously power-loving Yeltsin decided to go now," argues Fred Weir, "rather than wait for his constitutional term to expire next June."

"It's an old tradition in Russia to scapegoat one's predecessor," says Nikolai Petrov, an analyst with the Carnegie Endowment in Moscow. "Yeltsin had plenty to worry about." Only last year the parliament narrowly failed to impeach him on five counts of treason and other crimes. The Yeltsin era of attempted capitalist restoration was driven by practices that would have been punished with prison in almost any other country. According to the *Daily Express* (4/1/00) "A dozen bank accounts containing almost £10 million are suspected of being linked to the Yeltsin family." The crown jewels of the economy were handed over to a clique of Kremlin connected oligarchs, and two brutal wars to crush the rebellious region of Chechnya were carried out solely on Presidential authority.

As we've explained previously the continuing crisis in Chechnya is a reflection of the crisis in Russia itself. Ostensibly, the cause of this crisis was the alleged terrorist attacks by Chechen separatists in Moscow and other Russian cities - we say alleged because it is far from certain that the Chechens were actually responsible for these bombings.

Whoever was responsible, the bombing has clearly provided the Russian regime with a means of securing popular approval for the war. Without these terrorist attacks there would never have been the same degree of support in the population for the war or for Prime Minister, and now acting President, Vladimir Putin.

The western imperialist powers have hypocritically condemned the merciless bombing of Chechnya, which has indeed hurt the civilian population, in the war to date over 100,000 have died in total. They weep crocodile tears over the fate of the elderly and the children. In reality, Russia took as their example in this campaign the crimes of the imperialists in their war over Kosovo. Putin described civilians hurt in the bombing as 'human shields' being used by the rebels. How many times have we heard the same claim from Clinton and co in relation to Iraq or Serbia? Their moralising and sermonising doesn't wash with the

Russian population who are all too aware of the imperialists own monstrous crimes in the former Yugoslavia. Yet for all their pious condemnation the imperialists threaten no action. How could they? Russia, as Yeltsin reminded them, is not some minor power. Ultimately what the imperialists in the west fear is a new edition of October, a new version of the Russian revolution. Yeltsin threatened them with the spectre of such a scenario time and again to secure loans, with the result that the IMF ignored all their own rules in order to prop up Yeltsin's regime.

Now the imperialists don't even dare to use the rhetoric of threatening action against Russia. In reality, of course the imperialists are no more concerned with the fate of the Chechens than they were with the Kosovars or any other peoples. In fact US imperialism has its own interests in the Caucasus. They had intended to muscle into the region greedy for new sources of oil and other minerals. In addition, the Caucasus like the Balkans plays a vital role strategically in international relations. Now they've had to reluctantly abandon these plans or face a collision with Russia. A new chauvinist Russia is not an exciting prospect for imperialism, it is a force with which they could not easily deal.

Only a few years ago Yeltsin and his clique capitulated to US imperialism preparing the way for the war in Iraq. This was the precursor of George Bush's declaration of the New World Order. Now that Russia is flexing its muscles the US will have to think twice. In the epoch of the nuclear weapon it is impossible to go to war with a power like Russia. In fact, even in a conventional war they would be defeated, as Hitler was, if they were to attack Russia.

The New Millennium has dawned on an immensely unstable world. New axes and blocs are being formed, which threaten not world war, but 'small' wars, and proxy wars, which, as we've seen recently, with modern weaponry presents a terrifying prospect.

A Russia where the working class is no longer 10 percent of the population but more like 80 or 90 percent, is too tough an adversary to even seriously consider attacking. As a result the imperialists are forced to bite their tongues - compelled to wage a toothless, face saving press campaign against Russia's actions - which are after all no different to their own actions in Kosovo. For now they have no choice but to accept the situation.

Having said that, they have gone a long way in pushing membership of NATO right up to the borders of Russia. Now they can only fantasise about a scenario from which they could emerge victorious. In the event of the regime collapsing - which is inevitable at a certain stage - they hope that they would then be able to intervene at least indirectly in the ensuing chaos (they



Putin shows his face

certainly couldn't intervene directly).

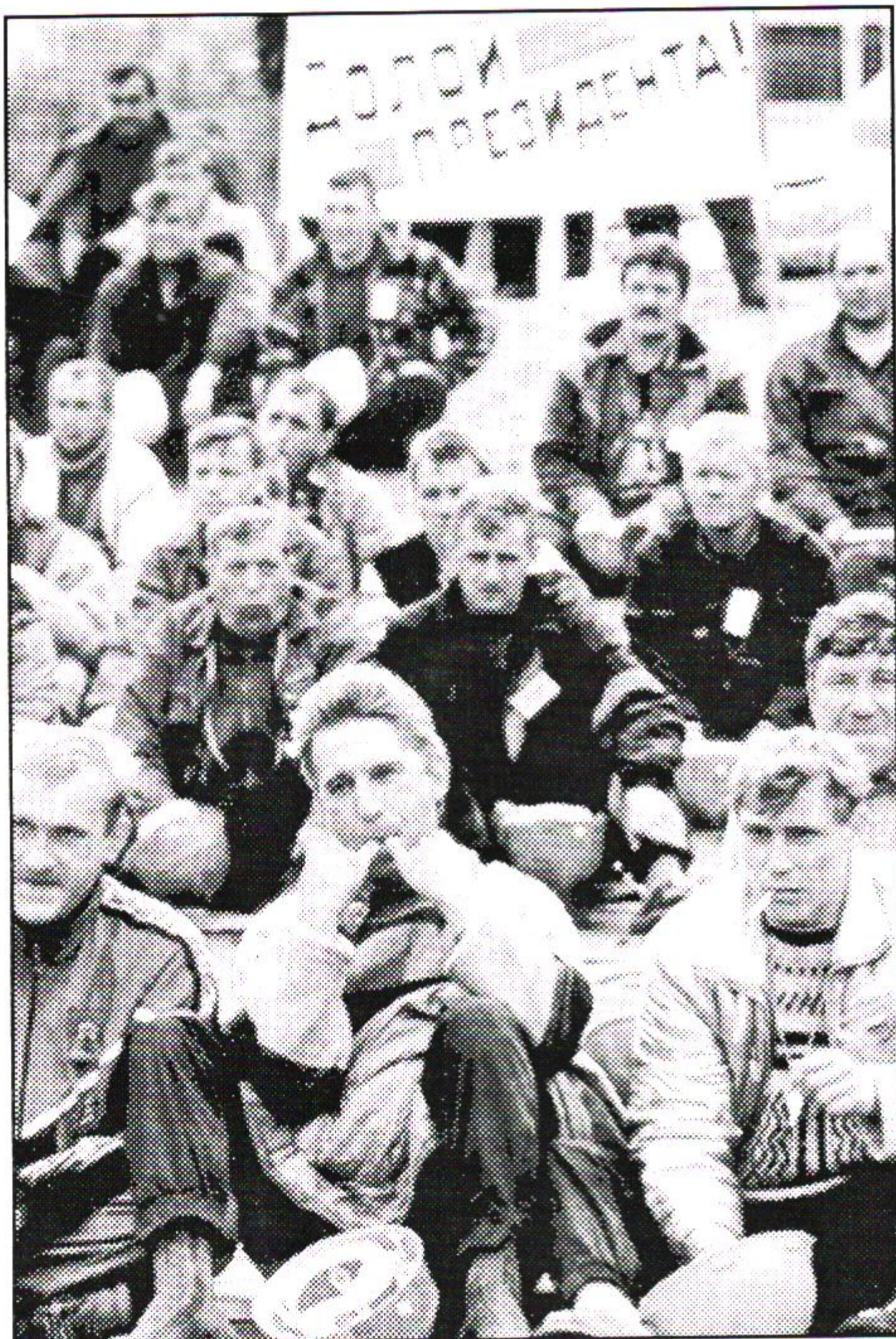
Above all else they are terrified of a new Russian revolution, which they are well aware would have the same, or even wider implications than that of 1917. A revolutionary wave would sweep across Europe, and would not be confined to the shores of this continent either.

They face an insoluble dilemma. The discredited policy of the neo-imperialist agent Yeltsin, which has seen Russian GDP collapse by half in the 1990s - falling to one-tenth the size of the US economy - cannot be continued. That programme for the restoration of capitalism has not yet in any case, entirely succeeded in completing its task, a task which has proven far more difficult than any of the Harvard simpletons who drafted it imagined. The new course suggests a more aggressive foreign policy, a chauvinist, imperialist policy, which will not please western imperialism. It will be more to the liking of the Russian military elite though.

However reluctantly, the western imperialists will have to accept Putin, the man with direct responsibility for the war in Chechnya. He reflects the the interests of the same clique of gangsters and oligarchs as Yeltsin, (people like media and oil magnate Boris Berezovsky, known as "the Family"), and significantly the tops of the army, who are furious at the earlier capitulation to the imperialist powers. That explains why Putin "argues that for the first time in the past three centuries the country is in danger of being relegated to a second-rate or even a third-rate global power." The reason he argues is at least in part "the futile attempt in the past decade to transplant alien western liberal ideas to Russian soil." (*Financial Times*, 5/1/00)

Putin's programme, or at least its outline, published recently on a government website, hints at the reversal of Russia's previous capitulation to US imperialism. "Russia will not soon become, if it will ever become, a second edition say, of the US or England, where liberal values have deep historical traditions," the programme states. "A strong state is not an anomaly for Russians, and not something that must be fought against, but on the contrary the source and guarantor of order, the initiator and main engine of any change." Democracy is not a principle question for these people. For now this suggests further rule by decree and probably a more aggressive international stance. In the future, if the bourgeois are to have any hope of completing their restoration of capitalism, it would mean dictatorship. Even then there is no guarantee that such a regime would continue down that path. Already the military are demanding rearmament, raging at the sight of US hardware in Kosovo, and their own humiliating capitulation to the west. It is hard to see where the finance for such a programme could come from other than from a restoration of some kind of state ownership. In the event of world economic slump such a reversal would seem even more likely.

From their own point of view Stratfor's Global Intelligence Update comes to a similar conclusion. Putin, they say, has declared himself to be "Kerensky, the revolutionary who didn't want to go too far." Stratfor continues, "Kerensky failed and Lenin came from nowhere, the revolutionary who had no limits. The situation in Russia is, in our view, on a knife's edge. Putin is trying to contain the situation as well as possible. We are not optimistic.



Protest continues

However, Putin now holds out the carrot. If he shows that he can also wield a stick, he may just save what is left of the post-Communist reforms. If not, Russia will enter a revolutionary situation."

What western commentators, imperialist powers, Russian bureaucrats and oligarchs alike fear most is a movement of the working class. In that movement lies the only hope for the future of Russia.

Putin meanwhile has staked his career on an easy victory in the war in Chechnya, but in spite of the overwhelming superiority of their military hardware they have not yet succeeded in defeating the Chechens. Although this seems inevitable in the long run, as with the west, they are terrified of the prospect of bodybags filled with the dead bodies of young Russian soldiers turning up on their doorsteps, and therefore they have tried to avoid a ground war. Here however, at the finish, they will have to occupy, and will therefore have to deploy forces on the ground, and that will mean heavy casualties. This will have a dramatic impact on Russian workers and the population as a whole, at least to the extent that they can't cover it up.

The propaganda campaign against the

terrorists has had a big impact, demonstrating once again for all those who have not yet learned the lesson, that individual terrorism is wholly counter-productive and has the opposite effect to that which its perpetrators claim. How many times have acts of terrorism against the Americans rebounded in favour of the interests of Washington and the Pentagon?

In any event, even though the propaganda of Putin and the clique around Yeltsin could possibly succeed in winning the next election, in itself that would not solve the problems of the bureaucrats and the capitalist forces around the Kremlin. Russia remains a mafia led regime where crude gangsterism dominates - after all if the Kremlin clique can transform themselves into capitalists by looting the treasury, this serves

as an example to the mafia and the rest of the crooks and thieves who make up the capitalist class.

The bourgeois in the west hold their heads in anxiety that such a regime cannot last. The capitalist gangsters also know this and therefore deposit huge sums of money (£20 billion a year) abroad in Swiss bank accounts, the London property market and all over the world. Anywhere in fact except in Russia. There is no investment in industry in the former Soviet Union. The result is that Russia's infrastructure is going to rack and ruin. The recent rise in world oil prices for example may have brought a lot of cash into Russia, but it went straight into the pockets of the oligarchs who control the oil industry.

This whole perverse set-up could not have lasted even for a few weeks were it not for the role of the Communist Party of the Russian Federation which retains not even 1% of the policy of Lenin. Only a few months ago they stood at 80% in the polls. They still did nothing. Except temporise between the demands of their deputies in the Duma and the Kremlin regime. The Communist Party still has the electoral support of a big part of the working class.

In the recent parliamentary elections they gained 24% of the vote, up 2% from the elections four years ago. Against the background of the war in Chechnya, the elections were a victory too for Putin and his Unity party, who also gained almost a quarter of the vote, a party with no programme other than support for the man himself. The infamous Vladimir Zhirinovskiy came almost nowhere. Noticeably however the majority of workers in eleven districts, voted against all parties.

With a Leninist programme the Communist Party would have romped home. More importantly they would be able to rouse the active support of the mass of the Russian workers.

In the last Presidential elections Zyuganov won at least 40% of the vote. In the run up to a new election, Zyuganov chose to mark the eve of a new millennium by visiting the tomb of Stalin and praising him as the foremost man of the century, and a great war leader. Everyone knows from the evidence of Kruschev, Gorbachev and many others that Stalin made a complete mess of the war. The huge number of Russian casualties was due principally to Stalin's criminal policies. Hitler's attack was determined by Stalin's decapitation of the Red Army. That madness led Hitler to believe he would take Russia in six weeks - his own Wehrmacht generals warned him that it would prove more difficult. Only the courage of the Russian workers saved Russia. Informed public opinion in Russia is well aware of this fact and yet Zyuganov comes out as a defender of Stalin. Why? Only because his policies, which amount to little more than cheerleading the cause of capitalist restoration, are coming under scrutiny from the ranks and the workers in general.

All the plans of Zyuganov, and for that matter of Putin and co., are based on there being some possible way forward on the basis of capitalism. Zyuganov daydreams of some kind of Third Way social democracy. The whole experience of the last ten years demonstrates just how utopian this is. There can be no solution to the problems facing Russia on the basis of capitalism.

If this year should bring a serious world slump this would have an even harder impact on Russia than the collapse in South East Asia did, the whole situation would be transformed. The working class in Russia has shown itself to be remarkably patient but they will not be able to tolerate a further collapse. Once the Russian workers move into action then great events would be on the order of the day.

Already the Ukraine and other former Soviet Republics, where the movement back to capitalism has hardly even begun, are looking towards developments in Russia. Revolutionary developments there would lead to a move to reconstitute the

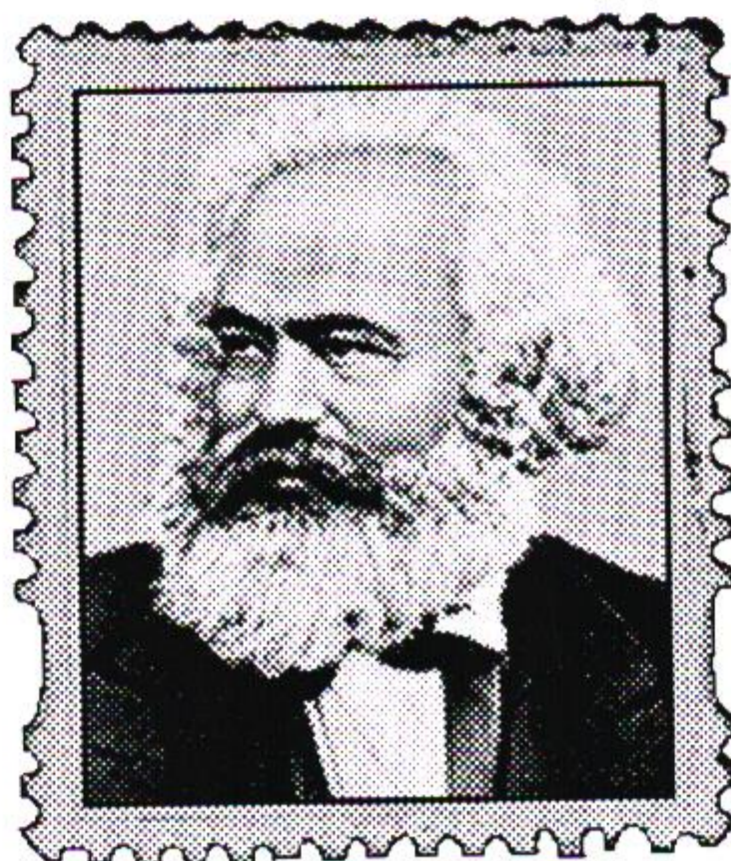
→ from page 31

Soviet Union. The trouble for the bureaucrats of all stripes including those in the Communist Party is that any attempt to return to an openly Stalinist regime could not last long. Inevitably accompanying any move to renationalise the economy would be the demand for workers' democracy. Today the working class is a big majority of Russia not the tiny minority it was in 1917. The productive forces created by the labour of the working class in the intervening years has reached a level, where despite the plunder and looting of the bureaucrats and the colossal destruction wreaked by the attempt to restore capitalism, it would be possible to begin the process of socialist reconstruction not possible in Lenin and Trotsky's day.

Those who are gloomy about the perspective of revolution, in the case of Russia especially, do not see that great events are preparing wave after wave of revolution above all in Russia, where the tradition of Lenin and Trotsky has not been completely lost. Despite the current superficial appearance Russia could well be at the forefront of such a movement in coming years.

One hundred years ago if anyone had suggested to the Bolsheviks or anyone else that in 17 years the Russian workers would overthrow 1000 year old Tsarist autocracy and establish the world's first workers' state, they would have been laughed out of court. Were it not for the role of Zyuganov's Communist Party, the Russian working class could even now be on the verge of regaining that power. Such a revolution would transform the face of the planet forever.

A genuine Marxist leadership standing on the tradition of Lenin and the Bolsheviks is what the Russian workers like the rest of us need. Today at the beginning of this new century the task of building such a leadership falls on the shoulders of the Russian Marxists. We can be confident that they will build such a leadership, and we must do likewise, then together we will celebrate the centenary of the October Revolution in a new socialist world. ☆



☆ Dear comrades,

I have downloaded your whole web site on my hard disk so that I can read all the articles and the books you mentioned in your message.

I would like to introduce myself to you since I didn't do it when I subscribed. I'm Wajdi, a student in the University of Tunisia. I am 21 years old and I am Marxist since the first day I read about Dialectical materialism (I read an article in Arabic by a Tunisian philosopher: Slim Daoula).

As far as Tunisia, my country, is concerned, I am afraid to tell you that we are living in total capitalistic system. Almost everything is privatized; there are no public services as there used to be. Even poor people have to go to private hospitals since public ones are no longer free. "Tunisia," as said James Wolfensohn, "is the best pupil of the World Bank in the region".

Marxism in Tunisia is unfortunately absent; there are no Marxist movements or parties in real terms. But in the Tunisian universities, there are actually many students who believe in Marxism. I am one of them. We are fighting to spread our ideas, but even in our universities we are facing the bourgeois students and the students of the "Rassemblement Constitutionnel Democratique" (RCD), the dominant party, or the ruling party in Tunisia, but we are determined not to let them rule our universities. Our motto is "Our University is free, always free, and the RCD let's kick them out of it."

We are trying to spread Marxist ideas through some meetings with some students, especially the new ones who have never heard about Marx and Marxism. We explain to them the dangers of capitalism and privatization, which we are living in, and the aims of the imperialistic powers which they want to achieve in our country. We are always holding giant photos of Che in our meetings and strikes, he is the symbol of our struggle against the bourgeois and the imperialistic powers. We are facing many other problems but *Hasta la victoria siempre!*

I have started translating Alan Woods'

MAIL

CORRESPONDENCE

Socialist Appeal, PO Box 2626,
London N1 7SQ.
e-mail: socappeal@easynet.co.uk

introduction to the *Communist Manifesto* but I think it will take more than a month to thoroughly translate it, meanwhile, I have some interesting articles about Marxism and some revolutionary poetry in Arabic, I would be glad if you accept them.

Wajdi and all the Marxist students and workers in Tunisia encourage you Thawra hatta'l nasr! (revolution until victory!)

Ever onward to victory!
Wajdi
Tunisia

☆ Dear comrades,

Your web page is great. But I would specially like to mention my appreciation of the article 'The relevance of Marxism Today' by Woods and Grant.

After the fall of the USSR, the term 'One Poled World' was marketed in this country so successfully that even some radical socialists bought it with pleasure.

Of course even in a country like Turkey there are dozens of socialist magazines due to the country's rich leftist tradition. But here it seems that we either denied our tradition or got lost in the discussion of minor issues.

The article you published is a reminder of the basics. After I read it, I felt like an intellectual who suprisingly realised that he had learned the alphabet a long time ago. I know we must not fall into despair but when you live in a so called developing country like Turkey where capitalism exists in its early-brutal form, when you lost (literally and ideologically) a lot of friends, when the huge gap left by the lack of Marxist opposition is filled with Islamic and 'free economy' jargon, things get unbearable.

That is why this article's effect on me has been more of an emotional one.

Thanks.

Mustafa O.
Istanbul

Wellred Books

New Publications Planned!

Ever since the collapse of the Berlin Wall, and the accompanying propaganda campaign by the bourgeois against the concepts of socialism and Marxism, there has been a growing thirst for explanations and ideas amongst a layer of workers and youth. This was especially the case - although by no means solely - in the Communist movement internationally.

by Rob Sewell

As a Marxist voice, our responsibility has been to defend the fundamental ideas of the movement against this onslaught. Consequently, in 1995, Wellred Publications was launched to produce Marxist literature, especially books, to explain the fundamental ideas.

In many ways, however, the bourgeois propaganda against Marxism has rebounded, creating an even greater interest in these ideas. It is no accident that hardly a day goes by without some reference to Marx in the capitalist press. At the end of last year, Marx came top as the thinker of the Millennium in a BBC Online poll. In another poll published in *The Guardian*,

15% of youth between 16 and 25 - an incredibly high figure under the circumstances - regarded themselves as supporters of Marxism.

However, there has been a complete lack of Marxist literature produced over the last ten years in particular. We have attempted modestly - despite our limited resources - to fill this gap. It is the current attraction to Marxist ideas which serves to explain the success of our web site - *In Defence of Marxism* - and our publishing venture. Our first publication was a book on Marxist philosophy and science, *Reason in Revolt*, written by Alan Woods and Ted Grant in 1995. This has been widely acclaimed, and translated into several languages. Since then, we have published *Russia - From Revolution to Counterrevolution* (1997) and *Bolshevism - the Road to Revolution* (1999). This year, as we enter the new Millennium, plans are well in hand to produce two new books: *Lenin and Trotsky - What They Really Stood For* and *A Marxist History of the British Trade Unions*. There are more titles in the pipe-line for the following year.

We are appealing to our readers to help us build on this success. Not only do we want you to buy our books, but help

sell them to friends, relatives, or sympathisers in the Labour Party and the unions. These ideas are our most important asset; please help us spread the word. Why not approach your library to see if they will stock our books. Books shops can also be approached, especially university book shops, to order our material on the normal terms.

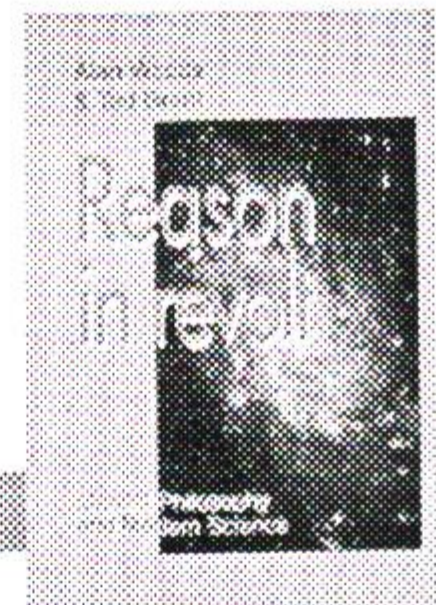
We are also looking to extend the publishing project in the future as we generate more funds. As always we are very tight financially. We are therefore appealing to anyone who is be prepared to make a donation or loan to Wellred, to be repaid when necessary, to allow us to expand our activities. Why let the banks and building societies use your money for capitalism?

For instance, we are inundated with requests from Third World countries for books. To allow them greater access to Marxist material we are prepared to make a considerable discount, which we have to absorb. Why not consider making a donation to cover these costs? We hope you have been impressed sufficiently by the quality of our books to help us in the different ways suggested. With your help we can really put Marxism back on the map! ☆



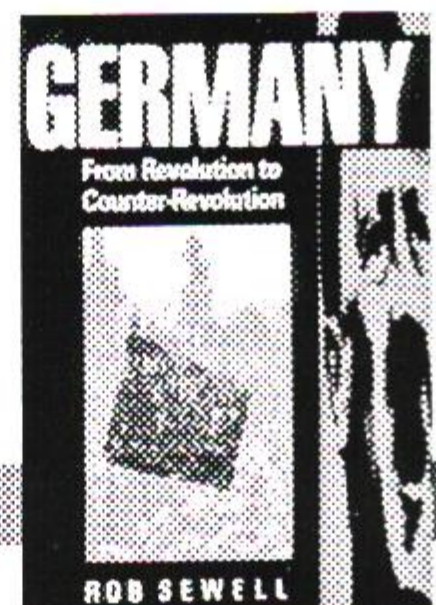
Bolshevism
The road to revolution
By Alan Woods
Published June 1999
ISBN 1 9000 07053

Reason and Revolt
Marxist Philosophy and
Modern Science
By Alan Woods and Ted
Grant. Published May 1995
ISBN 1 9000 07 002



Russia
From revolution to counter-
revolution
By Ted Grant
Published June 1997
ISBN 1 9000 07029

Germany
From revolution to
counter-revolution
By Rob Sewell
Published December 1988
ISBN 1 8709 58047



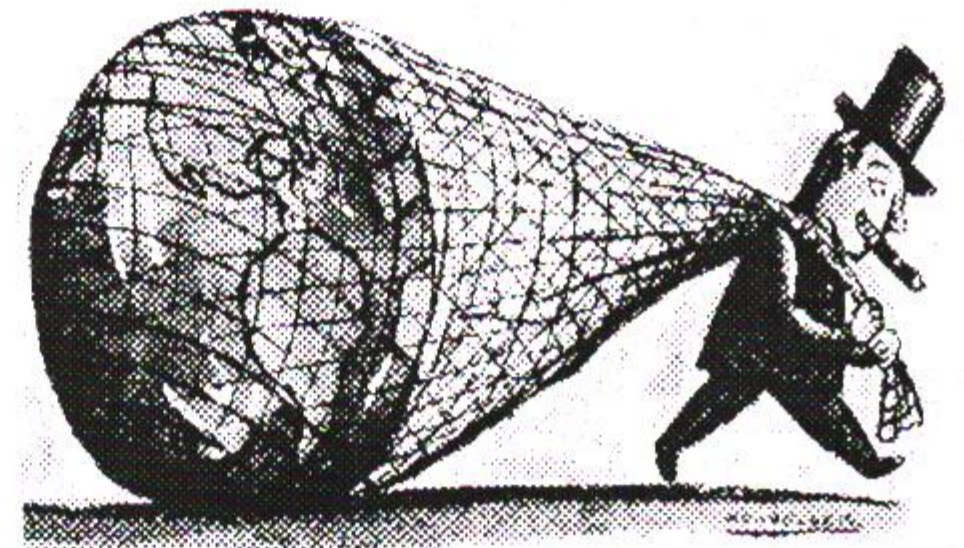
New year appeal

What a wonderful symbol the millennium dome is of what capitalist Britain really means: over-priced, lacking in content and the subject of endless queues. In short a rip-off. Who knows how many hospitals and schools could have been financed by the estimated £758 million pounds it cost to build and run the dome for one year. We are told that the dome is an educational experience but (based on figures published in *The Guardian* in 1998) just £40 million would have allowed everybody in free to all the country's museums and galleries for the year. The funding given to national opera and theatre only comes to £45 million so something could have been done there. But no, we have to have our dome complete with the Queen and Tony Blair trying to sing Old Land Syne whilst sober. They certainly know how to spend our money.

There is however a far better way to mark the new century than forking out large sums of money so that you and your family can spend the day in a freezing cold metal tent standing in assorted lines. Why not make a donation towards the struggle to make the new century a socialist one. As we have said many times before, *Socialist Appeal* has only one source of finance - our readers. There are no big

business or media backers waiting to put money into us and we would not want them even if there were. We prefer to rely instead on support from the labour movement and the working class. That means you. We are launching a special drive to raise £12,000 this year so that we can build up and replace where needed the essential resources required to produce and improve *Socialist Appeal*. We need £3000 by the end of March as the first step towards this. So every seller should be approaching all the people they sell to in order to see what they can give and every reader should look as well at what they could chip in. With your support we can easily hit the target. Cheques and POs should be made payable to *Socialist Appeal* and sent to us at PO Box 2626, London N1 7SQ. Early printing deadlines and the usual delays caused by Xmas means that we cannot announce the full result of the £4000 winter drive until our next issue. However, to date we have received just over £3,000. So rush your donation in now!

Any money received by mid January will go towards this. Cash has already come in over Xmas and we thank all those comrades who have contributed. Special



thanks to G.L.Jones (Midlands) £20, Manchester Xmas party £40, G. Allen (Scotland) 2 donations of £20 each, £35 cash from a Xmas meeting in Scotland with £117 in IOUs, M. Langabeer (Woolwich) £10, Andy Viner (Herts) £20, £30 from South Yorkshire readers, £71.50 profit from a London Xmas party, £100 from 2 Birmingham readers, R. McFarlane (Scotland) £20, Terry Gilboy (London) £8, Peterborough readers £32, readers in the Brentwood area £59 and many others. Keep up the good work.

Steve Jones

Buy it. Read it. Sell it!

As you can see from this issue, we have marked the new century by improving the layout and presentation of *Socialist Appeal* and printing it on glossy paper. We want *Socialist Appeal* to be the best journal in the labour movement - defending and fighting for socialist ideas where it counts. However, we need to expand our sales. We are already looking at plans to bring out the magazine more regularly. Our aim is a weekly publication in the not too distant future. To do this, we need to build up the circulation. We will be drawing up plans to assist our existing sellers in expanding their sales. At the Labour Party meetings, trade union branches and on stalls in the streets and in the colleges. This is where *Socialist Appeal* should be seen over the next few months. We have already had excellent reports of sales taking place at the various meetings being called on the issue of the London mayor. Activists are looking for ideas and a way forward. So why not become a seller yourself, if you are not already one. Why not take a few to sell at work? Write to or phone us on 0207 251 1094 now and we will give you details of how you can get a bulk order to sell. Even agreeing to take a few extra copies to sell each month could help add to our sales and spread the ideas of socialism in your area. ☆

Join Youth For International Socialism!

YFIS has really grown over the past few months - not only in Britain but internationally. Membership has been growing in the USA, Britain, Canada, Philippines, and many other countries.

Not only have we developed a web site, but are attempting to organise where ever youth are to be found. It is time to ORGANISE! In colleges and universities YFIS members are setting up Marxist Societies to raise the profile of socialist and Marxist ideas. We are starting to produce Study Guides to help establish youth discussion groups. Why not help us? Join YFIS today! Get organising Now! Visit us online: www.newyouth.com

I would like to join/help YFIS

Name.....

Address.....

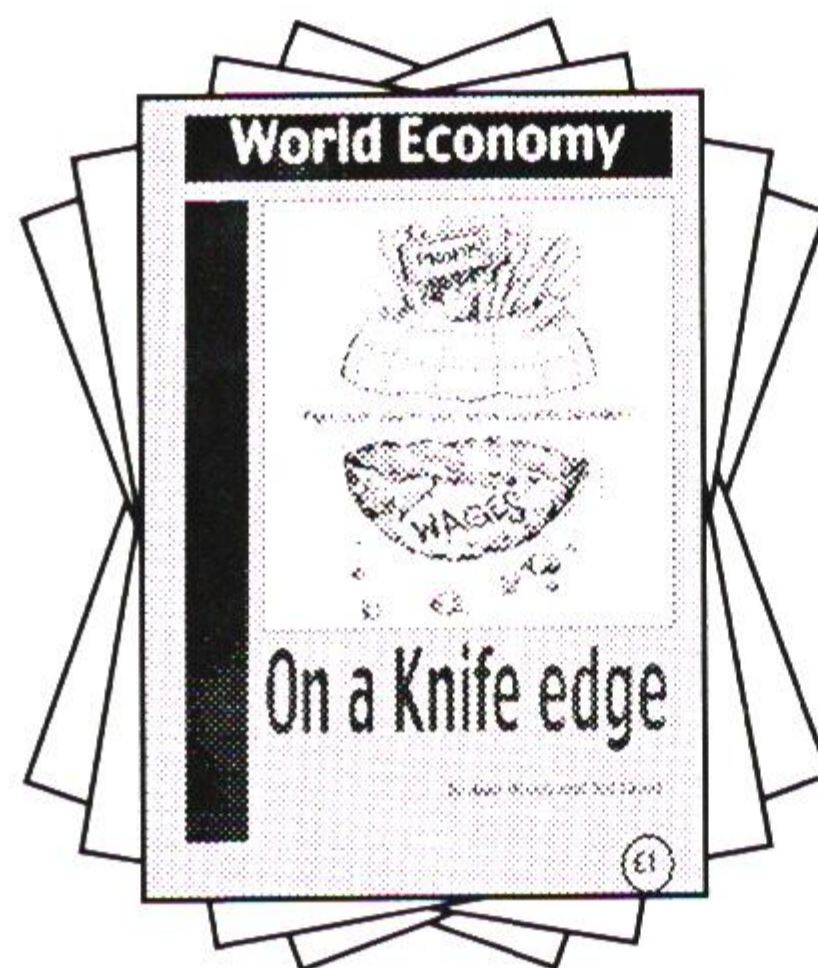
.....

email.....tel.....

College/work.....

Send to YFIS, PO Box 2626, London N1 7SQ

Socialist **Appeal** publishes pamphlets on a wide range of topical issues. From the stock market crash to the opening shots of the Iranian revolution, we have published material that not only comments on and explains the issues as they happen, but puts forward a Marxist alternative to the views you'll get from the media, the Labour and trade union leaders, the City and big business. Indispensable reading for labour activists.



Socialist Appeal Pamphlets

The Comunist Manifesto. ref. 0256
By Karl Marx and Friedrich Engels. **Price** £1.00

Lessons of Chile. ref. 0257
By Alan Woods. 1973. **Price** £1.00

Revolution in Albania. ref. 0258
By Alan Woods. 16th March 1997. **Price** £0.70

Diana, The monarchy and the crisis in Britain. ref. 0259
By Alan Woods 0.50 10 Sept. 1997. **Price** £0.50

The coming world financial crash. ref. 0260
By Ted Grant 31st October 1997. **Price** £0.50

A new stage in the capitalist crisis. Fear of recession grows. ref. 0261
By Alan Woods. 2th January 98. **Price** £0.50

Kosovo. The Balkans crisis continues. ref. 0262
By Alan Woods. 12th March 1998. **Price** £0.30

Indonesia. The Asian revolution has begun. ref. 0263
By Alan Woods and Ted Grant. 22nd May 98. **Price** £0.50

Crisis in Russia. Free market failure. ref. 0264
By Ted Grant and Alan Woods. 11 Sept. 1998. **Price** £0.50

The real reason behind the bombing of Iraq. ref. 0265
By Alan Woods. 18th December 98. **Price** £0.20

Balkans war. Nato facing defeat? ref. 0266
By Alan Woods. 13th May 1999. **Price** £0.70

East Timor. Can we trust the United Nations? ref. 0267
0.50 By Ted Grant And Jean Duval. Setp 99. **Price** £0.50

Privatization Disaster. Time to renationalise the railways. ref. 0268
By Rob Sewell. **Price** £0.50

World Economy. On a Knife edge. ref. 0269
By Alan Woods and Ted Grant. **Price** £1.00

The socialist alternative to the European Union. ref. 0270
Price £1.00

Struggle inside Iran. The first shots of the Iranian revolution. ref. 0271
By Alan Woods. **Price** £0.50

Order Form

Name.....	REF. number	PRICE	TOTAL
Address.....			
Tel.....			
e-mail.....			
RETURN to:			
Socialist Appeal, PO BOX 2626			
London N1 7SQ			
		Cash / Cheque	<input type="text"/>

Socialist *appeal* fights for

☆ **Socialist measures in the interests of working people!** Labour must break with big business and Tory economic policies.

☆ **A national minimum wage of at least two-thirds of the average wage.** £5.00 an hour as a step toward this goal, with no exemptions.

☆ **Full employment!** No redundancies. The right to a job or decent benefits. For a 32 hour week without loss of pay. No compulsory overtime. For voluntary retirement at 55 with a decent full pension for all.

☆ **The repeal of all Tory anti-union laws.** Full employment rights for all from day one. For the right to strike, the right to union representation and collective bargaining. Election of all trade union officials with the right of recall. No official to receive more than the wage of a skilled worker.



☆ **No more sell offs.** Reverse the Tories privatisation scandal. Renationalise all the privatised industries and utilities under democratic workers control and management. No compensation for the fat cats, only those in genuine need.



☆ **A fully funded and fully comprehensive education system under local democratic control.** Keep big business out of our schools and colleges. Free access for all to further and higher education. Scrap tuition fees. No to student loans. For a living grant for all over 16 in education or training.

☆ **The reversal of the Tories' cuts in the health service.** Abolish private health care. For a National Health Service, free to all at the point of need, based on the nationalisation of the big drug companies that squeeze their profits out of the health of working people.

☆ **Action to protect our environment.** Only public ownership of the land, and major industries, petro-chemical enterprises, food companies, energy and transport, can form the basis of a genuine socialist approach to the environment.



☆ **The outlawing of all forms of discrimination.** Equal pay for equal work. Invest in quality childcare facilities available to all. Scrap all racist immigration and asylum controls. Abolish the Criminal Justice Act.

☆ **The abolition of the monarchy and the House of Lords.** Full economic powers for the Scottish Parliament and the Welsh Assembly, enabling them to introduce socialist measures in the interests of working people. ☆ No to sectarianism. For a Socialist United Ireland linked by a voluntary federation to a Socialist Britain.

☆ **Break with the anarchy of the capitalist free market.** Labour to immediately take over the "commanding heights of the economy." Nationalise the big monopolies, banks and financial institutions that dominate our lives. Compensation to be paid only on the basis of need. All nationalised enterprises to be run under workers control and management and integrated through a democratic socialist plan of production.

☆ **Socialist internationalism.** No to the bosses European Union. Yes to a socialist united states of Europe, as part of a world socialist federation.

Join us in the fight for socialism!

Socialist Appeal supporters are at the forefront of the fight to commit the Labour government to introduce bold socialist measures. We are campaigning on the above programme as the only solution for working people. Why not join us in this fight? For more details:

Name.....

Address.....

.....tel.....

return to: Socialist Appeal, PO Box 2626, London N1 7SQ
tel 0171 251 1094 e-mail socappeal@easynet.co.uk

