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The Coming
World
Revolution

Editors' introductory note

The Coming World Revolution was published recently by *Militant*, the British Marxist paper for Labour and youth, and is reprinted here. It was written in the spring months of this year (i.e., autumn in Southern Africa).

It shows how the stormy events unfolding in all the continents of the world are linked together, and are part of a process of **world** revolution that is taking place.

There is now a single world economy in which all countries are bound up. The scale and power of modern industry—the modern means of production—have outgrown the old economic and social systems and call for a revolutionary change of society if the terrible crises facing mankind are to be overcome and so that the possibilities of progress and abundance for all may be turned into reality.

The barriers posed today by the nation-state, together with the strangling effect of private ownership of production in the capitalist economies on the one hand, and of Stalinist bureaucratic rule in the planned economies on the other hand—these stand as the fundamental obstacles in the way of the development of the productive forces. The task facing the working class internationally in the period ahead is to organise to overthrow the exploiters and oppressors of the working people, to establish democratic workers' rule, and to link the countries and continents together in a Socialist Federation.

The inescapable need for this, and the revolutionary processes now unconsciously leading towards it, are explained in this pamphlet. It should be thoroughly studied and discussed by all comrades, because it provides a bedrock for a scientific Marxist understanding of perspectives and tasks in this epoch.

The pamphlet covers an immense range of subjects and is necessarily condensed. Readers who find difficulty with some of the concepts, or who need further background reading to master the document, may find it useful to study *Inqaba's* 1982 perspectives document, *South Africa's Impending Socialist Revolution*, together with this supplement.

1. The developing long-term crisis of world capitalism in the Western industrialized countries has resulted in an even more aggravated crisis in the under-developed world. Simultaneously the crisis of Stalinism in the deformed workers' states has deepened. The background to these crises has been sketched in previous perspectives documents. The world slump of 1979-82 has, as predicted, given way to a new 'boom', or in reality a boomlet, which possibly will extend into part of 1985. It is most likely this boomlet will be followed by an even bigger slump than that of 1979-82.

2. This boom has not solved the problems of the ruling classes in the imperialist countries. Nor has it alleviated the problems of the underdeveloped world. The most striking feature is the world nature of the crisis at the present time. The organic crisis of capitalism on a world scale is now affecting the USA where there were big strike movements in the last half of 1983. These were a dress rehearsal of bigger movements of the masses when this current boom gives way to a new and deeper slump. In practically all countries of Western Europe there has been a wave of struggle by the working class reflected in massive strike movements. A feature of this epoch is that there is a concerted conspiracy of silence by the international media to prevent the news of struggles of workers in other countries from affecting their own working class. Only the biggest strike movements have got a bare mention in the popular press.

3. Apart from the USA where the real increase in GDP was 3.4% in 1983 and could be 5% in 1984, the boom has generally been of a very limited character. In the EEC countries, the average real growth last year was only about 1%, and is projected to reach only 2% this year. In France, the attempted reflationary policy and the subsequent U-turn to an austerity policy by the 'Socialist-Communist' government has resulted in growth limited to below 1%.

4. The crisis assumes its greatest depth and ripeness in the colonial world, especially in Latin America but also in Asia and Africa. In Latin America practically the entire continent is faced with a revolutionary wave. In Argentina it has resulted in the collapse of the Generals' dictatorship. Chile cannot be long behind. Brazil and Mexico are in the throes of mass movements by the most dispossessed section of the proletariat and even the lumpen proletariat. In India one area after another has moved into action in one way or another with mass demonstrations, strikes and, because of the lack of an alternative, nationalist agitation in the Punjab and Assam. In Central America the movement of the proletariat has been converted into a guerilla movement which has been victorious in Nicaragua and is

conducting a guerilla struggle against the monstrous regime in El Salvador. This is preparing the way for the collapse of imperialism and possibly of capitalism and landlordism through the whole of Central America. In South Africa, in order to better deal with a black proletariat which is in a state of enormous ferment, the white supremacist regime has blackmailed its neighbours into some sort of uneasy compromise. The guerillaist policies of the African National Congress and of the South African Communist Party have ended up in a complete impasse. There is not a single country or a single continent which is not faced with movements of the working class.

5. The underlying crisis of world capitalism reveals itself as a slow and protracted death agony which will extend over 5, 10 or even 20 years.

6. The nature of this fundamental crisis lies in the incompatibility of the national state and private ownership of the means of production with the tremendous development of the productive forces in the post-war period. Because of monopolisation of industry, what would otherwise have been a crisis of 'over-production' reveals itself as a crisis of 'over-capacity'. Only 80% of industry's capacity can be used in booms, and in slumps it falls to 70% or below. Even with the high figures of production growth reached for a temporary period now in the United States, the capitalists there are only now using 80% of production capacity.

7. At the same time in the slump of 1979-82 there was a conscious and deliberate destruction of part of the productive forces in the developed capitalist countries. In order to cure alleged 'over capacity' (i.e. capacity they could not use profitably), the capitalists destroyed productive forces and threw on to the scrap heap millions of workers, who now face unemployment and destitution. This solution is like a man deciding to cut off an arm in order to fit into the doorway of a house. It is an indication of the completely reactionary character of capitalism at the present time. It can no longer use the productive forces created by science, technique and the labour of the working class.

8. For the first time in history there is the world phenomenon of revolutionary events unfolding simultaneously throughout the world.

9. In the last few decades the whole world has been linked into one interdependent world market on a scale that completely dwarfs the world economy which was created in the days of Marx. The world market is more dominant and all-embracing than at any other time in history. The world has become a single interdependent whole, economically and

politically, which is economically dominated by the EEC countries, Japan and the United States.

10. The USA is the main predominant economy, but is an imperialism with feet of clay. The US capitalists' attempt to act as a world policeman has had as a consequence the weakening of the US economy. The expenditure on arms has reached a terrifying character and is an enormous burden. Despite weaknesses in its economy and the decay of important sections of its heavy industry, the USA still remains the dominant power in the capitalist world.

11. The developments in micro-electronics and automation have prepared the material basis for the construction of a socialist society, a basis which now exists on a world scale for the first time in history. There are ample resources, at least on a technical basis, to provide a life of plenty and of leisure for the entire population of the globe. The only thing that stands in the way is the outmoded ownership of the means of production, distribution and exchange by a handful of monopolies.

12. In the ancient world slavery was necessary for the purposes of creating the basis for science, technique and leisure for a small minority. Now machinery and technology have outmoded wage slavery. With planned production in the metropolitan countries linked to the underdeveloped world, it would be possible to abolish want, dirt, disease, manual toil and relatively long hours.

13. The automation of production and the development of computers has been abused by monopoly capitalism for the purpose of not producing goods. For the first time in history the distinction between mental and manual labour, which is the root of the division into class society, is no longer necessary. Now it could be speedily abolished on a world scale once the working class is in control of society.

14. Marx and Engels saw the source of the contradiction in society between potential plenty and the misery of the masses in the private ownership of the means of production. This contradiction has been enormously exacerbated by the development of

capitalism.

15. The growth of the multinationals is a reflection of the fact that production has now outgrown the constraints of the national market on the one hand and private ownership on the other. It also means that the economy is now, more than ever, a world economy with the integration of the national economies to a scale which never existed in the past.

16. The world market has become essential to the production of any country. Certainly on the basis of capitalism it is not possible for any country to opt out of the world market and its effects. This explains what happened in France, one of the more developed countries of Western Europe, after 1981 when the reformists attempted to carry through reforms. They were defeated from the beginning by the pressures of the world market and world finance. The real contradiction of the outgrowing of private ownership and the national state by the productive forces is shown in that every individual economy is dominated by the world market. There can be no complete solutions on a national basis in any country of the globe, even for the USA or USSR. It is this which is the basis of world revolution and world socialism.

17. Thus the crisis of the system assumes a global character. For the first time, history becomes world history. No longer the history of one part of the world or of one continent but history of the entire globe.

18. The linking of the entire world into one world market more dominant than ever before in history, means that Internationalism becomes an integral part of the struggle of the workers of all countries.

19. The Russian Revolution was mainly a European phenomenon, with side-effects spreading over the rest of the world. Now the victory of the socialist revolution in any major country would reveal the process as a world process.

20. This is the background to the upheavals and outbreak of the class struggle on an international scale and depth never seen before in history.

Relations between the powers

1. The world economy ties the economies of every section of the world together. They are linked together indissolubly but at the same time antagonisms exist between different sectors of the world. The fundamental antagonism remains that between state ownership and economic planning, however bureaucratic and distorted, on the one hand, and the private ownership of the means of production on the other hand. This antagonism between the capitalist and non-capitalist states is reflected in the arms race: the insane piling up of bacteriological, chemical, nuclear and other weapons. The fear of possible conflict has been extended from the land to the sea, underwater and outer-space. There is not a single area where the enormous technical achievements of mankind are not turned into the opposite.

2. The arms race poses an enormous burden on the masses everywhere. Engels long ago said that it threatened the collapse of civilisation. That was at a time when, relative to the gross national product, arms spending was modest compared with the enormous weapons programmes undertaken by the capitalist powers and the Stalinist states now.

3. The arms race is constantly speeded up and magnified in spite of the pious declarations that the arms burden should be lowered. From \$1 million million being spent approximately every 2 years in the late 1970s, that period has now been sharply reduced and very rapidly the figure could reach \$1 million million per year. This is a perversion of science and technique for the building of all the more devilish and effective weapons of destruction. If this money alone was spent on productive purposes, then the planet could be transformed. In a decade or two the entire world could be moving in the direction of the abolition of all social contradictions, with the withering away of the state and the building of socialism for all peoples of the world. Not only in the developed countries of capitalism but also in the 'third world' there is this enormous burden of armaments. It is the antagonisms between the different capitalist classes, the antagonism with the Stalinist states and the attempts to hold back the revolutionary movements of the masses, that have resulted in a whole series of wars since 1945. The arms burden imposed on the populations of the underdeveloped countries is even more onerous than that of the mighty economies of

Russia and the West.

4. At the same time economically US imperialism has put Europe on rations and the 'third world' on hunger rations. The third world's exports do not earn enough to service their debt. The position of workers has worsened steadily from year to year and decade to decade. The imposition of high interest rates by US imperialism has had as a consequence steep increases in indebtedness in the third world. A considerable part of this debt is fictitious, resulting from the raising of interest rates in the imperialist countries. Thus the debtor countries have to pay in real cash terms for the fictitious capital created in this way.

5. All this is taking place during the current 'boom'. A new slump threatens to have absolutely catastrophic consequences for the peoples of Asia, Latin America and Africa.

6. The long post-war economic upswing saw wars which in the past would have been regarded as catastrophic, but which in the epoch of nuclear weapons have been called 'small wars', throughout the third world. The decline of the economies in the third world is a mirror, even if a distorted one, of what will happen to the major economies of the West under conditions of crisis in the future. Hunger, starvation, misery, shanty towns exist in most if not all of the countries of the third world. A great proportion of the population are unemployed without means of subsistence. Unemployment has become an organic part of society in both the underdeveloped and the so-called developed world. At the same time, the employed have to work harder for longer hours and under conditions of speed-up, simply to maintain a lower standard of living. Despite the marvels of micro-electronics and automation in the developed countries, it has not led to a cut in hours but, on the contrary, to an increase in overtime in order for workers to enjoy a tolerable standard of living.

7. Under these conditions the arms race is an absolute obscenity. More is now spent in preparation for wars than was spent on wars in the past. Thus the fruits of civilisation are devoured by the military-industrial complexes of the capitalist countries and the Stalinist states.

8. Despite the fundamental contradiction between the Stalinist states and the capitalist world, they dialectically complement and need each other. The US imperialists frighten their masses with the spectre of 'Bolshevism' and totalitarianism, while the Russian bureaucracy frightens the people of Eastern Europe and Russia with the danger of imperialist intervention. The Stalinists feed on the experience of the Russian masses of the intervention of the world powers in 1917-21 and of Nazi Germany between 1941-1945. Without the existence of a powerful imperialism in the form of the United States, which intervenes against revolutionary movements in all continents, undoubtedly Stalinism in Russia would collapse. On the other hand without the existence of a strong totalitarian state in the form of Stalinist Russia, US imperialism would be faced with a much more powerful movement in the West in the direction of Socialism. Without the spectre of a totalitarian regime, if they saw a workers' democracy in any important country of the world, the whole outlook of the workers in the advanced capitalist countries, including the US workers, would change completely.

9. Nuclear weapons mean that for the first time in history it is possible for mankind to be completely exterminated. Marx, Engels, Lenin and Trotsky put the alternative of either socialism or the collapse of civilisation and a new epoch of barbarism. That this is correct was shown by Nazi Germany which came very close to complete barbarism in the concentration camps and the nightmare of totalitarianism in Europe. But now there is a new alternative being posed before the peoples of the world: either socialism or nuclear annihilation. Scientists have worked out that in the event of a massive nuclear exchange, the world would be faced with a 'nuclear winter'. That would mean the blocking out of sunlight for a period which would last some years, resulting in the end of plant and animal life in the northern hemisphere and probably most of the southern hemisphere as well. Through this and a chain of other consequences, the grim reality of nuclear war would mean the extermination not only of mankind but possibly of all life on the planet.

10. The development of science, technique and the productive forces on the one hand, and the delay of the socialist revolution on the other hand, has led to the situation where even with modern 'conventional' weapons a world war could mean the destruction of whole countries within days. That is why the position of many leaders of the anti-nuclear movement is so pathetic. They put conventional weapons as an alternative to nuclear weapons, yet conventional weapons could also result in the collapse of civilisation if there were a war on the lines of the First or Second World War.

11. The 'small' wars since the Second World War reveal the destructive power of modern warfare. Nevertheless, in spite of the horror of these weapons,

since 1945 there has been a seemingly endless succession of wars. On average there have been 11 wars taking place every day since 1945. There have hardly been 17 days of peace in the decades since the Second World War. Almost as many millions have been killed since 1945 as died in the Second World War. However the question should be asked why there has been no new world war since 1945, despite the fact that the antagonisms between the world powers have reached a depth greater than that which existed prior to the Second World War? This is not because the rulers of imperialism have become pacifists, although the antagonisms were temporarily mitigated because of the economic upswing. The imperialists see the fundamentally unfavourable balance of conventional forces between their forces on the one hand, and those of the Soviet bureaucracy on the other hand since the Second World War.

12. The Warsaw Pact has more planes, tanks, guns and can mobilise up to three times as many soldiers than the imperialist powers have on the central European front. In conventional weapons the Soviet Union has an overwhelming superiority. It could occupy West Germany (which, with East Germany, is the heart of Europe) within 24 hours, Western Europe probably within a week, and the whole of Europe (including Britain) in a month to six weeks. This would be in a conventional war; a nuclear war would mean the destruction of all countries and all peoples.

13. War today is not a national question. In the past there have been wars between the major powers for markets, raw materials, spheres of influence, power and prestige. Now strategically nothing would be gained if within a few days of a third world war continents and peoples were destroyed. It would mean killing the goose that lays the golden egg. The working class, property and the means of production would be destroyed and—what is more to the point—the bourgeois themselves would be destroyed. Far from gaining from a nuclear war there would be everything to lose. The bourgeois do not go to war for ideological reasons but for material reasons, and the material situation is such that they cannot gain from a world war. On the other hand the propaganda of the West as to the danger of an incursion from the Russians is absolutely false. The Russian bureaucracy has enough difficulty in maintaining its hold over Eastern Europe and the peoples of the different nationalities within the USSR. It would be impossible for them to maintain domination over the workers of France, Italy, West Germany and Britain. Thus they would have nothing to gain by conquering Western Europe. It is for these reasons that neither the Russian bureaucracy nor the US imperialists would want world war at the present time.

14. Nevertheless the military-industrial complex in the capitalist countries finds enormous profit in the arms race and the production of means of destruction because they cannot sell capital goods due to in-

dustry's over-capacity. On the other hand the Russian bureaucracy is no less reactionary, in the sense that its military-bureaucratic regime needs the production of arms and the arms race for the purpose of keeping the masses in the Soviet Union in check. This gives a relative stability to both systems. Without it capitalism and Stalinism would face an immediate crisis. In the case of capitalism because the economic contradictions of its system make the arms burden unbearable and yet necessary for its survival.

15. US imperialism's post-war dream of complete world domination has been shattered by the realities of the struggles of the colonial peoples for social and national liberation, and by the opposition of the US masses to being involved in new wars. On the other hand the Stalinist states are preoccupied with the defence of their system against imperialism.

16. The Russian bureaucracy, in spite of being the second world power, is essentially provincial and nationalist. They have no intention of going to war, their preoccupation is entirely defensive. For the bureaucracy there is no gain in occupying Western Europe but only new problems. They have a fear of the future and are wrapped up and preoccupied by purely national problems.

17. The movements for nuclear disarmament constitute a step forward by mobilising millions of the youth, women and workers against the dangers of nuclear destruction. But they have limited perspectives, not linking this question up with the problem of political power. Marxism regards with sympathy the fears of the working youth, women and even of the middle class. At the same time Marxism explains that conventional war is only some degrees 'better' than nuclear war. It would still mean the destruction of civilisation, plunging mankind back to barbarism. Marxism explains the necessity of the masses understanding clearly the class issues underlying the arms race.

18. There can be no solution within capitalism on the one hand or Stalinism on the other. The solution lies in the overthrow of capitalism in the West and the re-emergence, or emergence, of workers' democracy in Russia, Eastern Europe and China. The struggle against nuclear arms and nuclear war is the struggle to change society. There can be no lasting solution within the framework of capitalism.

19. If the working class fails to overthrow capitalism and imperialism in the next decade or two, then it is inevitable that the same process which has resulted in military-police dictatorships, on a capitalist basis, in the 'third world', will take place in the developed capitalist world. An unstable military-police dictatorship in the United States would undoubtedly in desperation look for a 'first-strike' strategy and the destruction of what they would see, and already see, as the fountain-head of

all the difficulties that they face in the United States and in the world, i.e. the existence of the deformed workers' states in Russia and Eastern Europe. The constant search for a 'first-strike' capacity in the United States is an indication of the unbalanced nature of the military caste which rules the Pentagon. In desperation a military-police dictatorship in the United States might stake all on one throw and thus bring about the destruction of all life on the planet.

20. A victorious first-strike, even if knocking out all the arms of an opponent, would, through the gathering of soot, rubbish and radioactive dust due to the firestorms resulting from a nuclear war, inevitably affect the neutral countries and then the continent of America itself. Thus, while the elimination of some nuclear arms (like those of Britain and France) would be a step forward, it would not in the least prevent those countries being engulfed and destroyed as a consequence of nuclear war between the Soviet bureaucracy and US imperialism. Thus also in this question of nuclear war the fate of all mankind is linked together.

21. In the immediate or short term there is no question of nuclear or world war. Nuclear war would be a function of the class struggle, as war has always been in the past. The Second World War was inevitable once the workers of Italy, Germany, Spain and France had been defeated. A failure of the proletariat in Western Europe, Japan and the United States to take control of society into their hands in the next period, would lay the basis inevitably of military-police dictatorship and thus of the spectre of a nuclear war and the destruction of mankind. The key to the struggle against nuclear war and the monstrous piling up of arms lies in the overthrow of capitalism and in workers' democracy and socialism.

22. The EEC powers are huddled together because of the weakness of each of them, economically and militarily, in comparison with the superpowers—the USSR, and their 'ally' US imperialism. The change in Europe's position in relation to the world, particularly the end of the direct domination of the colonial peoples by the different European powers, makes a war between any of these powers virtually impossible. Hence the attempts at agreements, despite antagonisms, between France, Germany, Britain, Italy and the other powers of the European Economic Community.

23. Economic power, as Trotsky predicted, has shifted away from the European powers on the Atlantic to the powers on the Pacific basin. Already more than half of the trade of the United States is to the Pacific area and not, as traditionally in the past, to the Atlantic countries.

24. The EEC, inevitably, was still-born. At best it remains as an uneasy customs union linking its members together against Japan and the United States. Militarily it is still dependent on the alliance

with US imperialism. The utopian dream of becoming one all-European power has virtually been abandoned. Separate armies, separate governments, separate currencies and separate customs barriers remain as the basis for each of these states. The vested interests of the national capitalist classes prevent any further integration of the EEC beyond the limits it has already reached. Even these are undermined by the surreptitious and covert protectionist measures which are taken when any of the industries of the EEC 'partners' are threatened. Each of the members uses non-tariff barriers as a means of keeping out the goods of the others. Thus, as the Marxists predicted, the EEC inevitably failed to become one economy because of the contradictions of the vested interests of each capitalist class in the member countries.

25. The dream of a European power block which would compete with the United States, the Soviet Union and Japan has ended up as a complete chimera. The EEC has failed to become the third world power competing with the super-powers. This is contrary to what some capitalist politicians and certain sectarians expected when they took as good coin the utopian dreams of bourgeois professors.

26. While the economy was leaping ahead in the post-war world upswing there was the possibility of the arrival at a compromise agreement and certain accommodation of EEC members' differing interests. Now, with the beginnings of organic crisis, nothing remains but the bare outlines of a customs union. The rules of the EEC are constantly violated by each power, even when their secondary vested interests

are seriously affected. The EEC powers are separately and collectively secondary satellites of the US giant, though they try and preserve their 'independent' role. Dominated by US imperialism in the NATO alliance, their interests, apart from joint neo-colonial economic domination of the ex-colonial world along with Japan and the USA, do not necessarily converge with those of the United States.

27. Nevertheless ultimately the European powers are compelled to dance to the tune of US imperialism. Thus France, Italy and Britain had to send in token armed forces to the Lebanon because of their own interests in Middle East oil and also because of the pressure of their giant 'ally'.

28. In the modern productive forces of micro-electronics, computers and information technology, Europe has been outstripped by the United States and Japan. This lagging behind will have serious consequences in the future. They are dragged into the plots and adventures of US imperialism because of the need to demonstrate their reliability as 'allies'. Hence their uneasy 'solidarity' with the USA on the occasion of its intervention in the Lebanon.

29. The problem for US imperialism is not only its rivals but also the pressure of both the US masses and the ex-colonial peoples. On this occasion the Moslem masses of Lebanon forced an inglorious withdrawal of the Western powers and the break-up of the Lebanese army, which had been carefully cobbled together by the dominant Christian Maronites with the aid of US arms, instructors and money.

The limitations of reaction

1. In addition to the arms race and the economic war against the Stalinist states there is the important 'ideological war' waged by the imperialist powers. Foreign factors have an effect on the internal politics in the so-called Western 'democracies'. The capitalists contrast the ideology and system of 'democracy' to the threat and the methods of 'totalitarianism' in Russia, China and the Stalinist states throughout the world.

2. This, however, does not prevent all these capitalist powers from supporting puppet dictatorships in Asia, Africa and Latin America—to defend their vested interests in these three continents. 'Democracy' or 'dictatorship' are methods adopted under the patronage of the imperialist powers according to their interests at a given moment.

3. However it is no accident that all the European capitalist countries at the present time are one form or another of bourgeois democracy. This is the first time for generations that there is not a single military-police dictatorship in the capitalist section of Europe. Bourgeois democracy is the most economical and safest form of bourgeois rule. They can deceive the masses better under this system than any other.

4. Despite some inconveniences, the ruling class can use the safety valve of the trade unions and the workers' parties as a means of defusing the workers' movement when it threatens to overspill the limits and levels set up by the bourgeois themselves. But when workers move out of the confines of bourgeois democracy onto the road to socialism, the bourgeois, if they could manage it, would turn without hesitation to the road of dictatorship, as they have shown in the past in some Western European countries.

5. The twilight of capitalism and the exhaustion of the economic possibilities that lie in private ownership has led the economies of the bourgeois into a blind alley. In order to try and rid themselves of the pressure of the masses, the capitalists in the advanced countries can turn in the direction of parliamentary Bonapartism as De Gaulle did in France in 1958. Thatcher and the camarilla running the Conservative government in Britain have shown a noticeable tendency in the direction of parliamentary Bonapartism. Thatcher ignores the Cabinet and decisions are

taken by a small group of favoured Ministers inclined to support Thatcher herself, without reference to Parliament. This was seen in the unprecedented demand early in 1984 that the civil servants at GCHQ, Cheltenham, should give up their union membership. The tendency towards the concentration of power in just a few hands is an indication of this process, as is the legal taking away of the rights of the workers through savage anti-union laws.

6. These developments in Britain, the home of bourgeois democracy where the ideas of 'democracy' have gone further and deeper into the masses' consciousness and which still remains one of the freest countries in the capitalist world, are a good illustration of the general processes at work. In addition to the concentration of power in the hands of a small Cabinet clique, measures are being prepared to deal with any protest on the part of the masses. The British police are being transformed and militarised. There has been the stock-piling of tear-gas, riot-shields, special police riot and weapon training and the setting up of specialised militarised police sections, like the District Support Units, etc. Thus all the signs are that, with the impasse of capitalism, the British ruling class are preparing for stormy events in the future on the extra-parliamentary field rather than purely in the field of legislation.

7. However, despite all these measures, it is unlikely in the foreseeable future that the bourgeoisie in the advanced capitalist countries will move in the direction of Bonapartist coups. The situation in Western Europe, Japan and the United States is very similar to the situation in Germany in the 1920s. After the defeat of the revolutionary movement of 1918-1923 there was a return to bourgeois democracy. However special 'state of emergency' laws remained in reserve to be used under conditions of crisis. After 'dealing' with emergencies there will be a return to an uneasy bourgeois democracy, as happened in Germany after the defeat of the 1920 Kapp Putsch and the aborted revolution of 1923.

8. It was only in the 1930s that the Italian model of fascism became the model for most European countries. The bourgeois used the on-rushing forces of the petit bourgeois to smash the organisations of the working class and set up a fascist military-police dictatorship. As explained in previous material there

is no question today of fascism on the same lines as Hitler and Mussolini anywhere in Europe or the world for that matter. The bourgeoisie will today resort to military-police dictatorship only if there is absolutely no other recourse in the situation in which they find themselves.

9. The great capitalist powers have accumulated immense resources, partly at the expense of the colonial peoples, but mainly as a result of the post-war world economic upswing. They can use this accumulated fat to make limited, temporary concessions when the masses move into action and threaten the position of the ruling class. But the twilight of capitalism means that booms become more and more feeble as the general downswing undermines the capitalist system. The crisis of the economy and the state will increase particularly as the enormous army of unemployed saps the resources that have been accumulated in past decades. However, bourgeois democracy, which has penetrated deeply into the consciousness of the masses, will remain in the metropolitan capitalist countries for the immediate period.

10. The capitalists burned their hands seriously with the dictatorships of Hitler, Franco and Mussolini. They do not wish again to put their fate into the hands of fascist maniacs. The ruling class are prepared to use fascist bands as aids to the state forces of repression, as was shown in Chile, where the fascists were used as auxiliaries by the military in preparing for the 1973 coup. These scum acted as provocateurs, using terrorist actions to help prepare the way for the military-police dictatorship. In Italy too, for a whole period in the 1970s, the fascists engaged in terrorist actions for the purpose of trying to provoke a seizure of power by the army. They failed utterly in this because the bourgeois had no intention and no desire to move in that direction, especially as they did not feel themselves under threat from the reformist 'Euro-communists' leading the Italian Communist Party.

11. Nor can there be much enthusiasm among the strategists of capital for Bonapartist military-police dictatorships after the experience of Greece, Chile, Argentina, Brazil, Pakistan, Bangladesh and other countries, mainly in the ex-colonial world. A military-police dictatorship in a developed capitalist country would not even have the basis of support with which,

for a time, the bourgeoisie has maintained military-police dictatorships in Asia, Africa and Latin America. It would inevitably prepare a new movement of the proletariat which could threaten to throw out not only the dictatorship but the bourgeois system in its entirety.

12. The bourgeois world was terrified by the movement of the French proletariat in 1968, but saw it pass off harmlessly through the actions of the leaders of the Communist Party and the trade unions. The bourgeois have evolved a method of riding out the blows of the proletariat by making concessions. In this they are assisted by the blindness of the reformists, Stalinists and the trade union leaders. The bourgeois will make concessions and then take back more than they have conceded once the wave of the proletariat's activity reaches a certain level and then begins to ebb.

13. However the proletariat is not stupid and this method cannot last forever. Despite the failure of the leadership of the workers' organisations, the decay of capitalism will continue. This remorseless decay will inevitably have its reflection in the consciousness of the advanced layers of the workers at first and then of the mass of the proletariat.

14. Over a half decade or a decade or more, the bourgeois will find the pressure of the workers' organisations unbearable. In France at a moment of serious crisis in 1958, the bourgeois turned to parliamentary Bonapartism under De Gaulle. In Britain now there have been the first tentative steps in the direction of institutionalising the possibility of parliamentary Bonapartism.

15. Similar developments can take place in all the countries of developed bourgeois democracy. The twilight of capitalism, the end of the long period of economic upswing, is also the end of the period of the flowering of bourgeois democracy. In Asia, Africa and Latin America few, even nominal, bourgeois democracies remain. However, with the acute instability and collapse of military-police dictatorships—and because of the weakness of Marxism at the same time—a new phase of bourgeois 'democracy' is inevitable, at least temporarily, in the drawn-out process of the proletarian socialist revolution.

The economic crisis

1. In practically all countries of the capitalist world there have been systematic attacks on real wages and conditions. At the same time attempts have been made to cut state expenditure on welfare, social and education services. Expenditure on armaments has increased while expenditure on the basic infrastructure by the state has tended to fall.

2. This is because the world economic upswing is over. The proletariat succeeded with the pressure of its organisations in obtaining enormous concessions in pensions, health, social services and so on in practically all the countries of Western Europe, North America, Japan and Australia. Now these reforms are threatened by the developing world crisis of capitalism.

3. The strategists of capital believed that the post-war world economic upswing was a permanent process that would remain forever. All their calculations of reforms were on the basis of a growing economy. Now the economy is seizing up and, even when in shaky booms there is an increase in production, it cannot reach the sustained high growth rates of the past. On the contrary the capitalists are deliberately cutting down on productive capacity. That means that the bourgeois system as a system can no longer 'afford' long-term concessions.

4. The development of inflation as a consequence of deficit financing, has shattered the bourgeois' illusions in Keynesianism and deficit financing as a solution to the problems of capitalism and of the limited purchasing power of the masses. Instead of the possibilities of undreamed-of plenty, comes the need to cut and cut and cut again state expenditure and the living standards of working people.

5. The need of the bourgeois to maintain their profits has resulted in the pendulum of opinion of the strategists of capital and bourgeois professors swinging to the opposite extreme of Keynesianism. Limited deficit financing under conditions of slump has been to a large extent abandoned. Even vital and necessary state capital expenditure on the infrastructure has been neglected. Yet, because of the gains that the working class has made in the past, in securing the cushioning of unemployment by social security, etc., increasing mass unemployment places enormous burdens upon the state through the need to

keep the unemployed alive. Without these benefits the bourgeois would be faced with enormous anger and an upswing of activity on the part of the workers, both employed and unemployed. Yet in spite of all the austerity measures, for instance in the USA and all the countries of Western Europe, the share of state expenditure in the gross national product has actually increased! The mass army of unemployed means an enormous drain on state resources at the same time as the cutting of other state expenditure puts new burdens on the economy. These reductions worsen the slumps as they cut the market, because in most industrialised countries the state forms one-fifth of the total domestic market.

6. Additional contradictions are that cutting the share of the masses in the country's output also limits the market and increases competition on a world scale between the capitalist powers who, with limited home markets, seek markets further afield. Thus, limiting the role of the state cuts the market nationally and internationally.

7. The bourgeoisie is faced with an insoluble dilemma. Cutting the share of the working class and cutting state expenditure temporarily increases the profits of the capitalists—but at the cost of cutting the market and so undermining profitability further. On the other hand, increasing state expenditure and raising the living standards of the workers would decrease the share of the capitalists directly. In both cases investment, which is the key to an economic upswing, languishes.

8. The world economy now moves through rapid slumps and 'booms'. The precarious boom of 1983-4 will be succeeded by a new slump in 1985 or 1986, which will probably be deeper than the previous slump of 1979-82.

9. In all countries the bankruptcy of the 'theoreticians' of capitalism is manifest. Keynesianism or Freidmanism, deficit financing or monetarism, inflation or deflation are all merely different roads to ruin.

10. The USA with enormous resources, the biggest economy and market which has a decisive effect on the world economy and world markets, can temporarily pursue incompatible policies—higher arms and state expenditure and high interest rates, while

cutting taxes for the well-off at the expense of an enormous budget and trade deficit. The ill-effects are immediately manifest on its capitalist 'allies' and the underdeveloped world. They bear the expenses of Reagan's policy. Inevitably there will be a recoil, with the collapse of the US economy and the resurgence of inflation in the United States in the coming years. This in turn will spill over into inflation for the rest of the world.

11. At the same time 500 monopolies control, directly or indirectly, 90% of capitalist world trade and can freely move currency from one country to another in such huge amounts that they can determine the policy of governments and currency exchange rates. One million million Euro-dollars are floating around as fictitious capital.

12. Beyond the framework of the capitalist powers, even of groups of powers like the EEC and the mighty economic giants of Japan and the USA, the multinationals are today enormous powers of their own, dominating the entire world economy. Their parasitic claws squeeze the resources of the entire planet, in the interests of a handful of super-monopolists. It is they who decide the policy of governments and even of continents. The national states are made servants of this super autocracy of the super-monopolies of concentrated capital.

13. However, the fact that this centralisation and concentration of capital has reached this international scale is a further indication of the obsolete character of capitalist ownership and the national state.

14. The developing paroxysms of the world economy are reflected in the pressure of US imperialism on its weaker rivals. Not one economy of capitalist Europe can break away from the domination of the world market and the domination above all of US imperialism, even though the USA is a sick giant. The arms burden shouldered by the USA is a burden on a sick world economy, and it threatens to break even an economy as strong and powerful as that of the United States. All the governments of Europe are compelled to toe the line because of the crisis of capitalism, the domination of the world market and, super-imposed on all this, the domination of the economies of the world by the United

States.

15. An indication of the super-monopolies' domination is the fact that all the governments of the industrialised capitalist world are pursuing similar monetary and economic policies.

16. The illusions of the reformists and Stalinists that there is an 'alternative' economic policy under capitalism, have been shattered by the experience of the reformist governments in France, Spain, Greece, Sweden and other countries. Without a complete break with capitalism they have no means of determining the policy of governments. The governments do not determine the movement of the economy, it is the economy that determines the policies of the governments. This cannot be otherwise in an epoch of the world market and of capitalist decline. Only within the narrowest limits can there be a different policy on the part of different governments.

17. The mirage of an easy road of reforms is shown to be strewn with obstacles. The crisis of capitalism undermined the British Labour government of 1974-1979. This moved from attempted reforms to counter reforms, from attempted 'expansion' to cuts in living standards, from policies of growth to policies of austerity, as we now see in France, Spain, Greece and Sweden.

18. The fact that all these countries in one form or another are pursuing monetarist policies means a brake on expansion, not only in the national but also in the world market, and therefore further exacerbates the contradictions. 'Orthodox' economics, or monetarism, cuts the market and cuts the economy. This means that today on the basis of capitalism there is no possibility of developing the economy to the limits of the productive forces themselves, as was partially achieved during the economic upswing between 1950-1975. On the contrary, now minor booms and worse slumps will follow in rapid succession.

19. The sickness of the world economy in turn leads to a sickness in all the economies of capitalism. It bears especially harshly on the weaker economies of the underdeveloped world. The crisis of capitalism has the effect of undermining the economies of all the capitalist countries, and by that means it will also undermine capitalism itself.

Western Europe

1. Today in Western Europe it has become 'normal' that the workers' parties may gain a majority in parliamentary votes and seats. In fact it is the first time in the history of Western Europe that an absolute majority of votes and seats has been obtained for workers' parties in countries such as Portugal, France, Greece and Spain.

2. Generally the masses' movement against the capitalists swings from struggles on the industrial front, strikes and demonstrations, to assume a political form in support for the workers' parties. By way of exception there was the revolutionary situation in France in 1968, when ten million workers occupied their factories and the political movement of the masses took an industrial form.

3. The movement of the masses—on the political and industrial plane—which is taking place in many of the countries of Western Europe is a signal that the socialist revolution has begun on an all-European basis. The fact that these processes are developing in so many countries in Europe means that these are no longer merely isolated events but a tendency which will be prevalent in all the industrialised capitalist countries. These developments are an elemental stage in the masses' movement and educate them through the course of events themselves.

4. The strikes against the reformist governments in France, Greece and Spain—as in the strikes against the last Labour government in Britain—reflect an organic and elementary compulsive mood of disappointment at the failure of the leaderships of the workers' political parties to carry through measures in the interests of the proletariat and against capitalism.

5. Had these workers' parties been powerful Marxist parties, standing for a revolutionary transformation of society, then the social revolution could have been painlessly or almost painlessly accomplished throughout Europe and the world. The power of the working class means that a peaceful transformation of society, beginning with an electoral victory accompanied by the mobilisation of the masses, would have been entirely possible, needing only to be supplemented by simple 'police' measures to defend the government against attacks by reactionary

minorities. However the complete degeneration of the old 'socialist' parties, together with the 'communist' parties who have become merely a more pernicious variant of reformism, has blocked this road of an easy transformation of society.

6. Today the failure of all reformist governments to carry out reforms, or rather their move from reforms to counter-reforms—a process which is repeated in every case—is an indication that they are all in the grip of remorseless economic laws. On the road of capitalism no programme can be carried out other than the programme of the international monopolies. This is more so than at any other time in history, because of their complete and crushing domination of the world market.

7. The remorseless pressure and active sabotage by big business nationally and internationally means that it is no longer possible even to carry out major reforms without the threat of revolution. All reformist governments are basically compelled to carry out the work of big business, and not the programmes on which they won the election and the desires of their own supporters. When this occurs in so many cases, it is no longer an accident but a working out of economic law. That is why simultaneously in so many countries reformist governments behave in exactly the same way. This is despite the fact that the 'usual' argument of the reformists, that they did not have a majority, no longer holds in many of these countries.

8. On the other hand, with a longer or a slower period of delay, it is as clear that the masses are not prepared to accept the dictates of big business even from their 'own' governments. The prediction of the Marxists, that workers would not be prepared to take attacks from their 'own' governments, has been borne out by what is happening at the present time. Massive strikes, and in many cases general strikes in different cities, have been unfolding in all these countries. There have been a 6 million-strong strike of public service workers in France, 24-hour general strikes in some Spanish cities, strikes in Sweden and Greece. In addition to this has been the movement of workers against the capitalist governments in West Germany, Italy, Belgium and Britain. A strike wave of massive proportions is taking place in many countries. The only thing lacking is a powerful Marx-

ist current in all these countries—in Marxist terms, the subjective factor has been absent.

9. The example of France has shown there has been a rapid disillusionment of the petit bourgeois and the lumpen or semi-lumpen workers who were drawn to support the 'Socialist-Communist' government by the movement of the proletariat in 1981. Now the movement of these layers of petit bourgeois and lumpens is more in the direction of reaction, back to the conservative parties.

10. However the strikes of the workers in all these countries, and in the United States, are the heat-lightning which indicates the movement of the proletariat in the direction of the socialist revolution. New and more massive movements of the workers are inevitable, against all the governments which refuse to carry out policies catering to the elementary needs of the working class.

11. The reformist leadership's policies prepare movements towards reaction by the petit bourgeois who drag behind them the lumpen proletariat and even the more politically backward sections of the working class. This will have an effect on the electoral front. However this will be a 'democratic' reaction and will not be able to extend, in the immediate epoch ahead, to Bonapartist dictatorship because of the strength of the working class. But this sharp reaction, which will mean further savage attacks on state expenditure and on the 'social' wage and standards of the working class, will in its turn produce a counter movement by the masses. As a consequence of the experience of a reformist government, there will be a crisis in the workers' organisations. In this way the crisis of capitalism becomes also the crisis of the workers' organisations.

12. Within the trade unions and the workers' parties there will be an enormous questioning of the leadership's policies, which led the movement into an impasse, where they carried out the dictates of big business rather than the programme on which they were elected. Experience has shown time and again that workers will try again, again and again to transform their organisations which they have so painfully created. Within the framework of the coming upheavals inside these organisations, it is inevitable that Marxism will have favourable prospects.

13. Events, events and events will shape the mood and the attitude of the masses. Reaction will, in the first period, attempt to move in the direction of limiting, but not completely abolishing, the rights of the trade unions, the workers' parties and the general democratic rights obtained so painfully by workers' struggles during the course of the last century. But all history demonstrates that it is impossible to destroy the organisation of the working class or break its will to change society, merely by legal means of laws passed by parliaments. Reaction will

nibble at democratic rights but will not be able to destroy them completely at this stage.

14. During the booms and slumps that are inevitable in rapid succession in the coming period, a powerful opposition will develop within the working class and the masses generally. After a period of absorbing the lessons of the defeats that they have suffered on the political plane, the workers will move into action on the industrial plane. If it is not possible for the workers' 'own' leaders and own organisations in Spain or France to restrain the movement of the class while they are in power, it will be even less possible for the reactionary regimes like those of Kohl, Thatcher, the Gaullists or others to hold back the movement of the working class. There will be new waves of strikes, demonstrations and other movements of the working class. Even if these are defeated, the defeats themselves will harden and develop the class—particularly the advanced layers—preparing the way later for new struggles which will gain victories as well as defeats. Marx long ago explained that it is this process of struggle, of defeats and of victories, that will shape and mould the working class and prepare it to take power into its own hands.

15. At the same time new layers of the proletariat will move into action. Not only the industrial proletariat but the white-collar workers and other sections never previously affected by strike movements. Thus we have seen in Britain civil servants, hospital workers, and other sections propelled into action as a result of attacks on the living standards and conditions they have won in the past.

16. Many lulls, disappointments and periods of reaction, despair, indifference and even apathy will be succeeded by periods of even greater struggles by the working class in the industrialised countries of Western Europe. This will be the most disturbed period in the history of the working class and perhaps in the history of mankind.

17. As was demonstrated in France in 1968, parliamentary Bonapartism is a very weak straw to put against the movement of the masses when the majority are actively participating in action, in strikes and in politics. However the process we have seen in Britain of the concentration and centralisation of state power will continue in all these countries. The state will appear more and more remote from the masses, and decision-making will be drawn away from parliaments into the hands of semi-Bonapartist and Bonapartist cliques. This, at one pace or another, will be the process in all the countries of Western Europe. There will be a concentration and centralisation of power in the hands of the major monopolies and into the hands of small cliques which will in reality be above parliament, although formally subject to parliamentary sanction. While the capitalists may be compelled to retreat on this or that question, the centralisation and concentration of power, both

economically and politically, will continue at a far more rapid pace in the future. From an international point of view it is unfavourable for the bourgeois to take action against democratic rights, because of their propaganda against totalitarianism in the Stalinist countries. However, in spite of its inconvenience, this Bonapartist trend will be the music of the future in all the European countries.

18. Because of the economic impotence of the bourgeois to make their system work, they are the modern 'Luddites'. The tendency towards concentration of power is a political equivalent of the destruction of industry which has taken place in Western Europe on the one hand, and the impossibility of getting a new long-term economic upswing on the other. Of course the bourgeois still dream of a new 1950-1975 style world economic upswing which will solve their problems. But while they put forward such propaganda, at the same time they understand that this is a dream that can never be realised, and therefore they are making the preparations both economically and politically—economically to destroy part of the productive forces and politically to destroy some of the political rights that have been gained by the working class.

19. Nevertheless this first period of reaction will be mild in comparison with the monstrous reaction of fascism in the pre-war period. In its turn, it will harden and make more determined the proletariat and prepare the way for massive revolutionary waves which will make the events of 1968 seem insignificant in comparison. Ferment in the mass workers' organisations will reach a level which has never been reached before. More radical policies will have to be put forward by reformist leaders in order to retain their control of the organisations of the working class. This in its turn will prepare the way for the bringing to office of left-reformist governments. Already in Greece the previously 'centrist' PASOK party revealed itself when it came into office to be, in essentials, fundamentally no different to reformist governments in other countries. However, this in its turn is preparing pressure for even more leftward policies on the part of the working class. New 'left' governments would in reality be Kerensky type governments.

20. Coming to power under the pressure of an awakened, much more sophisticated and much more sceptical proletariat, left reformist governments would be governments of crisis. They might be compelled to go much further than they want in the direction of taking over the economy and striking blows against capitalism because of the enormous pressure of the masses under these circumstances, as occurred in Portugal in 1974-5.

21. Nevertheless the crisis would also be a crisis of the workers' organisations. It would be objectively exceptionally favourable circumstances for Marxism to grow in the trade unions and in the 'Socialist'

and 'Communist' parties. The growth of a Marxist wing in these parties is absolutely inevitable. The ferment will provide the atmosphere and milieu in which Marxism can grow feverishly. The Marxist wing will campaign for the carrying out of the programme on which the reformist governments have been elected, linking it to the urgent question of the socialist transformation of society.

22. The experience the workers undergo while in action will affect those sections of the masses who today distrust politics completely and who are apolitical. Not only the organised working class but the overwhelming mass of the workers, as we have seen in Greece in the recent period, will move into action under these circumstances. Their demands will be brought to the fore; even the lumpen-proletariat and the petit bourgeois will be affected by this movement of the proletariat to the left and they will be drawn into the workers' struggles. The white-collar workers will come closer to the proletariat than they have ever been before.

23. The fact that international capital can destabilise any government on the basis of enormous sums of capital, particularly in Europe with the Euro-currency market, will in its turn make workers more aware of the need to extend their hands across the frontiers to other sections of workers. They will come more and more to understand the need for unity with immigrants and for unity across frontiers. This will be shown in action as the workers move not only in one country but on an all-European basis.

24. International monopoly capital will be rendered incapable of resisting the enormous movement of the masses. In the last period international monopoly capital rendered the reformist governments utterly powerless to carry through lasting measures in the interests of the working class. Under these circumstances there will be a reaction not only against national but also against international capital. It will become clearer to workers not only the need for a workers' government transforming the economies in their own countries, but also the need for unity with the workers of other countries, in a Socialist United States of Europe. Such slogans will gain enormous echoes with the advanced layers of the proletariat and then in the mass of the population. The productive forces have grown beyond the boundaries of the national state and the policies of the proletariat must take this into account.

25. When, in the 1930s, the capitalists attempted to overcome the Great Depression through imposing national limits and protectionism on the productive forces, all that they succeeded in doing was to prepare the way for the rise of fascism and the Second World War. All the attempts at the national limitation of the productive forces failed in the past, and would fail even more under the present circumstances and even more in the future. Consequently the policy of the proletariat has to be international

because the productive capacities have gone beyond the limits of the nation state. That is why the position of the left reformists and the 'Communist' parties in various Western European countries is so reactionary. They put forward the idea of tariffs and the limitation of imports as solutions to the problems that the working class faces. Import controls are reactionary and would fail utterly in their attempts, as all attempts in the post-war period have shown. If they succeeded it would result in lower standards all round and would not have the effect of saving jobs. On the contrary, it would have as a consequence economic catastrophe for all the countries involved, preparing the way for an even deeper slump than that of 1929-1933. However, in any event, a new slump of these proportions is inevitable, probably in the late 1980s, and if not then certainly in the early 1990s.

26. Thus all roads for reformism are blocked. It is an impossibility even in rich countries like the countries of Western Europe, the USA and Japan, for permanent reforms to be achieved. Temporary reforms, as a by-product of the class struggle are inevitable. Reforms will be granted because of the mass movement, and as that ebbs the monopoly capitalists will take back even more than they have granted while under pressure. Even in the past reforms have been a by-product of the pressure of the workers' organisations and the class struggle. Now the period of lasting reforms is over and temporary reforms gained as a result of the class struggle cannot assume any permanent scope. However there will be partial victories both politically and economically by the workers in the process of their mobilisation against capitalism. Small victories can prepare the way for even bigger movements on the part of the proletariat. In the struggles, in the experience of victories and defeats, the working class will come to understand that only a fundamental change of society, nationally and internationally, can serve their needs and interests.

27. It is only the leadership of the proletariat which refuses to recognise the reality of the situation. If they had a Marxist approach and attitude, then undoubtedly the whole of Europe would now be socialist. The workers will have to go through the agonies of struggle and battles, falls in living standards, falls in civilised existence as the result of the failure of the reformists and Stalinists to understand the crisis of society in the modern epoch.

28. But in the process of the struggle itself the workers' organisations will become transformed. They will move further and further to the left. The possibility will be there for the ideas of Marxism to gain a mass basis in all the countries of Europe. Of course everything will depend on the subjective factor. The masses will move towards the left, but without the guidance of Marxism they will become further disillusioned, disappointed and disoriented. Thus, an enormous responsibility weighs on the cadres of Marxism in all the countries of Europe. Monopoly capital is in for a series of painful shocks.

They believe that socialism and communism have been completely discredited by the actions of the reformist governments in the past period. They believed this also of the British Labour Party, which is now beginning to recover its support among the masses. The bourgeois cannot see that while there might be disillusionment with the 'Socialist' and 'Communist' parties for a period, there will be even greater disillusionment with the bourgeois parties as a whole as a consequence of the economic and social crisis of capitalism. That will mean that more radical workers will take over the traditional workers' organisations, pushing them towards left reformism and in a centrist direction, preparing the way for the ideas of Marxism.

29. The working class in the industrialised countries to a certain extent became a bit soft during the economic upswing. It was relatively easy to obtain reforms on wages, conditions, pensions, holidays and lower hours, as a result of the fabulous economic gains which were being made by the monopolies in the period of the world economic upswing.

30. In the downswing the struggles will become harder and sterner. Even to gain a minimum advance it will require enormous battles to win concessions. This, in its turn, will transform and harden the workers, making them fit for the task of overthrowing capitalism. The workers' outlook will be transformed and the organisations of the class, on the basis of the experience of the workers, will go through similar transformations. There will be no room for the right wing (or so-called 'moderates'). The lifeline they previously obtained by splitting and forming right-wing social democratic organisations will be cut. These split-offs will tend to disappear from the scene completely as a result of capitalism's inability even to grant minimum standards and conditions. Under the pressure of the crisis there will undoubtedly be further splits towards the right from the workers' parties, but they will have even less possibility of becoming effective organisations of the proletariat or even of the petit bourgeois than during the economic upswing. We saw in the upswing that not a single one of these succeeded in replacing the traditional Socialist and Communist organisations in Australia, Japan, Italy or other countries where right-wing splits took place. Under the conditions of crisis they will have even less hope of gaining any sort of mass basis and will tend to disappear from the scene. The polarisation of society will result also in a polarisation politically. Everywhere at one pace or another there will be a tendency for the left wing to take over the 'Socialist' parties, the Euro-Communists to be completely discredited and the 'left wing' to take over the 'Communist' parties. Thus the right wing will be broken and the trade unions will also develop left-wing leaders and policies.

31. To the advanced layers of the class, the need will become clearer to transform the unions to become viable organs of the working class in the pro-

cess of the transformation of society. There will be a quick rhythm of new upsurges and new crises of the economy, the state and of the workers' organisations themselves. Every step that the bourgeois takes to the right will tend to push the working class, especially the organised working class, to the left.

32. There will be no relatively permanent political or economic solution for the bourgeois, only protracted economic and political death agony. Only very reluctantly, and then as a last resort, would the bourgeois turn to open military-police dictatorships. The strategists of capital, on the basis of the experience in the colonial world, realise that such military-police dictatorships are not viable in the long term.

33. In any event, moves in a Bonapartist direction will be only episodes and would carry the danger for the bourgeoisie of possibly provoking the masses into civil war. The whole of Europe will be like Spain in the 1930s. Now the revolution assumes an all-European basis. All this of course is a question of the long-term future of capitalism in Western Europe. We will have a protracted process of tentative steps towards reaction meeting resistance by the masses, retreat by the bourgeois, in turn combining repressive measures and illusory concessions to the masses. There will be times when workers move into action and gain material concessions when the pressure of the mass movement is at its highest peak. Of course once the movement ebbs, which is inevitable at certain periods, then there will be counter-concessions extracted by the capitalist class.

34. The dialectic of the crisis of capitalism is that at the period of the highest material possibilities in history, there will be a lowering of standards and conditions. We see in many countries attacks on the safety and health regulations which have been gained by the working class. Thus capitalism moves back to the barbarism that it meant in the past, when everything had to be sacrificed to the idea of the profitability of capital. All these counter-concessions which are extracted by the ruling class will in their turn produce hatred, determination and an invincible will to change society on the part of the proletariat.

35. All that is blocking an easy overthrow of capitalism over the whole of Western Europe in the immediate period which lies ahead is the blindness of the leadership of the working class, which clings to outworn forms and deludes itself that it is possible to return to the epoch of upswing and reform. The crisis is lengthened because of the failure of the leaders of the workers' organisations to understand the impossibility of reforming a dying and putrefying capitalism. This leads to the acceptance of the mirage that a stable and prosperous capitalism will return if 'temporary' sacrifices are accepted. They believe this could then make 'their' country more capable of 'competing' and profitable at the expense of the bourgeois and proletariat of other countries.

The same delusion is fostered across the frontiers. While the bourgeois gain from sacrifices on the part of the proletariat in all these countries, the proletariat in turn loses in all these countries. Even for the bourgeois, the gains quickly fade away. This is because cuts in living standards and social spending result in a reduction in the market, so over a period of a few years the vicious circle is repeated in all these countries.

36. What this means is that the crisis is insoluble under capitalism. But in the process of the struggle and in the experience the working class is undergoing, the objective conditions are being created for a new leadership of the proletariat in its organisations at all levels, local parties and trade unions, shop stewards, factory councils and national organisations of the proletariat.

37. The whole of capitalist Europe is, or will be, undergoing a process of 'Italianisation', that is to say, upheavals and movements of the proletariat while reaction is, at this stage, too weak to gain a decisive victory. This is despite the role of the Socialist and Communist Parties' leadership. In fact in Italy for a whole historical period the ruling class has leaned on the 'opposition' Communist Party leaders to hold the masses in check.

38. The tentative movement towards reaction in Italy in the early 1960s, when the strategists of capital used the Christian Democrat right wing and neo-fascists as tools to prepare the way for military rule, was abandoned in the face of the workers' resistance. A similar situation developed in Portugal after the partial eclipse of the revolution following the events of 1975. In Portugal there has been no question of the re-establishment of a dictatorship. We predicted the possibility of President Eanes moving towards a military-police dictatorship after the successful measures against the revolution. But the pressure and power of the workers' organisations has prevented this development. Having vomited out the old dictatorship in 1974, the masses would not have been prepared to accept the return of such a regime—its bestial character was too fresh in people's minds. At present in Portugal the dirty work of attacking living standards and handing back to the capitalists part of the industries nationalised in the first period of the revolution is being undertaken by a coalition of the Socialist Party and the bourgeois 'Social Democrats'. Allowing itself the luxury of opposition, the Communist Party will continue to make big gains, as will the bourgeois parties. But it will not be possible to give a firm basis to reaction. An unstable balance of forces will swing between reaction and revolution.

39. Reaction in the main throughout Western Europe will at this stage still take a 'democratic' form or move towards parliamentary Bonapartism and not full-fledged military-police dictatorship. This in turn will provoke new mass movements, demonstrations

and strikes, not excluding revolutionary movements such as that of the French workers in 1968.

40. As the crisis deepens, the proletariat in the course of great battles can change the subjective factor. This will determine the possibility of victory or

defeat. Victory to the proletariat in any Western European country will transform the situation of the entire world. It would lead to a complete transformation of the trade unions and political organisations of the proletariat on a world scale, and the victory of the proletariat and the Socialist United States of Europe and the World.

Asia

1. There has been a massive development of the economy in certain favoured countries of Asia. This is because of the support of US imperialism in giving markets and massive aid in order to build up some sort of a base against China and Vietnam in South-East Asia. As the consequence of the aid of US imperialism and the events following the Second World War, Japan, South Korea, Taiwan and Singapore have had a spectacular economic development. The USA provided markets and enormous investment and, apart from Japan, all these countries remain as satellites of US imperialism.

2. Japan, which had the biggest development of all, turning her into the second major capitalist power in the world, was assisted by putting her 'defence' in the hands of US imperialism. The Japanese capitalists spent less than 1% of the gross national product on arms for decades and, by ploughing back the surplus into industrial investment, have built up a mighty industrial economy. There are other factors in addition which aided Japan's transformation and which have been dealt with by the Marxists in the past. In South Korea and Taiwan there have been at least partial land reforms which assisted their economic development. These countries, together with India, make up the lion's share of industrial development of capitalist Asia. India, with investments from British imperialism and the other imperialist powers, has in absolute figures, though not on a per capita basis, gone ahead as well. While this development has been nothing like the leaping forward of the economy in China, nevertheless in absolute terms India's industry and infrastructure is equal to and somewhat higher than Britain's.

3. The general crisis of capitalism has affected all the countries of Asia as it has the countries of the Western world. The head-long growth of the economy

in those countries particularly favoured by aid from US imperialism during the economic upswing has ended. All now have lower figures of growth. Japan's rate of growth has dropped to a 'normal' development of capitalism. The reduced growth in Western Europe is very similar to the growth of production in Japan which now does not exceed about 4%, in comparison with figures of the past which reached as high as 17% in some years of the economic upswing.

4. High US interest rates and the debt burden affect the countries of Asia, apart from Japan, and put enormous burdens even on countries with relatively industrialised economies like Taiwan and South Korea. In these ex-colonial countries the contradictions have been exacerbated by the very development of industry itself.

5. The idea of the permanent revolution retains all its force in all the ex-colonial countries. In a peculiar fashion the actual growth of Japan, South Korea, Taiwan and Singapore has been due to the pressure of the Chinese and Vietnamese revolutions. Fear of the spread of the revolution led to the granting of aid for these countries by US imperialism, plus of course, the favourable economic climate engendered by the world economic upswing. This opening of an enormous world market, especially in the USA, to goods from these countries is the explanation of the development of the industrial revolution in these countries of Asia. However India already had quite an industrial development when under the sway of British imperialism. Once independence had been gained, India could then build on the basis of the legacy left by British imperialism.

6. The implementation of land reforms in these countries shows once again that reform is a by-product of revolution or of fear of revolution. US im-

perialism was terrified of the spread of revolution to the whole of the Asian continent. Capitalism has developed unevenly over all parts of the world and for a whole series of reasons these countries were favoured by the economic situation and therefore could take advantage of the world market on the basis of the events which followed the Second World War.

7. However, the example of India shows that the rotten bourgeois of these countries are absolutely incapable of carrying the tasks of the bourgeois democratic revolution to a conclusion. Despite being the biggest country in South Asia, India shows the limits of economic development in ex-colonial countries which remain under the domination of capitalism. This is despite the progress in absolute terms which has increased the weight of the proletariat in Indian society. The ratio between the workers and the population as a whole, is better in India than in Russia at the time of the 1917 revolution. In spite of the industrial growth the rotten Indian bourgeoisie, through its party, the Congress, has shown itself utterly incapable of building a stable democracy even during the upswing. Rural indebtedness and landlessness has reached epidemic levels. Small farmers have been ruined as a consequence of the 'green revolution' as more and more rich farmers and big landowners have taken over the land. Industry has been concentrated into the hands of monopolies. The poverty-stricken peasants, thrown off the land, have been pushed in millions into cities like Bombay and Calcutta where they live on the pavements.

8. The tasks of the bourgeois democratic revolution still to be completed in India are the solution of the land question, the solution of the national question and the welding of India into a single entity. This can only be obtained by dispossession of the landlords, and by solving the national problems affecting the hundreds of nationalities and languages which exist on the continent of India. The Sikh movement in the Punjab, probably the richest agricultural province, and the movement in Assam, shows that the bourgeoisie was incapable of stabilising the unity of India. India is a classic example of the failure and incapacity of the bourgeoisie in colonial countries to carry out the bourgeois democratic revolution. Independence was gained because of the movement of the workers, peasants and soldiers. It was not possible for British imperialism to maintain control, just as later all the other imperialists were reluctantly forced, after attempting to use repression, to abandon the attempt to retain direct political and military domination over their colonial possessions. The gaining of independence was an enormous step forward but was marred by the division of India into India and Pakistan. The shameful role of the 'Communist' Party leaders during the Second World War allowed the bourgeois Congress leadership to politically dominate the independence movement. This in turn

allowed the imperialists to play the old game of divide and rule. However Britain did not have the strength to maintain domination of the area and therefore independence was gained both by India and by Pakistan.

9. None of the problems which were the basis of the movement of the masses for independence were in any way solved. The failure to solve the problem of the land, to raise the masses' standard of living or to give clear democratic rights to all the national minorities, has led to a situation where the unity of India is actually threatened. On a bourgeois basis it will be inevitable at a certain stage that India will tend to break up into its component parts and result in the Balkanisation of the Indian subcontinent.

10. It was the multiplicity of problems facing the bourgeoisie which led Mrs Gandhi in 1975 onto the road of parliamentary Bonapartism as a first move in the direction of complete military-police rule. But the 'Emergency' had to be lifted because of the resistance of the peoples of India, led by the proletariat, and was followed by the defeat of Mrs Gandhi in the 1977 elections. The opposition of the working class, middle class, all national minorities and even sections of the bourgeoisie themselves was sufficient, at least temporarily, to overcome this move in the direction of Bonapartism.

11. Now for the same reason as the bourgeoisie of Europe, Japan and the United States will be very hesitant to move completely in the direction of military-police dictatorship, so Mrs Gandhi is hesitant about taking these steps, although there has been a further concentration of power in her hands. The twilight of the military-police dictatorships in Pakistan and Bangladesh could hardly invoke enthusiasm on the part of the strategists of Indian capital to follow that road. It is clear that the military-police dictatorships have not in any way solved the problems or ensured stability for these countries but, on the contrary, are preparing an enormous new social, economic and political explosion in those countries.

12. The attempt to hold Pakistan together by military-police dictatorship annointed with Muslim fundamentalism will clearly not be successful. The dictatorship of Zia will inevitably collapse. There is the possibility of Pakistan breaking up into its component parts with Sind, the North West Frontier and Baluchistan breaking away from Punjabi domination and gaining independence in the same way as Bangladesh (then called East Pakistan) broke away from West Pakistan in 1971. The only class which could prevent this development in Pakistan would be the proletariat, which if it came to power, would give full democratic rights to the population of these provinces and create a Socialist Federation of Pakistan with the perspective of linking up with a Socialist Federation of India. While standing for the right of self-determination, Marxists explain that the

Balkanisation of India and Pakistan would not serve the interests of these peoples. The working class of Pakistan could play the leading role in transforming the entire Asian continent. But without this and with the further decay of capitalism the division between the provincial states would mean that the Balkanisation of Pakistan would be inevitable. As a consequence it would lower the standard of living in all these countries and put them in the same blind alley as Africa, which was Balkanised by the imperialist powers.

13. In India, in reality not a single problem can be solved on a bourgeois basis. 'Democracy' remains hanging by a thread, and in practice the democratic rights of the workers and peasants are assaulted in innumerable ways by the police and the army. Hardly anything remains of the bourgeois democracy which was established after the collapse of British imperialism. If India, the biggest capitalist country in Asia, cannot solve the problem then of course no other country of the continent would be able to do so. It is true that, for special reasons, Japan partially solved these problems only to be firmly ensnared in the general crisis of capitalism on a world scale.

14. Throughout Asia, the twilight of bourgeois democracy is shown by the fact that the majority of these countries are under military-police dictatorships, with a concentration of industry and the gathering together of power in the hands of either dictators or small cliques. State repression and unheard-of corruption is the norm in all these states. But in all these countries the working class is the spearhead of opposition. In India there is enormous resistance by the working class to the development of a complete Bonapartist regime. Such a regime could lead to the possible break-up of India in the same way that Pakistan threatens to break-up with the fall of Zia. Nevertheless the result will be settled by a test of forces between the workers on the one side and the bourgeois state on the other.

15. In Pakistan and Bangladesh it is the working class that is leading the resistance to the dictatorships that have been established there. But unless the working class adopts a completely independent stand from the bourgeois opposition, then inevitably a vicious circle will unfold—from Bonapartist dictatorship to an uneasy bourgeois democracy, which because of its incapacity to solve the problems will lead to a new, even more brutal, dictatorship.

16. In India, and in all the countries of Asia, the problems of oppressed nationalities, land and industrialisation can only be successfully solved by the coming to power of the working class, one of whose main tasks would be the carrying through of the bourgeois democratic revolution. The proletariat will give land to those who want it, establish state and collective farms, give genuine autonomy and equality to all the nationalities and solve the national question by unifying India on a socialist basis.

17. The method of guerilla war has been discredited in India and in most other countries of Asia. Power is clearly concentrated in the cities. The army and the police have learned from the experience of the Chinese revolution and from other revolutions in Latin America and Asia. The rise of movements of the proletariat has discredited the idea that peasants are the main force for revolution. In any event a victory based on a peasant movement can at best lead to Proletarian Bonapartism, not at all to workers' democracy in the classical form as achieved by the socialist revolution in Russia of October 1917.

18. The bourgeoisie of the metropolitan countries tries to unload the burdens of the organic capitalist crisis onto the backs of the colonial peoples. Their already low standard of living is cut further. Consequently upheavals and movements of the proletariat and peasantry are absolutely inevitable.

19. Accidental events can lead to the collapse of Zia's military-police dictatorship in Pakistan and the military-police dictatorship in Bangladesh. Whichever falls first, the other would not be long in following. Attempts at agreement between Pakistan and India are attempts to shore up the collapsing dictatorship. Which Asian dictatorship will collapse first is a matter of chance. There are many candidates for this role: the Philippines, South Korea or Thailand as well as Bangladesh or Pakistan. In all these countries the proletariat will carry on its banner the democratic demands which the bourgeoisie has utterly failed to carry out.

20. The complete incapacity of capitalism to maintain, let alone raise, living standards in the ex-colonial countries is clearly seen in Sri Lanka. Once an Asian country with an exceptionally high standard of living, Sri Lanka today is in severe crisis. This, alongside the defeats which its labour movement suffered as a result of the degeneration of the once Trotskyist LSSP, has led to the growth of communal tensions between the majority Sinhalese and Tamil minority. The 1983 anti-Tamil pogrom was instigated by the UNP which wanted a small pogrom to teach the Tamil guerillas a lesson and serve as a safety-valve for the Sinhalese masses' discontent, but the government lost control of the situation. The resulting large-scale destruction further undermined the economy and weakened the UNP regime.

21. President Jayawardene's Bonapartist plans are collapsing. The regime will be compelled to allow elections or face overthrow through the gathering disillusionment of practically all strata of the population. A turn to a complete bourgeois military-police dictatorship seems to be ruled out for the present: there is no momentum for this. New elections would seem most likely to lead to the UNP's defeat.

Jayawardene now has few Bonapartist tricks left and mass opposition is growing. However, there is the possibility that, if serious concessions are not made, there will be a growing demand among the Tamils for dividing the island. Any new attempt at mass repression or genocide against the Tamils would probably precipitate an Indian intervention and partition.

22. The victory of the opposition parties would lead to an even more unstable situation. The Marxists of the NSSP would not participate in the new popular front government which is likely to be formed. The forces would gather for a show-down between the classes. A popular front government would soon face mounting opposition from the working class, the Tamils and the rural and city petit bourgeoisie as the world crisis and Sri Lanka's weakened economy undermined its programme of reforms. This could prepare the way for either the victory of the working class, led by the NSSP, or a new vicious dictatorship of capital. A popular front government could, under pressure, go further today in taking measures against capitalism than its leaders would wish. The existence of a powerful Marxist party could be decisive in the revolutionary situation that would open up, although Sri Lanka could not solve its problems without the success of the revolution in India.

23. The working class was partially crushed in many Asian countries, like Indonesia, for a whole period of time. Now strengthened due to the development of industry, it is the working class which is the decisive force in resisting the burdens which the decay of capitalism forces on the peoples. In Pakistan and in Bangladesh mass strikes, demonstrations, battles and even barricades are an indication that the working class has now put itself at the head of the nation. All the economies of Asia are linked to and under the domination of the world economy. They are subservient to the developments in the advanced capitalist countries. Even where they have succeeded in gaining a foot-hold in the world market on the basis of the most modern machinery and cheap labour, they are ultimately at the mercy of the imperialists.

24. While there was the enormous economic upswing, the rulers of the imperialist countries could look with equanimity on the fact that, in certain industries, the underdeveloped world could lay the basis for beating some of the industries of the West through competitiveness. Their home market was too small for those industries which were established in these Asian countries, partly because of the poverty of the masses. Consequently all these countries are dependent on the world market. In the most modern industries of computers, automation and micro-electronics these countries find themselves in difficulties now through competition with the West, including Japan.

25. The development of industry for world

markets in Asia was dependent on the toleration of the imperialist countries. Now that they themselves are in difficulties, the imperialist countries are not prepared to give the same measure of tolerance as when these Asian industries were developing during the course of the world economic upswing. With an expanding world economy it was quite a welcome development as far as the imperialist powers were concerned, because it also provided a market for capital goods. But with the end of the world economic upswing and the beginning of the economic downswing, there has been discrimination against 'third world' exports like textiles and electrical goods. The economies of the underdeveloped world are generally too weak to strike back, consequently the imperialists' measures increase the contradictions in these countries. The measures of imperialism, especially US imperialism, mean further unemployment in these countries, further pauperisation of the masses, high inflation and the lowering of standards of the working class and of the population generally.

26. Even in the economic upswing most colonial countries suffered a fall in living standards of the masses. Now in the world economic downswing, there is a further absolute fall and lowering of living standards among the colonial masses as a whole, with very few exceptions. In the future slumps, the fall will be even more catastrophic, pushing these peoples to the edge of starvation.

27. That is why in Asia, as in the colonial world as a whole, there has been a chain reaction of revolution and of counter-revolution. Bourgeois democracy is an exception even now. But the Bonapartist military-police dictatorships have a very weak base and consequently will collapse.

28. But the situation has now fundamentally changed. The relatively 'mild' dictatorships which were established formerly, are now succeeded by brutal military-police dictatorships which base themselves on imprisonment, torture and murder. However repression of this sort is an indication of their weakness and not at all of their strength and cannot result in any form of stability for these regimes.

29. Not a single capitalist country in Asia can avoid massive movements of the proletariat, even though in most of these countries strikes and other demonstrations are illegal. These in turn will prepare the way for uprisings on the part of the proletariat. The movement of the proletariat will be in the direction instinctively of social revolution but will, without Marxist leadership, then be derailed by the bourgeois demagogues into the channels of bourgeois democracy again. These bourgeois democracies will in their turn be of a very shaky character, as is shown by the situation in India, with martial law and states of siege as virtually permanent features in one province or another. Because there are no economic solutions in these countries the class struggle will reach

a higher stage than at any time in the past. Once the socialist revolution begins it would spread from country to country in Asia with lightning speed.

30. Because of the position of China and Vietnam, Proletarian Bonapartism has now lost its power of attraction as far as the masses in South East Asia are concerned. The spectacle of wars between 'socialist' countries, like those between China and Russia and between China and Vietnam, are repulsive phenomena. These show the national egotism of the bureaucracies of these countries and the antagonisms that exist on a national-Stalinist basis in all the countries of Proletarian Bonapartism.

31. The strikes by the Bangladesh working class are the battering ram which the population uses against the dictatorship, despite the fact that the overwhelming majority of the population in Bangladesh are peasants. In Bangladesh, general strikes one after the other have shaken the regime. It is the movement of the proletariat in the main cities that has led to the promise of 'elections'. But the Generals' preparation for the elections is to rig the polls and terrorise the peasantry in order to get a majority. The same process is also unfolding in the Philippines.

32. In Spain in 1931 the bosses in the villages forced the peasantry to vote for the monarchists. But this was in vain as the movement of the proletariat

nevertheless toppled the monarchy in spite of the rigged votes in the villages. Pakistan, Bangladesh and other countries will see a similar process take place if elections are held on a rigged basis. The result will not be accepted by the working class nor by the living forces of the democratic movement in the villages. The peasants will realise that they have been robbed of the right to put forward their own candidates and their own parties which reflect their needs. General Zia in Pakistan has tried to use Muslim fundamentalism, after the experience of Iran, as a means of diverting the masses from the struggle for their own needs. But he will not succeed, in other words the attempt to use the peasants against the working class will fail. Marcos in the Philippines is trying the same trick. In order to give Bonapartism the veneer of democracy, Marcos offers elections. But this is in vain; the crisis of the regime and the economy are too deep-seated and, once the process starts, waves of the movement of the masses will be inevitable. They will not accept rigged parliaments, they will topple one regime after another. One victory of the bourgeois democratic revolution under the auspices of the proletariat, going on then to the socialist revolution would undermine the capitalist regimes throughout Asia. In Asia too the subjective factor is the main key to the development of history. The development of the forces of Marxism in all the countries of Asia would prepare victory throughout the continent.

Latin America

1. Latin America is a whole continent in the throes of disintegration, decay and the beginning of revolution. Practically all its countries suffer mass hunger, inflation, pauperisation, unemployment and the existence of shanty towns where the barest sanitary essentials do not exist. In addition, aggravating the situation, we have the fall in production of industry and agriculture. Like the other colonial areas of the world, Latin America is indebted to the imperialist powers, especially the United States. Latin America alone owes \$340 000 million.

2. Latin American countries are indebted—from the most economically advanced to the most backward. In practically all countries a major section of the exports is needed just to pay interest on the debts. Thus they have in common that they are deb-

tor nations. The continent is linked by one language in the main (Spanish), with one allied language (Portuguese). Latin America shows in stark forms the problems resulting from the uncompleted tasks of the bourgeois democratic revolution. They have the worst division of the land of all continents, with enormous estates the size of some of the countries of Western Europe. Many estates are not cultivated because it does not profit the landowners to do so. Weeds and wild plants are allowed to grow over areas which are enormously fertile. While there is hunger in practically all the countries of Latin America, there has been a steep fall in food production.

3. Because of the failure to solve the problems of the bourgeois democratic revolution, practically all the Latin American countries were, in one form or

another, under Bonapartist military-police dictatorships, the most oppressive being the dictatorship in Chile. However the dictatorships in Argentina, Uruguay and Brazil have not been far behind in this competition to see which was the most vicious. Mexico and Costa Rica are practically the only countries in Latin America which have had at least a measure of capitalist democracy for any length of time.

4. Every country in the world has, of course, its own peculiarities. But in Latin America, despite important differences between one country and another, the fundamental problems are largely the same. Events in one country can give enormous impetus to the revolution in other countries.

5. Brazil, Chile, Argentina, Uruguay and Mexico are the most industrialised countries of Latin America, although all have some industry and important proletariats. Even in Central America, which, due to the proximity of Cuba, is taking to the road of guerilla war and Proletarian Bonapartism, the proletariat is an important part of the population. In fact in proportion to population in the small countries the proletariat has an even more important position than that of the proletariat in Russia in 1917.

6. Much of Central America has been under the almost direct domination of US imperialism, with investors playing the role virtually of governors and the countries being almost direct colonies. In the rest of Latin America the domination of imperialism has been more indirect.

7. The revolution in Central America has taken a guerilla form, but in El Salvador and in Nicaragua it was the movement of the proletariat which was the basis for the movement of the guerillas. Had the parties which form the basis of the guerillas been Marxist Bolshevik parties, then it would have been possible to avoid long civil wars and the practical destruction of these countries by bringing the proletariat directly to power. In fact it was an uprising of the proletariat in Nicaragua which actually led to the final collapse of the Somoza dictatorship, not any guerilla action.

8. In the Nicaraguan revolution the ingredients were there for a victory of the working class in the classical form, through an uprising and the taking of power by the proletariat. A similar situation existed in El Salvador, especially in 1980. But the guerillas, bemused by the example of Cuba, tried to follow Castro's example and not at all the path of Lenin and of Trotsky. Their failure to lead the proletariat to consciously take power in 1980, led to colossal and unnecessary sacrifices. In reality the movement in these countries was a perverted form of the permanent revolution.

9. Power fell into the hands of the Sandinistas, a left split from the Communist Party, because there was no alternative in Nicaragua. Today the San-

dinistas are refusing to carry the overthrow of capitalism through to a conclusion because they are afraid of intervention by US imperialism. In reality, however, this refusal has facilitated the intervention of imperialism. Their attempt to remain on the basis of bourgeois democracy will play into the hands of US imperialism. There is no basis for bourgeois democracy in Nicaragua. There are three alternatives for Nicaragua during the course of the next few years. Either the proletariat will come to power in Nicaragua on the basis of workers' democracy; or a regime of Proletarian Bonapartism will be consolidated (because there is no conscious Marxist tendency leading the masses in Nicaragua); or there will be the victory of the counter-revolution installing a new bourgeois Bonapartist military dictatorship. That is the aim for which US imperialism is working through the intervention of the counter-revolutionaries they are financing and organising.

10. However there is no doubt that it was the prompting of the Cuban and Soviet bureaucracies which led to the taking of this position by the Sandinistas. These nationalist bureaucracies refused to countenance the overcoming of capitalism and landlordism for fear of provoking complications in their relations with the United States. They are not interested in the expansion of the revolution but only in their own power, privileges and income.

11. The neo-stalinists of the ex-Trotskyist Socialist Workers Party in the USA, blinded by the undoubted achievements of the Cuban revolution and not understanding the perversions of workers' democracy and socialism which exist in Cuba, have given Castro virtually uncritical support. They have also enthusiastically endorsed the methods, policy and activities of the Sandinistas. In the same way they gave uncritical support to the New Jewel Movement in Grenada. Unless the revolution is carried through to the overthrow of capitalism in Nicaragua, then undoubtedly it will prepare the ground for counter-revolution, with or without US intervention, in the long run. However only a party with internationalist perspectives could build a workers' democracy, a party with perspectives of Latin American and world revolution.

12. The attempt to construct some sort of bourgeois democracy in ruined Nicaragua, even under the domination of the Sandinistas, is bound to fail in the long run. All the attempts to placate US imperialism by 'not going too far' are doomed to failure. The attempt to reconcile the bourgeois and the industrialists to the revolution in Nicaragua itself is even more certain to fail. It is no accident that the few bourgeois who remain in Nicaragua have been demanding negotiations with the 'Contras', who secretly they support.

13. Not through ill or bad will, but because of the

material interests involved, neither the bourgeois of Nicaragua nor the bourgeoisie of the imperialist countries can accept the revolution in Nicaragua, even in a half-finished form. The US imperialists understand that both their strategic and material investments in Central America are affected. The very existence of the Nicaraguan revolution provokes revolution in El Salvador, Honduras, Guatemala, Costa Rica and the other countries of Central America. Not only that, the US imperialists are terrified of the growing revolution in all Latin American countries. They see that revolution in Central America would be an example to all Latin America and would undermine the position of imperialism on a world scale.

14. Consequently the US imperialists are financing the counter-revolution in Nicaragua, Honduras, El Salvador and Guatemala. It is the national limitations of neo-Stalinism in the form of the Sandinistas which is blind to the implications of the process which is taking place. The US imperialists could never reconcile themselves even to a half measure of revolution but are determined to restore the same rotten regimes as existed in the past.

15. The only road for Nicaragua is the expropriation of the ruling class and the putting of democratic control of industry and society into the hands of the working class, i.e. the socialist revolution. This of course would not solve all the problems of Nicaragua; it could only be a step in the direction of the Latin American revolution. It would then be a question of holding power, striving to improve the standard of living of the workers and peasants by organising a democratic plan of production, and appealing to the masses in the rest of Latin America for aid, succour and support in the struggle against capitalism and imperialism.

16. However, in the general movement towards revolution in Latin America the revolution in Central America will be seen almost as a sideshow. Though important, it cannot be as important as the revolution in South America as a whole. The decisive movement will be by the proletariat of Argentina, Brazil, Chile, Uruguay and Mexico. However, movements of the proletariat have taken place in Peru, Ecuador, Bolivia and Columbia. There is hardly one country in Latin America in which an enormous movement of the proletariat has not been manifest in the course of the last few years. These movements of the proletariat have shaken the dictatorships and 'democratic' regimes. The collapse of the Junta in Argentina, which together with Brazil, Mexico and Chile have the most powerful proletariats in Latin America, marks a real definitive beginning of the revolution on a continental basis.

17. Fearing revolution and in order to try to save themselves, the military-police Junta in Argentina had to give way to elections and a 'democratic' regime. In reality what it means is that the socialist revolution has begun with a cloak of bourgeois

democracy. It was the previous 'democratic' regime's inability to solve the problems of the workers, peasants or middle class which led to the victory of the dictatorship in the first place. However the decay and the inability of the system to guarantee a minimum standard of living to the masses ultimately led to the undermining of the dictatorships.

18. In Chile without the hampering restriction of the workers' organisations, the so-called 'Chicago Boys' had a ready-made model to carry out their ideas of 'monetarism' and 'Friedmanism' without the check of any movement on the part of the masses. This has resulted in a catastrophe, with mass unemployment and the ruining of sections of small industrialists, preparing the way for pauperisation of practically the entire population, apart from a thin segment of the ruling class and its hangers-on in the state machine at the top. Thus the complete inability of capitalism on a world scale to get out of the impasse of the system is crudely reflected in the problems of Latin America.

19. The dictatorships' complete incapacity to develop the productive forces, the virtual or partial collapse of industry and the ruin of agriculture were all preparing the way for a mass response on the part of the working class. This has the sympathy and support of the peasants and middle class in the towns. However the absence of strong Marxist currents, the complete inability of the 'Socialist' and 'Communist' leaderships in these countries to understand the problems with which they were faced, and the experience of the dictatorships means that enormous illusions in 'democracy' have been engendered. The masses cannot but compare the nightmare existence under the dictatorships with the situation which existed in Chile, Argentina, Brazil and in other countries before the generals seized power. For the ruling class democracy and dictatorship are methods of rule. But for the proletariat the rights and liberties which they have under a bourgeois democracy are enormously important. There is an instinctive understanding on the part of the proletariat of the differences between these regimes. However there is no economic basis existing in any of the countries of Latin America for trade union and political rights. In reality in all the countries of Latin America the bourgeois system cannot afford democratic rights.

20. Yet, dialectically, we have the situation where the bourgeoisie is compelled, at least for a period, to tolerate these rights. The military-police dictatorships have been completely discredited and become a shambles, a nightmare of corruption, torture, repression and economic chaos. Thus the bourgeois, or at least sections of the bourgeois, in an endeavour to save themselves, are prepared, once the masses begin to move, to return to bourgeois democracy.

21. What this demonstrates is that capitalism has completely outlived itself, especially in the countries of the colonial world. Because of the blood-sucking

role of imperialism, Latin America has enormous resources which are undeveloped. Thousands of miles of rich agricultural land is left to the weeds, hydro-electric resources are untapped, mineral resources are not developed, an El Dorado of resources is completely neglected because the bourgeois system is completely incapable of using them. At the same time, the human resources are left to rot. Falling living standards and the rule of the parasitic ruling class dependent on the benediction of imperialism is the lot of most of the countries of Latin America.

22. Thus there are the ingredients for the greatest explosion ever seen in the whole of history on a continental scale. It is in this context that the role of the leadership of the 'Socialist' and above all of the 'Communist' Parties of Latin America assumes the most reactionary form. Even if in one country of Latin America Marxists gained majority support in the working class, the whole situation of Latin America would be transformed. Once the socialist revolution begins and a workers' democracy is installed, the revolution in Latin America would assume continental dimensions. The key countries in this regard are Argentina, Brazil, Chile, and Mexico. The revolution which we are facing in Latin America is not a 'democratic' revolution but, on the contrary, the proletarian revolution on a continental basis.

23. All the objective conditions have matured for the development of a socialist revolution on a continental scale. We see the basis of the permanent revolution in the events throughout Latin America. Not one single problem—whether that of the Indians, the agrarian problem or that of raising the standards of the masses—can be solved on a bourgeois basis. The decline in the productive forces under the pressure of imperialism, the ruin of the middle classes, the actual incompetence of the capitalists and the generals to solve the problems of Latin America, is an indication that here too capitalism has become a gigantic fetter on the productive forces.

24. Latin American capitalism cannot afford concessions except for very short periods of time. The proletariat has to struggle for the bare necessities of existence. In Brazil, sections of the masses, faced with virtual starvation, have actually been raiding the supermarkets and taking all the food from the shelves. That shows the ripeness of the socialist revolution. It is an indication of the fact that without the organisations of the proletariat giving a lead, the masses are compelled to take semi-anarchist or even anarchist actions in order to keep themselves alive. The proletariat's consciousness is lagging behind the objective situation. That is because of the complete lack of understanding of the situation of capitalism both on a world scale and in their own countries by the leaders of the workers' organisations. In fact one can say without exaggeration that the leaders of the mass organisations in Latin America are the most conservative force on the planet.

25. Especially disastrous in this context is the role of the Stalinist bureaucracies of Russia, China and Cuba. Their national limitations and their selfish national interests determine their policies, outlook and attitudes. As a consequence there has been the development of guerillaism in Latin America which, alongside the opportunism of the sects, played a disastrous role in assisting the coming to power of the military-police dictatorships in Uruguay in 1973 and Argentina in 1976.

26. All the objective conditions are there for a revolution on the model of the Russian Revolution. What has been lacking has been a Bolshevik party and leadership. But in the process of the unfolding struggles it is inevitable that the ideas of Marxism will gain support throughout the continent of Latin America. The understanding of the permanent revolution will form the basis of the work of Marxism in Latin America. Only the proletariat can give leadership in the developing revolution and carry through the revolution to a conclusion. The proletariat can come to power and carry out all the democratic tasks to a conclusion, including the unification of Latin America on the basis of a Federation of Workers' States. The objective conditions have accumulated on an international scale for the world revolution. The world situation has become such that revolution can begin in any part of the globe. At the moment, Latin America is in the most favourable situation because of the developing revolution on a continental basis. However the process will not be simple, it will be a protracted process, not because of the objective situation, but because of the weakness of the leadership of the proletariat and the weakness of Marxism. Events, events and further events will change the consciousness of the masses. At present the subjective factor is weak, but it can become enormously strong on the basis of the experience of the masses in the countries of Latin America.

27. A Latin American revolution on socialist lines would be an enormous beacon to the masses in North America. The 15 million people of Latin American origin in the United States, together with the blacks and others, would give it an enthusiastic response. The working class, perplexed by, and even hostile to, what they think is 'socialism' in the Soviet Union and the deformed workers' states, would give enormous support to a genuine socialist revolution in Latin America. It would undermine the power of US imperialism completely. It would be a beacon to the entire world and would have even greater effects than the Russian Revolution itself. The entire globe would reverberate to the effects of the revolution in Latin America.

28. With one language dominant in the whole of Latin America (except Brazil and some countries around the Caribbean), the perspective exists of a continental plan of production on the basis of the unification of these countries in a Socialist Federa-

tion. While even the revolution succeeding on a continental scale would not be able to fully solve the problems of the masses, as the example of the revolution on the continental land mass of Russia has demonstrated, nevertheless it would offer immense possibilities to the proletariat. It would be a beacon for the proletariat of other continents to join in the process of socialist construction.

29. Marx once said that revolution is the locomotive of history. But dictatorship is a gigantic brake on history. That is because the proletariat has been thrown back and tends to develop enormous illusions in the possibility of solving their problems simply by the overthrow of the Generals. Therefore the Latin American revolution will be a protracted process. Although there is no economic basis for it, bourgeois democracy can survive for a period in countries like Argentina. The masses have been through the terrible experience of a military-police dictatorship alongside the decline, disintegration and decay of capitalism. As a consequence of the complete discrediting of the military-police dictatorships, even in the eyes of the bourgeois and of the generals themselves, the military are very weak at this stage and unable to launch a counter-attack on the masses. Just as after the collapse in 1974 of the Colonels' regime in Greece there was no possibility of the army immediately turning towards dictatorship again, so the situation will be the same in the countries of Latin America. The lack of a basis for military-police dictatorship means that the generals are very weak at the present time. Trotsky long ago explained that with the military-police apparatus alone in a modern industrial country it is not possible to rule for very long.

30. Any attempt to re-establish military-police dictatorships in the immediate future would result in an uprising on the lines of the Spanish proletariat's action in July 1936. Any attempt at a premature dictatorship would prepare the way for civil war in these

countries, a civil war in which the bourgeois are not certain they would be victorious. Thus the protracted period of death agony of capitalism in Argentina and in other countries of Latin America will, for a time, take the form of 'democracy'. However, in the long term, if the masses do not learn the lessons of the past events, then inevitably the ebbing of the movement can prepare the way for even more ferocious military-police dictatorships which would make Pinochet and the Generals in Argentina seem mild humanitarian experiments by comparison.

31. What we have seen in Europe in the struggle of the working class will be completely eclipsed by the movement of the masses in Argentina, Brazil and Chile, after a period in which they will digest the lack of reforms and the lack of a solution under bourgeois democracy. Enormous strikes, demonstrations and upheavals have already taken place in Brazil and Argentina.

32. All the organisations of the proletariat will be put to a decisive test in the coming revolution. Reformism and nationalism will be pitilessly exposed in all their inadequacies. In Latin America, as in other continents, the proletariat will attempt to transform and re-transform its organisations again and again. Thus what opens up is the most disturbed period in the history of Latin America, a period of upheavals, of movements of the proletariat, of defeats and then further movements—a period of 5 or 10 years of terrific battles which will transform the consciousness of the proletariat and prepare the way for Marxism.

33. The ideas of Marxism will become the ideas of the proletariat. Armed and organised with these ideas the proletariat will be invincible. As Marx long ago explained, once an idea becomes the idea of the masses then it becomes a material force with which the transformation of society will be possible.

Africa

1. Africa remains the most economically and politically backward continent. All economic forms from tribalism to semi-feudalism to modern capitalism exist there. At one extreme there are countries of Proletarian Bonapartism in Mozambique, Angola and Ethiopia; at the other extreme there is the white supremacist dictatorship of South Africa.

2. The economic poverty of Africa and the lack of an industrial base means that the attempts to set up bourgeois democracies have in most African countries failed completely. There are dictatorships based either on Proletarian Bonapartism or on aspirant national capitalist classes like in Kenya, Zimbabwe, Tanzania and Zambia, or run by compradore

bourgeois servants of imperialism as in Zaire.

3. In the 1950s, 1960s and 1970s, the movement for national liberation developed such force that the imperialists were forced to give at least nominal independence to their former colonial possessions in Africa, and retreat from direct domination to the yoke of economic neo-colonial exploitation. This was the case in all the ex-colonial areas of the world after the Second World War.

4. Trotsky had observed in the pre-1939 War period that the military cost of controlling the Empires was outstripping completely the tribute that the imperialists gained from their domination of the colonies. Thus it was far less expensive to allow the nominal control of the colonies to pass to either the local bourgeoisie or a thin layer of petit bourgeois who would act as agents and tools of imperialism.

5. If anything, the yoke of imperialism is tighter now than it was in the past. There is the collective exploitation of the ex-colonies by the EEC, Japan and the United States. Through the IMF the bankers are absolutely pitiless, in spite of semi-starvation conditions existing in the countries which have borrowed money from the imperialist powers to help in their development. The IMF and the World Bank are instruments of colonial domination of the great imperialist powers. The IMF's demands for cuts in subsidies on the absolutely basic commodities needed to keep the masses alive, has resulted in riots in Egypt, Morocco and Tunisia. In these countries there was an elementary movement of the proletariat which headed the movement of the masses. Thus the working class assumes its rightful place in these countries at the head of the nation. In those three countries, for the present, the government has been compelled to retreat and the imperialists have had to acquiesce in this retreat for fear of an absolute explosion and revolution.

6. Imperialism has presided over the ruin of most of the countries of Africa. Like all the colonial areas, the price of the goods they sell have fallen steeply during the world slump of 1979-82, while the cost of goods they buy (mainly capital and durable goods and food) continued to rise. As a consequence the 'scissors' between the price of raw materials and foodstuffs exported by these countries, and the price of the goods that they import has widened considerably. The result is that it is almost impossible for these countries to service their debts to the usurers of the West.

7. In a continent that is overwhelmingly agricultural and the most rural area of the world, food production has fallen steeply. The population has increased at a faster rate than in other continents. So the disparity between food production on the one hand and the need to feed the population on the other hand has increased enormously. Practically all the countries of Africa are compelled to import food

either from the capitalist powers or, in the case of Southern Africa, from white-dominated South Africa.

8. In addition to all the other calamities there have been disasters of drought, disease and the spread of the deserts in many areas in Africa. The failure to organise irrigation schemes, because of the poverty of these areas and the rottenness of the regimes, and the overgrazing of grasslands, has prepared the way for desertification of whole areas of Africa. Apart from drought, these are man-made calamities. They are a direct consequence of the domination of imperialism and the way in which the transition to a money economy occurred in the past.

9. The outlook for Africa is one of absolute disaster which will involve the death of millions during the course of the next 5, 10 or 20 years. The ecologists and economic experts of the OECD and the United Nations have declared that there is a possibility of 50 million dead in the next 20 years because of hunger.

10. The imperialists Balkanised Africa, the state boundaries cutting across the living bodies of tribes and nations. These have remained in being; indeed one of the principles of the so-called Organisation of African Unity is respect for the boundaries imposed by imperialism!

11. The national states which have been created since independence are partially genuine and at the same time semi-puppets of the West. They all have come into existence too late to be able to compete with the capitalist powers of the West. In Kenya, which is the country most favoured by the imperialists, there was a boom for a certain period of time, but now Kenya is faced with the same problems as the rest of Africa. The governments are corrupt and degenerate; a thin layer have enriched themselves at the expense of the mass of the population as compradores and as agents of the big powers and monopolies.

12. Nigeria, the most populous country in Africa, was lucky to have oil and has had some development. But the fall in the price of oil has undermined the development of the economy which depended completely or almost completely on the export of oil to the West. The fact that the price of oil fell while industrial goods went up in price, has left Nigeria in an impossible position as far as its deficit in the balance of payments is concerned. On top of that the corruption of the ruling clique has been such as to have completely choked the development of the economy.

13. The capitalist crisis of 1979-82 bore very heavily on the countries of Africa as for the rest of the colonial world. Thus, even though there were large industrial projects in Nigeria, the local capitalists are utterly incapable of using this industry for the pur-

pose of competing on world markets. Like all the countries of the world they have been indissolubly connected to the world economy and the world market and, on a national basis, there is no solution for the economies of any of the countries of Africa.

14. The national bourgeois and petit-bourgeois cliques who have come to power in the African countries are utterly incapable of seeing beyond their own frontiers. Even the limited economic common market of Tanzania, Kenya and Uganda collapsed. Kenya, which is a bit more developed economically than the other two, gained the main benefits from this and was not prepared to share them, so Uganda and Tanzania broke up the common market.

15. The solutions put forward by the bourgeois economists both of Africa and of the imperialist states are entirely utopian. On a capitalist basis there is no way out of the nightmare of hunger, death from starvation and privations for the majority of the population of the entire continent.

16. It is no accident that hardly a single country of Africa is a real bourgeois democracy. They are one-party states or open Bonapartist military-police dictatorships. The economic and social contradictions are too great to allow the development of bourgeois democracy. There is no economic basis for social reforms. The contradictions in the economies of the African countries, their position in Africa and their position on the world market are such that it would be impossible for a bourgeois democracy to survive, at least for any length of time. Apart from any other consideration, there is the pressure of imperialism on all these countries. The imperialist powers are intimately linked with the compradore cliques which control most African countries as, for example, the French imperialists are still linked to the former French colonies.

17. Apart from all the other problems there is the problem of the economic disparity between the top layers of the population, who have their nose in the trough of the state, and the mass of the population. In Zaire, for example, which is potentially an enormously rich country with massive mineral and other resources, Mobutu, a former Belgian Army sergeant, has turned himself into one of the richest men in the world. It is reputed that he has up to a \$1 000 million stored away in the banks in Switzerland! That is one of the more glaring examples of corruption, but to a greater or lesser extent it is endemic in practically all the African countries. Corruption, oppression and repression are the only methods of rule that these shaky bourgeois or semi-bourgeois regimes can have.

18. The imperialists prefer to rule in the metropolitan countries with formal bourgeois democracy. But in the colonial world, and particularly in Africa, they engineer and support the most ferocious military-police dictatorships and one-party states as the method of rule by their agents and tools.

They close their eyes to the enormous corruption, waste and mismanagement of their proteges because they see no other way in which the rule of imperialism can be maintained over Africa. In the metropolitan countries it was possible, at least for a whole historical period, to mask the contradictions between the proletariat and the bourgeoisie, by giving concessions. In Africa, and throughout the colonial world, the contradictions are stark and naked and therefore the imperialist bourgeoisie are compelled to prop up and support such regimes as Mobutu's in Zaire, who regards the state as almost a milchcow for the benefit of him, his family and the pack of courtiers and cronies around him.

19. The achievement of national states in Africa was a progressive step forward in comparison with direct colonial rule. But in the modern epoch, these states had hardly come into existence before the national state on the one hand, and the development of productive forces on a world scale on the other hand, came completely into contradiction. Thus merely the form of colonial exploitation and oppression has changed, not the substance.

20. Because they were held in forcible oppression by the imperialist powers for generations, the collapse of colonial rule has come too late in Africa and Asia for the native bourgeoisie to play a progressive role. The national state on a world scale had already become outmoded and was playing a reactionary role. In these countries the 'national governments' are a horrible caricature of the governments in the imperialist countries.

21. In the 19th century the national state could play a progressive role in the unification of countries like Italy and Germany. But in Africa today it plays a very pernicious role. Each small country has its own tariffs, its own army and its own national airline. As a consequence, what productive forces are developed find themselves hemmed in by the constriction of the limits of the national state. On a bourgeois basis there cannot be a development of the productive forces under these conditions.

22. These nation states have appeared too late for the growth of a powerful bourgeois class on the lines of the development of the bourgeoisie of France, Italy, Germany and Britain in the last two or three centuries. While preserving a nominal independence, each is dominated by the imperialist powers—particularly Britain, France and the United States. They are all at the mercy of the unscrupulous multinational monopolies which dominate the world market. The goods which are banned and forbidden in the countries of the West, because of their effects on health, are dumped at high prices into the colonial countries, particularly in Africa.

23. Nigeria, Egypt and South Africa are the key countries of the continent. Developments in these three countries would have effects in the whole of the

rest of Africa. They all have a powerful proletariat. South Africa is the most industrially developed and the position of the proletariat in the economic and political life of the country is therefore potentially the most powerful of any of the African countries. The industrialisation of South Africa has prepared the way for the grave-digger of white supremacy.

24. The problems of the bourgeois democratic revolution in South Africa go hand in hand with socialist tasks. There is no possibility of achieving full democratic rights for black South Africans except by the overthrow of the capitalist regime and the installation of a workers' democracy.

25. The black African majority in South Africa, overwhelmingly proletarian, are denied any democratic or civil rights and are ruled by a privileged racial 'aristocracy' of whites. There are certain social parallels with the slave-based 'democracy' of ancient Greece and Rome, and certain similarities also with the regimes of the Iron Heel sketched out in Jack London's book. The foundation of the racist system is capitalism and the exploitation of the proletariat. It is a modern industrial society in which, for historical reasons, superimposed on wage slavery there is what amounts to a collective chattel slavery of the black proletariat in the shape of the pass laws and other archaic and slave-like controls. The black proletariat carries the burdens of chattel slavery and of wage slavery without the 'advantages' of either.

26. However, there are going to be some unpleasant surprises for the bourgeoisie of South Africa. The South African workers have been hardened by a struggle against a nightmare regime. They are learning in struggle the need for collective battle against their oppressors. The organisation of a section of the proletariat into unions, and the potential organisation of the majority, means that the bourgeoisie will be compelled to tolerate the existence of black unions, partially because of pressure from abroad. The attempt to regulate and control this movement of the blacks in South Africa will turn against them in the future. The industrial proletariat of South Africa will gain the hegemony of the vast majority of the African, Coloured and Indian masses. With correct tactics and strategy, it would be entirely possible for the black proletariat to win over or neutralise at least a section and even possibly a majority of the white workers.

27. Unfortunately the African National Congress, dominated by the SA Communist Party, has been mesmerised by guerilla struggles in Zimbabwe, Angola and Mozambique as well as in Asia and Latin America. The ANC has attempted to use guerillaism as its main strategy. But in reality there is no big peasantry in South Africa—on the contrary there is a rural reserve army of labour. The rural working population is part of the proletariat. The ANC organised the bases for their raids into South Africa

on the frontiers of neighbouring states. Now the white South African regime has succeeded in blocking the way to a guerilla movement with its deals with the ruling bureaucracies in Angola and Mozambique. The Proletarian Bonapartist states of Mozambique and Angola have not received the succour and aid which they had expected from the Stalinist states of Russia and Eastern Europe. This put them at the mercy of the South African regime, which organised counter-revolutionary movements of thugs and murderers to carry out an alleged 'guerilla' war, in reality bandit incursions, in Mozambique and Angola. The economic difficulties resulting from drought, bureaucratic incompetence and dictatorial regimes super-imposed on backward societies led these countries to chaos. Without a Marxist internationalist approach the only course open to these regimes, after having appealed to the Eastern European bureaucracies for aid and not receiving much, was to try and come to a compromise and agreement with South Africa.

28. This means that the base which the ANC found in these countries for armed guerilla bands has now disappeared. This will probably force a realignment and a readjustment of tactics by the ANC. They have not realised that the proletariat is a far more powerful weapon if organised. The proletariat in industry would be a far more powerful weapon of struggle against the apartheid regime than the feeble attempts at building a guerilla movement.

29. There have already been massive movements on the part of the South African proletariat. All these are anticipations of the mighty movements of the future. All Africa will be rocked once the masses of South Africa move into action. The stupidity of guerillaism was that it tried to impose individual heroes against the regime instead of the collective might and mass of the organised black proletariat. A victory in South Africa would mean the collapse of the capitalist regimes in the whole of Southern Africa, and possibly the collapse of the Proletarian Bonapartist states in Angola and Mozambique. It would prepare the way for the mighty movement of the Nigerian and Egyptian proletariat, and of the entire proletariat of Africa.

30. The development of the proletariat in Nigeria, which is possibly the biggest proletariat now in Africa, would prepare the way for the permanent revolution. The elements of feudalism and semi-feudalism in the north of Nigeria could only be broken by a movement of the proletariat leading the peasantry in all the states of Nigeria and preparing the way for a socialist federation of states in Nigeria. This would be capable of solving the democratic problems, the national problem and lay the basis for solving the economic problems by the coming to power of the proletariat. This in its turn would have a decisive effect on the whole of Africa.

31. Similarly in Egypt a movement of the pro-

letariat would prepare the way for the collapse of the semi-feudal, semi-Bonapartist, semi-capitalist regimes of the sheikhs in Saudi Arabia, Oman and the Gulf states. This would prepare the way for the unification of the peoples of the Middle East (who already mostly speak one language, Arabic) and lead to a revolutionary movement in Asia on the one side and in the rest of Africa on the other side. Egypt in effect joins two continents together—Asia and Africa—and through it the movement will spread also into Europe and the rest of the world.

32. The economic and political effects of the revolution on the African continent would be stupendous. In whichever continent or country the socialist revolution begins, it would immediately begin to spread outwards. It is impossible for democratic socialist revolution on classical lines to be isolated in the modern epoch.

33. Thus the same processes that we see in Latin America and in Asia are also on the order of the day in Africa. All today's tasks are combined. The theory and process of the permanent revolution and the policies that go with it are the only solution of the problems of the entire African continent. Beginning with the democratic tasks, the masses will turn to the socialist tasks in one or another of the nations of Africa and then to the international tasks. Victorious as a socialist revolution in one country, the revolution could rapidly spread to the whole of Africa. All the conditions on an entire continental

basis have ripened as a result of the failure of the national cliques and the national bourgeoisie to solve the problems of their own countries. The proletariat is the only unifying force in these countries themselves and the only force capable of unifying Africa.

34. However the first beginnings are the most difficult. On the one hand the psychology of the masses is determined by the objective situation and the policy of the traditional organisations of the proletariat. In addition, in Africa, the policies of the nationalist movement were directed against imperialist oppression of the past and its radical phraseology also still has some effect today.

35. In Africa there will be protracted struggles. There is absolutely no way forward on the road of capitalism. The objective situation is such that first the advanced workers, then the mass of the workers will begin to understand the need for socialist policies on the one hand, and for international solidarity on the other. The ideas of Marx, Engels, Lenin and Trotsky will become the ideas first of sections of the proletariat, then the mass of the proletariat in certain countries, and then from this will come the idea of the unity of the international working class. The proletariat is the only force which can lead the peoples of Africa to the socialist transformation of their continent and to the formation of a world federation of socialist states.

The Middle East

1. The Middle East is now a bubbling cauldron of contradictions. It is a microcosm of all the problems of the colonial world. This is an important, if not decisive area—strategically, economically and politically. Oil is the key. It is this black gold which is vital to the economies of the EEC, Japan and the USA.

2. It is this which dictates the policy of Britain, France and above all US imperialism, which regards the Middle East as a vital area. In the past Britain and France dominated the area. Now US imperialism regards it as vital for communications and oil.

3. The artificial nature of the campaign of US imperialism against the 'expansionism' of the Soviet

bureaucracy is indicated in the fact that Russia could occupy the Gulf in just three hours! But if they did this, it would mean a nuclear war, and so the bureaucracy has no intention of getting involved in this way. In fact, it was the Moscow bureaucracy which prevented the overthrow of capitalism in Egypt in 1967, because of fear of the social effects throughout the Middle East and its repercussions on the relations between the Soviet bureaucracy and US imperialism.

4. The explosive contradictions in the area are indicated by the war unleashed by Iraq upon Iran. Because of the contradictions in Iraqi society—where a majority of the population nominally adhere to the Shiite sect of Islam—Saddam Hussein invaded Iran.

He was afraid of the effects of the spread of the obscurantist movement led by Khomeini's caste of Mullahs, which seized power on the back of the Iranian revolution.

5. This reactionary religious caste, harking back to the Middle Ages, in reality defeated what was a socialist revolution. The Iranian revolution was in essence a movement of the proletariat, a spontaneous uprising similar to February 1917 in Russia. However, in the absence of a Marxist leadership, it was side-tracked onto the lines of religious obscurantism.

6. Starting off with democratic and socialist aims, the masses were striving in the direction of a transformation of society. But, with the proletariat lacking a Marxist leadership, the Mullahs were able to push the revolution back towards a dictatorship even more frenzied and murderous than the regime of the Shah. Thus, the revolution became deformed on the lines of a peculiar variant of unstable bourgeois Bonapartism. The war has resulted in a strengthening of the military caste. The army is still virtually intact, leaving the most dangerous fighting to the 'revolutionary guards'. When the religious frenzy dies down, and with the impasse of the regime, particularly after but even before Khomeini dies there may be a military coup setting up a new capitalist 'orthodox' military-police dictatorship. The imperialists, especially Britain and the United States, are working towards this end. On the other hand, there is an accumulation of discontent within the working class, which can move towards a new revolution.

7. The disastrous consequences of Stalinist policies are to be observed throughout the Middle East. In the 1950s and 60s, in line with the foreign policy pursued by the Soviet bureaucracy, the Tudeh (Communist) party in Iran first temporised with the nationalists and then even with the Shah's dictatorship. At that stage, the revolutionary movement bore a secular character in most of these countries. But the failure of the Stalinists, obsessed with the 'theory' of two stages—'first' a bourgeois-democratic revolution and 'then', in the dim and distant future, 'socialism'—led to these revolutions being distorted and twisted in the interests of the landlords, capitalists and merchants. Lurking behind the 'ideology' of religious frenzy are the interests of these classes.

8. Hussein's attempt at quick military victory in the Iran-Iraq war failed. The Iranian masses rallied to the defence of their revolution and also to the defence of their nation against a foreign invader. National feelings are still profound in all the countries of the world. Thus Hussein miscalculated and the Iraqi armies were driven back to within their own borders.

9. Like most of the countries of the area, Iraq is

ruled by a military-police Bonapartist dictatorship, inherently unstable and charged with contradictions. The Shiite majority of the population include the poorest sections. Even in its distorted form, the Iranian revolution was a mortal threat to the Iraqi regime. This is the fundamental reason for Hussein's military adventure.

10. Imagining that the revolution had disorganised Iran and undermined the army, Hussein thought he would gain an easy victory. He completely overlooked the effect the revolution would have on the consciousness and morale of the Iranian masses. He failed completely even to win over the Arab population of Iran. The Arab Iranians also rallied against the foreign invader. Thus, again, the national factor was predominant.

11. Having driven back the Iraqis, the Ayatollahs then proceeded to make the same mistake. The Iraqi Shiites were indifferent to the blandishments of what they saw as a foreign conqueror. Despite their hatred of the Hussein dictatorship, the masses rallied to defend 'their' territory, because there was no enthusiasm for the alternative posed.

12. The crushing superiority in manpower of Iran was partly compensated by the Iraqis' superior equipment—and the fact that Khomeini had no particular appeal for the masses in Iraq. The great powers complacently looked on as Iran and Iraq fought themselves to a standstill, secretly welcoming the fact that the conflict would weaken both sides. They were indifferent to the hundreds of thousands of casualties and the enormous destruction in Iran and Iraq. They acted like mere spectators, as long as their interests were not directly affected.

13. The war has become a war of attrition, where it is unlikely that either side will achieve a breakthrough. At the moment Iraq is fighting a defensive war. Desperately trying to provoke the intervention of the great powers, Iraq has threatened to bomb the Iranian oil ports in the Gulf. As a reply, the Mullahs have threatened to drag the whole area down into a Götterdämmerung-style conflagration by retaliating to the attacks on shipping in Iranian ports with attacks on Saudi Arabian and Kuwaiti-bound vessels. This threatens to involve the whole area in war.

14. The Ayatollahs are furious that the feudal-reactionary obscurantist regimes of the Gulf are financing Iraq's war. These regimes are thus fighting a war against Iran by proxy at a distance which, however, is anything but comfortable!

15. The Iraqi regime cannot win the war and wants 'peace', to settle the conflict. The imperialist powers have shown themselves incapable of putting pressure on Iran to compromise, and therefore Baghdad wants to involve them in the war.

16. French imperialism's interest lies in an Iraqi victory—or, at least, in avoiding defeat—because of its investments, projects, arms trade, oil agreements, and so on. Dabbling in blood, Paris provides sophisticated arms, like Exocet missiles, to Baghdad. The Soviet Union too, after some hesitation, has supplied Iraq with fresh arms shipments.

17. However, an attack on Saudi Arabia, Kuwait, the other Gulf states or Oman would immediately involve the USA, France and Britain. Although France and Britain would like the US to do the dirty work, they would have no alternative but to participate. This would be a war, at the outset, of naval and air forces. But at a later stage, the commitment of ground forces would seem to be inevitable.

18. They wish to avoid this because of the unpredictable consequences which it would produce among the masses—especially in the colonial world, starting with the Middle East, but also in France, Britain and the USA.

19. Even more apprehensive are the feudal rulers of the Gulf and Saudi Arabia. The social structure of these countries is still feudal. As in Iran, the laws of the Middle Ages still apply—stoning for adultery and lopping off of hands and feet for theft. In spite of the fabulous wealth from oil, they are submerged in barbarism. The oil wealth has turned a few cliques of sheikhs into multi-millionaires. For fear of the reaction of the masses, they have carried out certain reforms in housing, education and welfare, but the social structure remains basically what it was in the Middle Ages.

20. This wealth arose from the soaring oil prices of 1973-4. The price increased fourfold. However, even this did not bring about an equality of exchange between the products of the imperialists and their victims. Despite squeals of agony from the former, in reality the price of industrial goods and machinery had increased fivefold in the preceding period. Neo-colonial exploitation by the EEC, Japan and the US is carried out through the terms of trade, exchanging the equivalent of less labour for more labour. The protests of these Shylocks when the price of just one of the products of the colonial world began to approximate to the price of their exports were completely hypocritical. Likewise, the attempt to place the blame for the ensuing recession on the 'greedy Arabs' was without foundation.

21. The effects of the Gulf War can spread, causing a ferment among the masses in Saudi Arabia and the Gulf states. These states are dependent on the labour of immigrants with less rights than the native masses—who, in reality, also have no rights. As a result of the change in the economy, revolution is inevitable and could break out at any time—although a certain delay is also possible. The feudal cliques in these countries are terrified of the social consequences if they get involved in the war. Even in the

event of a victory, it could lead to revolution. The explosive discontent of the masses could be triggered off by involvement in a war.

22. Afraid of relying on their own troops, which could involve them in a Nasserite coup, the feudal clique in Saudi Arabia prefers to pay enormous sums to the gangster regime in Pakistan to provide their palace guards. These mercenaries provide the bodyguards to protect them against their own people.

23. The imperialists are hoping for an Iranian defeat, as do the Gulf states. But the latter are even more terrified of a US intervention because of the unpredictable effects on their own people, who hate the imperialists. The imperialists themselves do not want to go in, except as a last resort. They fear the effect on their oil supplies and the repercussions throughout the world. But despite all this, they will be forced to intervene in the event of a major attack on Saudi Arabia or the Gulf states.

24. Not least in the calculations of the imperialists are the effects of direct military involvement of US forces in the colonial world. The mood of the masses in the USA is against such an involvement after the bitter lesson of Vietnam. Even so, they could get directly involved both here and in Central America because decisive US interests are at stake.

25. In the event of a new Iranian offensive, Iraq has threatened a devastating attack on Kharg Island, Iran's main oil terminal. From that a whole chain of consequences would ensue. The Iranians would react by attacking the Gulf states and that would drag the imperialist powers in. Oil is the life-blood of the West. It is perhaps the most vital factor of all in this period. Now that their vital interests are threatened, the Western powers are frantically exerting pressure to prevent this. However, the only calculation which could stay the Mullahs' hand is the fear that they might not succeed in getting a breakthrough in the war, and the effect of a failure on the masses inside Iran. If the imperialists are drawn into the war, the consequences for the Middle East—indeed, for the whole world—would be incalculable. It would open the road to new revolutions throughout the Middle East.

26. The imperialists have plans to occupy only a thin coastal strip in Saudi Arabia and the Gulf states where the oil wells are situated. Even this would provoke disturbances throughout the region and have repercussions in the entire colonial world.

27. The Middle East is an area of continental dimensions stretching from Africa to Asia. Owing to the baneful effects of imperialism and monopoly capitalism, its industrial and agricultural development has been stunted and the rotten feudal regimes of the past have been propped up.

28. The imperialists divided the Arab world along

artificial lines. But it still remains largely unified in the sense of a common spoken and written language (though with important minorities and dialects), common culture, history and even religion. It is one nation, divided into artificial nation-states, in the same way as the Germans and Italians were divided in the past. In reality, the difference between Egyptians, Syrians, Iraqis, Saudis, Tunisians, Moroccans, etc., is no greater than the difference between Saxons, Bavarians, Prussians and Rhinelanders in the past, or even now.

29. Despite the ceaseless and pious protestations of Arab unity and the need to unite, it is absolutely impossible to achieve this on the basis of the present landlord-capitalist regimes. All the attempts to do this were doomed in advance to failure.

30. Ghadaffi's attempts to organise federations of Libya with Egypt, Sudan and Chad have always broken down. Likewise the attempt to unite Egypt and Syria collapsed ignominiously. Even the countries of the Maghreb (Algeria, Tunisia and Morocco) have been unable to unite. The war in the Sahara and the artificial state of Mauritania are indications of the impossibility of uniting even this area on the basis of the present regimes because of the vested interests of the capitalist, landlord, feudal and bureaucratic cliques.

31. The whole area has been poisoned by the Arab-Israeli conflict. Zionism serves as a malignant outpost of imperialism—and in particular of US imperialism. There is a dialectical irony in the role played by the Jews. In the past, because of persecution, many Jewish intellectuals played a radical, progressive and revolutionary part. The majority of Jewish workers were associated with socialism and the revolutionary cause. Now, the reactionary role of the Zionist military state in the Middle East—the strongest military power of the area and an ally and tool of US imperialism—is plainly revealed.

32. They support every reactionary regime in the world—the Shah, Pinochet, the South African racist regime, Mobutu in Zaïre, and all the monstrous dictatorships in Africa, Asia and Latin America. At the same time, they promise peace and prosperity to the Jews in a 'safe' land of their own. In fact they have turned this panacea into a nightmare. 'Peace' is turned into endless wars—six in forty years. Armaments swallow one-third of the budget. Trotsky warned before the Second World War that the setting up of the state of Israel would be a cruel trick played on the Jewish people. His warning has been borne out to the letter. The Zionist paradise on earth has turned into a hell.

33. The roots of the conflict lay in the attempt of the Jewish settlers to dispossess the Arab peasants from their land in Palestine. The failure of the Arab armies to defeat the Jews and prevent the setting up of the state of Israel in 1948 sowed the seeds of

revolution in Egypt and other countries.

34. Imperialism had to retreat from Egypt, Syria, Iraq, Lebanon, Palestine, Algeria and Morocco, but left behind it a legacy of national divisions of the Arab people. The Palestinians were pushed out in a new 'diaspora' of Arabs scattered throughout the Middle East.

35. This laid the seeds of the attempted revenge of the Arabs against Israel, translated into five wars. Each time the Arabs were defeated because of the social contradictions in their own countries, and the existence of a 'levée en masse' (a kind of nation-in-arms or citizens' army) in Israel.

36. The wars turned out to be a few days' titanic battles which the Israelis always won. US imperialism exerted pressure on Egypt when, after the death of Nasser and the 1973 war, Sadat turned to the right and established a 'peace' with Israel on the basis of Egypt's recovery of Sinai.

37. The dispersed Palestinians, unlike the Germans expelled from Eastern Europe after 1945, were not absorbed into the populations of the Arab countries—on the one hand, because of the very low level of economic development and prevailing poverty; on the other hand, because the existence of masses of Palestinian refugees in the camps provided the ruling Arab cliques with a convenient way of diverting the attention of the masses in those countries away from their own misery and oppression towards the Zionist enemy.

38. As a result of the blind alley in which the Palestinian people found themselves, the PLO (Palestine Liberation Organisation) expanded and was radicalised after the 1967 war. This could have played an important role in cementing together the forces of the Arab revolution, and achieved the emancipation of the masses in Palestine, if they had adopted Marxist policies and tactics. Unfortunately they were mesmerised by the perspective of guerilla warfare, and, even worse, of individual terrorism. They did not raise class issues, either in relation to Israel, or within the Arab states, or among the Palestinians, but remained straitjacketed by nationalist and Stalinist ideas.

39. Originally they even toyed with the idea of 'driving the Israelis into the sea', although this line was toned down at a later stage. But the tactics of individual terror—indiscriminate assassinations and bombings carried out by small groups infiltrated into Israel, and against Israelis and even individual Jews abroad—were totally counter-productive.

40. They completely alienated the Israeli masses, pushing them firmly behind their own government. It was, in any case, a futile illusion to imagine that it was possible to tackle the most powerful and firmly-based military machine in the entire area by

means of pinpricks of this type, which merely served as grist to the mill of the Zionist ruling class.

41. The PLO leadership hoped to come in on the tanks of the Arab rulers in a joint military victory over the Israelis. This was doubly false because US imperialism would never have permitted the defeat of its most important ally in the region. An outright military victory over Israel by these means was thus always out of the question.

42. In order to carry out this tactic, the PLO subordinated itself to alliances with all the Arab ruling cliques, accepting subsidies from the most reactionary governments of Saudi Arabia and the Gulf states. But he who pays the piper calls the tune! The Palestinians were reduced to fighting exclusively on the basis of bourgeois-democratic slogans. Nor could they support or link up with the struggle of the Arab workers and peasants in the other countries of the Middle East.

43. Thus, the armed Palestinians in Jordan—the population of which is overwhelmingly Palestinian and not Bedouin—were stronger than the forces of the state. They could have overthrown King Hussein and taken power. If the Palestinians had been prepared to take power in Jordan, and then make a revolutionary class appeal to the rest of the Arab world and to the Israeli masses, then the whole of the Middle East could have been transformed. Instead, they allowed Hussein to gather his forces, armed by the imperialists, and, in 1970, crush the PLO in blood, expelling them from Jordan.

44. It was in this atmosphere that the Black September organisation was formed, representing the most blind and futile kind of individual terrorism.

45. After the Jordanian debacle, the PLO moved to Lebanon, where the same process was repeated. The existence of a formidable force—what amounted to an actual Palestinian army—in the Lebanon gave a pretext to the Maronite reaction to begin a struggle which resulted in the civil war. Once again there existed the possibility of the victory of the leftist forces which could—if armed with the program of socialist revolution—have transformed the whole situation in the Middle East.

46. But, because of their links to bourgeois and feudal reactionary states, the PLO leaders had no perspective of a socialist revolution. Their ties with the Soviet and Syrian bureaucracies only confirmed them in this blindness. Their policy led to an impasse. The consequences have been the unending nightmare of civil war, foreign military intervention, and the virtual destruction of the Lebanon. The break-up of the country, and the intervention of Syria in the situation, combined with new acts of individual terror within Israel, gave Tel Aviv the excuse to embark upon its invasion of the Lebanon.

47. The country has been virtually partitioned between the Druze, Shia, Sunni and Christian enclaves, with Syria occupying one large chunk on its borders and Israel occupying another big area on its frontiers. The forces of the PLO have been scattered, and the organisation riven with violent splits.

48. In this way, the approach taken by the PLO towards Middle Eastern politics has led to one disaster after another.

49. The policy of the Arab rulers, blinded by their own vested interests, has likewise been disastrous. After the 1948-9 debacle, they forced the emigration of a million Arab Jews (who previously had not been Zionist), delivering them into the open arms of the Zionist reactionaries. Despite their second-class status within Israel, the Arab Jews have provided important reinforcements to the extreme Israeli right.

50. The PLO, subordinated to the feudal-bourgeois forces in the Arab world, never had a hope of rallying support among these or any other Jews. For the same reason they cannot mobilise a revolutionary movement among the Arab masses.

51. Not only do the Arab ruling classes use the Palestinian question as a lightning-conductor, to divert the social tensions in their own countries. They have also used their support for the PLO as a convenient screen to cover up their own crimes. At the same time the nationalist policies of the PLO leaders are required by the Arab rulers in order to separate the Palestinian workers and peasants from their class brothers and sisters. Where the Palestinians work in other Arab countries, they are organised in different unions to the workers of the countries concerned.

52. The only alternative to this policy would be a Marxist, internationalist policy, based on linking the liberation struggle of the Palestinians against Zionist and imperialist oppression with the Arab Revolution throughout the Middle East. To conduct a successful war against Israel would itself require that the struggle be placed firmly on a social basis. If it remained a merely 'national' war, it would only serve to push the Israeli masses behind their rulers.

53. The Israeli rulers were a million times more shaken by the 1982 mass movement on the West Bank than by all the 'military actions' of the PLO put together.

54. Israel's brutal policy on the West Bank is one of imperialist annexation. Using the religious obscurantism of extreme Jewish orthodox sects, they have planted settlers in what they claim is Israel—on the grounds that 2 000 years ago it formed part of the Jewish state! Thus the Israeli masses are increasingly entangled in the policies of imperialism.

55. The only viable policy and perspective for the PLO would have been based on the organisation and arming of the Arab masses on the West Bank and of the Palestinians within Israel, and then a class appeal to the workers of Israel and the whole Middle East.

56. Instead of working patiently and systematically to prepare and develop a struggle on these lines, the 'practical' empirical policy of the PLO led to disaster and destruction—first through defeat at the hands of the Israeli army, and then through the split in the PLO itself, aided and abetted by their Syrian 'allies' who aimed to turn the PLO into an obedient tool of Damascus' foreign policy.

57. Having started out with implacable criticism of US imperialism, Arafat (who nevertheless based himself on the hand-outs of the agents of the USA in the Middle East), then proceeded to effect a 180-degree somersault. He sought to do a deal with King Hussein, the organiser of the massacre of the Palestinians in 1970! Even if this had been successful—and that is almost inconceivable—this would only have led to the setting up of a puppet state on the West Bank which would have been subordinate to Jordan, or Israel, or to the USA, or to all three. It would have been completely unstable and could not have solved any of the problems of the Palestinians.

58. It is clear that the Israelis are pursuing a *de facto* annexation of the West Bank and that US imperialism—if only reluctantly—will be obliged to back Israel, as their one firm anchor in the Middle East. Whoever wins the next election in Israel, the annexationist policy on the West Bank will go ahead. The only difference is that it may assume a more 'creeping' character. Even without annexation, however, Arafat's manoeuvre was still-born because it was immediately rejected by the Palestinian National Council. This gave Syria the opportunity to move in and take advantage of the split to help to crush the forces remaining loyal to Arafat in the Lebanon.

59. The PLO, deprived of a genuine armed base in the Middle East, is now completely defunct as a serious fighting force. The remnants in the Lebanon are now really instruments of Syria, firmly held in check by their masters. Even the 'Jordanian option' has faded away. The USA has once more changed its policy. Hussein is afraid to push too hard on this front, since he feels himself to be shaky in Jordan itself. Meanwhile, all these disasters have had a demoralising effect on the Palestinian masses in the West Bank, Jordan, Gaza and Israel. That is the result of the 'practical' limited policy of nationalism and Stalinism in contrast to the allegedly 'utopian' and 'impractical' policies advocated by Marxism!

60. The movement of the masses in the countries of the Middle East has provided many revolutionary

opportunities in the past, and will provide many more in the period ahead. A victorious socialist revolution, leading to a workers' democracy in any major country of the region, would put the Zionist rulers of Israel completely on the defensive against the Palestinian and Israeli working class. The workers of Egypt, Saudi Arabia, Algeria, Iraq, Syria, etc., have the key to the Middle East in their hands. The Israeli working class is another key. But it is impossible to appeal to any of these workers—particularly the Israeli workers—along nationalist lines.

61. The argument that the Israeli workers are completely reactionary is shown to be false not only by the opposition that developed against the invasion of Lebanon, but also by the recent wave of strikes. Mass demonstrations, demands for peace, for withdrawal from the Lebanon, etc, show that the Israeli working class is fundamentally no different from any other working class.

62. The only thoroughly progressive class, in the Middle East as elsewhere, is the working class. In colonial, semi-colonial and ex-colonial countries, the tasks of the national and bourgeois democratic revolutions can only be carried out by the working class.

63. The bourgeois are incapable of carrying out a thorough transformation or abolishing the remnants of feudalism. Neither can they conduct a serious fight against imperialism. But not only this. The national state is outmoded and reactionary. Although the gaining of independence by the former colonies was a tremendous step forward, nevertheless it is an empty gain because of the economic domination of the world by the great imperialist powers and multinational monopolies. All these states—large and small—are linked through their economies to the world market which holds them in thrall.

64. Not a single country of the Middle East can solve its problems alone. Even the national unification of the Middle East into a socialist federation—which would represent an enormous historic conquest and give a titanic impulse to the development of the productive forces in the area—would not be a complete solution. Only the world socialist revolution could finally solve the problems.

65. The virtual partition of the Lebanon between Syria, Israel and the different religious factions and militias shows precisely that nominal independence is treated as a fiction when the vital interests of the great and even the lesser powers are affected. Nonetheless, the national feelings in the area are so strong that (partly under the pressure of its own people) Israel has been forced to beat a partial retreat. At the same time, the Lebanese events mark a partial defeat for imperialism. The US and other imperialists were compelled to carry out an ignominious retreat. However, Beirut and the rest of the Lebanon is in ruins. It is a frightening picture of the devasta-

tion of modern war, even when conducted with conventional weapons.

66. The re-entry of the working class onto the stage of history is shown by recent events in Morocco, Tunisia and Egypt. There have been powerful revolutionary movements of the proletariat in the countries of the Middle East in the past. Saddam Hussein and his clique only succeeded in seizing power in Iraq because of the failure of the Stalinists (who were the leaders of the proletariat) to carry the democratic revolution to a conclusion—which inevitably would have entailed the transition to the socialist revolution. The same process took place in the Sudan.

67. That there is no 'middle way' between the socialist revolution and barbarous reaction is clearly shown in the Sudan. The consequence of the failure to carry through the socialist revolution is that Nimeiri has carried reaction to the point of aping the worst features of the religious obscurantist fundamentalism of Zia's Pakistan and Khomeini's Iran.

68. The black population in the south have revolted against the regime's monstrous policies, plunging Sudan into civil war which might result in the break-up of that country. Nimeiri's regime is doomed. It may well collapse even before the fall of Khomeini and Zia.

69. There is a possibility of a chain of disintegration affecting all the countries of the Middle East, under the unbearable pressures of imperialism. Living standards are falling, as a result of the rapacious economic exploitation of the advanced capitalist countries. It is the same crisis that affects the whole colonial world: a total incapacity to solve the crisis on the basis of capitalism.

70. Alongside the incapacity of the bourgeois, we have the equal incapacity of the Stalinist parties to show a way out. An additional factor in this area is the terror of the Moscow bureaucracy of upsetting their relations with imperialism if more countries in the Middle East were even to take to the road of proletarian Bonapartism like Syria did. After the 1967 defeat of Egypt in the 6-day war with Israel, when Nasser suggested moving towards a total transfor-

mation of Egyptian society, Podgorny was sent from Moscow to make sure that this did not take place. Such a turn would have upset the delicate relations between Washington and the Moscow bureaucracy. Without the perspective of world revolution, the bureaucracy retreated and paved the way for the reaction of Sadat and Mubarak, thus once again demonstrating that there is no half-way stage between revolution and reaction.

71. Without the perspective of the world socialist revolution there can be no Marxist policy on a national basis. Instead, we have the national and reformist degeneration of the 'Communist' parties, not only in the metropolitan countries, but in the colonial and ex-colonial world as well. As a consequence, all the latent national, social and religious contradictions provoke the disintegration and putrefaction of the whole area.

72. There is an absolute pauperisation of the masses in Egypt, Sudan, Morocco, Tunisia—in fact, the whole area. The contradictions are piling up. The entire Middle East is strewn with social dynamite. The danger of revolutionary explosions like that in Iran hovers like a storm cloud over all the countries of the area. In the decades since independence, not one of the basic problems has been solved. The only solution lies in Trotsky's theory of the permanent revolution.

73. The unity of the Arab nation can only be obtained by the coming to power of the proletariat in all these countries—which would be an immediate prospect with the victory of the proletariat in any key country of the area and a democratic socialist regime like that of October 1917 in Russia. The solution lies in a Socialist Federation of the Middle East, with autonomy for the Kurds, Lebanese Christians, the blacks of Southern Sudan, the Saharans, and also for Israel within the framework of the federation. The Palestinians, in such a framework, would have the right of return, if they so wished, to the West Bank and Israel proper. The population of the West Bank and Jordan would be re-united, as an autonomous state of the federation, with the other Palestinians in Jordan, economically and socially linked through fraternal agreement with Israel.

North America

1. The United States colossus, with its economic appendage in Canada, is still perhaps the most decisive economic and political area of the world. Despite a certain decay and weakening of its economy the USA remains dominant in the world. It is militarily, economically, politically and diplomatically the mightiest capitalist power in the world.

2. In the mid-19th century Marx found in Britain the best mirror of capitalism, the country where capitalism had then been developed to the highest extent. Now North America, and particularly the United States, is the mirror which reflects the blind alley in which capitalism finds itself at the present time. The economy becomes more and more parasitic. Industrial production is run down and there is a switch from industrial production to services. The boom has seen a whole rash of small restaurants, small businesses and small one-man firms develop which will collapse immediately in the first really serious post-1945 crisis of capitalism. In the epoch which lies ahead a new slump on the scale of 1929-1933 is inevitable. The insanity of the economy of the United States, the strongest industrial power in the world, is shown by the fact that 15 times more people are employed in the fast food business than in the steel industry! There has been a steep fall in the production of the basic commodities of steel, coal and machinery.

3. The artificial boom created by the Reagan administration, through record expenditure on arms and steep cuts in the taxes on the monopolies and the rich, has caused record budget deficits and a record deficit in the balance of trade. This is the reason for the unease and worry among the serious strategists of the ruling class at the situation that exists in the US economy at the present time. The world bourgeoisie is alarmed at the policies which have been undertaken by Washington. While Reagan and the employers have used cuts in social security and the fear of mass unemployment to cut the standard of living of the masses, total state expenditure has risen in the United States resulting in massive budget deficits. This huge production of fictitious capital will, after some delay, result in enormous inflation.

4. During the slump of 1979-82 there was a

massive attack on the standards of living, rights and conditions won by the masses in previous decades. The so-called 'give back' wage contracts which the union bosses agreed to, meant that there were actual cuts in wage rates and in holidays, a worsening of conditions and a general speed-up.

5. The stage is now set for a counter-offensive on the part of the US proletariat as the economic situation changes. This was indicated by the massive strikes of the Greyhound bus workers and other sections of the workers. Other possible strikes loom ahead in the immediate future, including the automobile workers. The US 'boom' which began in 1983 may possibly extend into the early part, or even through, 1985 and have a widening effect in most of the other developed capitalist economies.

6. The delirium of US imperialism is reflected in it having record budget deficits while cutting taxes for the rich—tax cuts which have been partially paid for by cuts in welfare payments and the social services. A similar campaign has been waged by the bourgeoisie internationally, even where these services and welfare payments are on a rudimentary basis in the ex-colonial and semi-colonial areas.

7. Like most of the Presidential election victories of the different parties in the USA, Reagan came to power on a programme of sound budgets, tax cuts and sound money. The crisis of the capitalists is indicated by the fact that the opposite programme was adopted. While there have been steep cuts in capital expenditure by the state, an enormous part of the budget has been devoted to arms expenditure. A record arms budget has been developed over a period of 5 years. In 1985 alone, Reagan is proposing to spend \$305 billion in wasteful expenditure on arms, which will mostly go onto the scrap heap. This is partly because of the rapid obsolescence of planes, tanks, guns, atomic weapons, etc., which takes place in the modern period. A great part of the scientists of the USA, and indeed of all the advanced capitalist countries, devote most of their time and energy to developing more and more devilish means of destruction. One result is that the weapons are hardly produced before they become immediately obsolescent.

8. At the present time there is an increase in the expenditure on capital equipment in US industry, yet

this is still far below the record levels that were reached in the past. Investment will not be able to sustain the boom to any great extent, and that means that the boom cannot be long lasting.

9. The strategists of the ruling class are uneasy about the tactics that have been adopted by Reagan. The burdens of high US interest rates are loaded on to the US's capitalist rivals, thus stunting the level of the 'boom' in these countries, and have become an intolerable burden on the underdeveloped countries of the world.

10. Paradoxically, for a whole period the dollar rose on foreign exchange markets in spite of 'unsound' policies. That shows the madness of stock exchange speculation and high finance. Under 'normal' conditions there would have been a flight from the dollar. But the dollar remains the principal medium of international trade and the US economy is still the strongest in the world. Because US interest rates are high, money from the rest of the world has flowed into the United States. This has forced the rivals and 'allies' of the United States to raise interest rates in order that there would not be a flight of capital from their countries. Of course this will not last indefinitely. As the crisis deepens in the United States, as the deficit in the US balance of payments and budget increases, inevitably there will be a flight from the dollar, though possibly after some delay. This process already showed signs of beginning in early 1984. This has made Congress force Reagan to agree to some cuts in arms spending and possibly in the budget deficit—although whether this will really be effective remains to be seen. It is unlikely to have much effect and thus the deficits will increase further.

11. While posing as a monetarist, Reagan adopted Keynesian policies, but with a difference! Welfare, health, housing, construction, food and other services to the poor were cut; handouts were given to high tax payers and monopolies and arms spending was boosted.

12. In the richest country in the world, the capitalists are moving from reform to counter-reform, thus confirming that this is the pattern for all the developed capitalist economies of the world. In the richest country in the world, whole sections of the proletariat have been reduced to pauperisation and compelled to go begging to soup kitchens simply to keep alive.

13. The increased profits resulting from the raising of production to 80% of capacity in manufacturing industry, has not been followed by large scale new investment, as was the experience in previous booms. That means that by 1985 or 1986 probably there will be a collapse of this boom. But the most likely result will be a collapse of the boom in the early part of 1985. This is because a consumer boom that does not result in new investment rapidly exhausts the possibilities of expansion. While massive surplus

capacity exists, the industrialists only replace old worn-out equipment, but do not increase their stock or their capacity to produce more goods.

14. In fact, in all the industrial capitalist countries, including the United States, there has been a gigantic destruction of productive forces to limit 'over-capacity'. This marks the end of the relatively progressive role of capitalism during the upswing. It has become a huge fetter on the development of the productive forces, especially in the United States. This is despite the growth of the most modern industries, like micro-electronics and computers and information against a general background of decay in manufacturing industry.

15. On the surface it would appear that 'Reaganonomics' has defied economic laws. In reality it is only the power of the US economy and the apparent stability of the US state that has led to an inflow of money to the USA because of high interest rates. There is the beginning of a panic and a fall in the value of the dollar. The Federal Reserve Board will be compelled to raise US interest rates once again and this will have the effect of cutting down the boom. Reagan is anxious that this should not take place this side of the election in November, and will strive by all means to hold the situation as it stands now up to the election. But if a panic starts, they may be compelled to take measures even before the election. If this happens that would cut short the frail US 'boom' and have its effects throughout the capitalist world.

16. Even an economy as powerful as that of the United States cannot flout capitalist economic laws with impunity. Inflation will take off towards the end of 1984 or in 1985, possibly towards 8% or even 10%. The huge amounts of fictitious capital spent on armaments and the budget deficit plus the increasing trade deficit will take their toll. The speculators, despite high or higher interest rates, will withdraw their cash when the fall of the dollar and economic activity begins. With some delay the consequences of steep budget deficits will inexorably take their toll. This will force the US government to change course through the pressure of the banks and finance capital. But, whatever economic policies are adopted, there will never again be a return to the long economic upswing of the post-war period.

17. Only an enormously rich economy like that of the US could have succeeded for a short period, despite the 'unsound' policies adopted, in maintaining a 'boom'. The 'Socialist-Communist' government in France was faced with rapid inflation within months of going for a policy of expansion through budget deficits. The pressure of world finance was sufficient to force Mitterand to reverse his policies.

18. US imperialism is the world policeman. Reagan wishes to maintain this position—that is why he has

enormously expanded the US armed forces. In Central America, the Middle East, Asia and Africa he wishes to pursue a policy of strength. But even the giant of US imperialism has not got the strength to prop up capitalism in the whole of the Western world, especially in the underdeveloped continents. The high expenditure on arms is sapping the strength of the US economy without getting the results. It has prepared the way for social explosions in Central and Latin America, Africa and Asia and within the United States itself. The debilitation of the United States will produce consequences both at home and abroad.

19. It is clear that, if re-elected, Reagan will try to find some pretext to directly intervene militarily in Central America. At the moment US imperialism is playing a game of cat and mouse with Nicaragua. Unfortunately the Sandinista regime, by trying vainly to conciliate US imperialism, is really playing into its hands by not completing the overthrow of capitalism. It will be impossible to remain half way. The continued unfolding of the revolutionary process in Nicaragua in and of itself threatens all other regimes in Central America. This is something the US imperialists are not prepared to tolerate. The mere maintenance of a capitalist economy in Nicaragua will not prevent direct military intervention.

20. Now the Iran-Iraq war threatens to spill over into the Gulf states. This the USA and other Western imperialist powers cannot tolerate. But direct military intervention by imperialism, either in Latin America or the Middle East, would have consequences for the entire world, not least for the workers of the USA. Already it was the pressure of the masses which forced the retreat from Lebanon. Now US imperialism has incorporated within its world spheres of influence powder kegs and dynamite. The experience of Vietnam had a scarring effect on the US masses; it has entered into their consciousness. New wars of intervention would have enormous political consequences on the world and in the USA itself.

21. The success of Gary Hart in the early primaries in the campaign for the Democratic nomination for the US Presidency was because people are looking for 'something new'. It is this feeling also, along with the widespread discontent and frustration among the blacks, which Jesse Jackson has been able to exploit during the primaries. There is enormous dissatisfaction with the 'old politicians', which is a symptom of the malaise of capitalism in the USA. Both the Democrats and the Republicans in reality are discredited in the eyes of the mass of the US workers.

22. The AFL-CIO backed Mondale, for the first time declaring which candidate it supported before the primaries had begun. This was in desperation to ensure that if a Democratic President was elected he would not behave in the way in which the last Presi-

dent, and the Presidents before him, have behaved to organised labour. They are hoping that Mondale would be 'indebted' to them. However even if Mondale receives the Democratic nomination and then defeats Reagan, he would merely be using the unions as a stepping stone and then proceed to step upon them.

23. To a certain extent, support for Hart was because the media does not want a President that is indebted to the organisations of the working class. Consequently they tried to build up Hart as an alternative to Mondale, at least for the period until the Democratic Convention. If Hart won the nomination the overwhelming majority of the media, which is basically conservative, would then turn on him in the same way they have turned on other Democrats, in an attempt to ensure the election of Reagan for a second term. However the outcome of the election is, of course, not at all a foregone conclusion.

24. There have been massive strikes as the boom has emboldened and given confidence to the US working class. This has always occurred following a recession in which there has been an offensive by the employers against the wages and conditions won by the working class in a previous period. It was in this way, after the massive depression of 1929-1933, that the CIO was built in a wave of enormous strikes and battles, which are a model of the processes that will take place again in the future.

25. Enormous pent-up frustration, resentment, anger and fury is developing within the working class. This is just the beginning of the re-awakening of the proletariat. There is an enormous contradiction being developed between the 'business unionism' attitude of the union leaders on high salaries, and the conditions and wages of the rank and file. 'Business unionism' regards itself as a branch of the bourgeois state and bourgeois society. The US labour leaders do not have, in reality, policies independent of the bourgeois, but largely espouse those of the 'liberal' Democrats. They maintain the outlook of, and support for, the capitalist system both politically and industrially. That is why, in the slump, they advocated concessions by the working class in order to ensure profitability of manufacturing industry.

26. As Trotsky once remarked, the most conservative section of US society are the union leaders, the heads of the AFL-CIO. That has become even more true as a result of the 1955 amalgamation of the AFL and CIO into one federation. This was done on the basis of the CIO leaders' capitulation to the extreme right-wing leaders of the AFL. The union leaders cannot grasp that they are in a different situation today and that easy concessions are no longer obtainable. The system is sick, both politically and industrially.

27. The best election result from the point of view of the working class would be a victory of the

Democrats around Mondale—not from the point of view of gaining concessions, which would be purely illusory, but to demonstrate the complete incapacity of the Democrats, even with massive union backing, to solve the problems facing the working class. It could lead to a discrediting of the union leaders who banked heavily, both in money and support, on Mondale and the complete undermining of the policy of class collaboration and support for the Democrats. The support for Hart shows in a distorted fashion the enormous discontent within the masses, which has not had a political outlet up to the present time.

28. In the United States also there will be sharp turns and sudden changes. The fact that capitalism is in a blind alley will begin to seep into the consciousness of the masses. A really serious slump will see the level of bankruptcy reaching a height that it has never had in the past. Even some of the giants will go bust under conditions of a slump of the character of 1929-1933. Such a massive crash is inevitable, if not in the immediate period ahead, certainly towards the late 1980s or the beginning of the 1990s. The present unemployed reserve army of labour will have swollen to massive proportions of double or even treble the number of unemployed at the present time.

29. The nebulous policies of Hart, the so-called 'new' policies, have no real basis. The support which Hart has gained reflects a wish for an end to the arms race and some sort of agreement with the Soviet Union. The masses are terrified at the possibility of a nuclear holocaust. In practice Hart would be no more able than Mondale or Reagan to deliver the goods. Nevertheless the programme of Hart has a powerful appeal for the masses alarmed by the danger of nuclear war. It has special echoes among the middle-class and working-class women, who have no desire to see their menfolk, homes and all life blotted out in nuclear catastrophe. However, Hart is nevertheless a reactionary. His record on union issues in Congress and his present attitude to the unions, attacking them as a 'vested interest', shows his basically anti-working class attitude.

30. There is an accumulation of contradictions in US society. There can be sudden and apparently amazing changes. Labour will take giant steps in the organisation of the South and in the unorganised industries. The workers, blacks, Latinos, youth, unemployed and the small farmers will begin to understand that on the road of capitalism there is no way forward.

31. In the epoch of the economic upswing undoubtedly it seemed as if capitalism had a permanence, partly because of the 'upward mobility' especially seen in US society. There was the possibility of escape from the ranks of the working class for the more energetic and 'enterprising' members of the working class. Those who were prepared to step on their mates and climb up on their shoulders could find a way out

of the morass of capitalism. The mass as a whole had more comfortable living standards than ever before in the history of the US. Now, for more than a decade, the standard of living has either stood still for the mass of the population, or even declined: real hourly earnings fell by 11% between 1973 and 1982. In the short period ahead a new recession, probably much deeper than the recession of 1979-1982, will take place. This will have enormous consequences on the psychology of the working class. There can be abrupt and sudden changes in the political situation. With amazing speed the unions might be compelled to move in the direction of forming an independent party of Labour. Before the working class will take this political step however there will be enormous upheavals, gigantic battles which will make the struggles of the 1930s seem pale in comparison.

32. The workers of the United States are not stupid. In fact they are among the most enterprising. The main reason why the previous movements towards a labour party collapsed after the Second World War was the world economic upswing, which apparently gave an unlimited vista of increases in the economy and living standards for the US proletariat, particularly its organised section. The US workers for a period gained the highest standards of living in the world. Now they have been surpassed by the standards gained by the West German and Swedish workers (although living standards in all these countries are now declining). US industry's loss of complete and unchallenged hegemony in the world is shown by the enormous trade deficit and the screams for protectionism by US industrialists (including those in steel, auto, the main machinery and heavy industries and even the new industries of computers and micro-electronics) are an indication of the enfeeblement and decay of the USA. Even in the boom the US ruling class was reluctant to give concessions to the working class. That means that tomorrow the class struggle will assume a more open scope at a level never reached before in the USA. Already in British Columbia, Canada, an attempt to introduce brutal and far-reaching anti-union laws and cuts provoked a near general strike, which forced the provincial government to withdraw most of this legislation. That is an indication of the process which will take place throughout North America.

33. One of the consequences of the boom has been the further degeneration of the CPUSA on the one hand, and of the petit-bourgeois sects, like the now neo-stalinist Socialist Workers Party, on the other hand. In spite of enormously favourable opportunities to develop in the last 20 years, they were utterly incapable of taking advantage of them. They will remain doomed to impotence and to decay.

34. The proletariat has moved into all sorts of blind alleys and mistakes in politics. These will continue for a period, but the entry onto the road of political independence on the part of the proletariat cannot be long delayed. The US working class can

in the space of half a decade, or a decade at most, achieve what it took the British working class fifty years to do—build a mass labour party. Beginning with only class independence, very rapidly they would be compelled to adopt a socialist programme. There is a possibility, if the movement fails in Europe and the other continents, that the torch of struggle would be taken up by US labour and they can take the lead of the world labour movement in a very short period of time.

35. Of course the failure of reformist governments in other countries, especially Britain, has increased enormously the scepticism in the ideas of socialism. The media have never tired of showing the complete bankruptcy of the reformist 'Socialist-Communist' government in France. In addition to this there has been the horrible caricature of 'socialism' in Cuba, the Soviet Union, China and the other areas where Proletarian Bonapartism has succeeded in establishing itself. These bureaucratic dictatorships have no attraction to the US workers. But this outlook of the workers cannot be maintained indefinitely. The main factor was the very high standards of living gained in the booms of the 1940s, 1950s, and 1960s. Capitalism seemed to guarantee ever-rising standards of living to the masses. Now that capitalism has reached an impasse and can no longer deliver the goods, there will be an inevitable change in the consciousness of the US proletariat.

36. In reality capitalism as a means of developing productive forces has failed completely. But there is always a lag in consciousness, taking account of the objective situation. This applies not only in the USA but on a world scale. However the dynamics of US society, and the dynamics of the powerful US proletariat, are such that they can catch up with the other sections of the world proletariat very quickly. Marxism explains that conditions determine consciousness and therefore in the environment which exists in the United States it is inevitable that more and more workers will become conscious that only by a change of society can they achieve their aims. There will be sharp leaps and abrupt changes in the consciousness of the workers. With many delays, the

objective situation will develop in the subjective consciousness of the working class as a mass.

37. The independent class consciousness of the US proletariat will move towards socialist consciousness. The US workers are fresh. They will take over the ideas of socialism with enormous enthusiasm. There is the possibility that they can overtake and even outstrip the European workers. In Europe, after decades and even generations of existence, the reformist organisations of the proletariat have become an enormous obstacle to the proletariat taking the road to the socialist revolution. This will not be so in the USA. A reformist party bureaucracy will not have time to crystallise in the same way as has happened with the Social Democratic and Socialist Parties of Europe. The US working class will inevitably take to the road of class-consciousness and then of socialism. When they take to the road of independent class politics and socialism it will change completely all the factors in the entire world. It is theoretically possible that the US workers could be the first to take power and organise a democratic workers' state. This of course would mean the collapse of capitalism and the end of Stalinism on a world scale.

38. But then there is no lack of possibilities in Asia, Africa, Latin America, Europe, Japan and the United States for the proletariat to move to take the fate of society into its own hands. The only thing that is certain is that there will be competition to see which continent will first succeed in achieving the socialist revolution. While at the present time it would seem that the honour of being in the vanguard lies with the workers of Latin America, the workers of Europe, Asia, Africa and particularly of the United States can very quickly take their place in the ranks. However, wherever the movement takes place, once the working class succeeds in taking power in one important country of the world and establishing a regime on the lines of that of Lenin and Trotsky in the Soviet Union's early years, but on a higher economic level, that would have an immediate effect on the workers of the rest of the world, particularly on the workers of the United States.

The Stalinist states

1. The victory of the Russian Revolution took place over 66 years ago. The Russian bureaucracy has succeeded in maintaining itself in power for more than 60 years. The regime has had time to crystallise out into a 'stable' pattern. In the Eastern European countries it is nearly four decades since the Stalinist bureaucracies established themselves. In China it is nearly 35 years, and in Cuba 25 years, since the revolution came to power in a distorted form. That is quite an extended span of time, when one considers the upheavals and movements that have taken place in most of the rest of the world during those years.

2. The bourgeois and their flunkies in the media pretend that the longevity of the bureaucracies' rule in the Bonapartist workers' states is because of their systematic terror and repression. However this is clearly false. The terror in Argentina, Chile, Greece or in other countries did not succeed in stabilising those Bonapartist military-police capitalist states, or prevent their collapse. Marxists long ago explained that even with the aid of the military-police apparatus, it is not possible to hold the masses in check for an extended period of time. In reality the relative stability of the regimes of Proletarian Bonapartism is not because of their terror, but because they were able to develop the productive forces at a far faster pace than capitalism.

3. Capitalism again has become an absolute fetter on the development of production, but the Stalinist states for a whole historical period were relatively progressive. In China, and in some of the more backward areas of Asia and Africa, these regimes are still relatively progressive, although that period also seems to be drawing to a close at the present time. China still manages to achieve high figures of annual growth in its Gross National Product. Recent figures are about 8-10% per annum, but even this is small in comparison with the figures obtained by the Soviet Union in the 1930s with its first five-year plans. This increase is higher than the capitalist powers can achieve at the present time and equal to what capitalism accomplished at the height of the world economic upswing, except possibly for Japan.

4. Marxism finds in the development of the productive forces the key to the progress and development of society. Now in Eastern Europe and Russia, we see that the period when these regimes were 'relatively progressive' in comparison with capitalism, in spite of the Bureaucracy's arbitrary

rule of terror and repression, has drawn to a close. But these regimes were only 'relatively' progressive because, with democratic workers' control and management of industry and the state, it would have been possible to get far higher figures of production, without the terror, waste and mismanagement of Stalinism. The Stalinist states were 'progressive' only in comparison with capitalism and because, by developing the productive forces, the Stalinists were strengthening the force that will carry through the political revolution, the working class.

5. Now in Eastern Europe and Russia the relatively progressive features of the system are drawing to a close. During the last few years, the actual figures of the increase in production in Russia and Eastern Europe were lower than the figures capitalism achieved during booms, although they still remain higher than capitalism in the period of slumps.

6. The successors of Krushchev have had to abandon the aim of 'catching up with and outstripping the capitalist powers'. Despite Krushchev's boast, that by the 1980s Russia would have outstripped the United States in productivity of labour and output, they have not succeeded in doing so. While output is perhaps now 70-80% of that of the United States, the productivity of labour is far lower. But it is precisely the productivity of labour that determines the change from one regime to another.

7. However the bureaucracy in the Soviet Union has been compelled to abandon the idea of 'socialism in one country'—i.e. Stalin's idea of building up an autarchic economy. In fact, in order to resist those sections of the bureaucracy who still wanted to maintain this policy, Brezhnev was compelled to put in the Constitution that Russia participates on the world market!

8. The failure to catch up with capitalism, although enormously favourable factors made this theoretically possible in the post-war period, was because of the clogging influence of the bureaucracy on production. Bureaucratic rule is inefficient, incompetent, corrupt and utterly incapable of developing productive forces to the limits of their capabilities. The bureaucracy, from being relatively progressive, became more and more an absolute fetter on the development of society and production in the Soviet Union and in Eastern Europe.

9. At the same time, abandoning internationalism, the bureaucracy has to appeal to nationalism. That is why there has been the invention of different national 'roads to Socialism' wherever a bureaucracy has come to power. In Eastern Europe there has been no integration of the economies into a Federation to overcome the Balkanisation of the area. There has been no question of integrating the economy of these countries on an equal basis with the economy of the Soviet Union. In fact there is less economic integration between the European Stalinist countries than there is within the European Economic Community.

10. It would be of enormous benefit to production if there were one plan for the entire Eastern European area. But in reality it would have been impossible to have a socialist federation of Eastern Europe linked to the Soviet Union because of the bureaucratic rule and because of the contradictions it involves. Even within the Soviet Union itself, the bureaucracy has been absolutely incapable of organising and integrating the different republics together on the basis of one centralised plan. The lunacy of having a handful of officials in Moscow in control of the plan, with a hundred thousand building projects and a hundred thousand factories, has revealed the inadequacies and hopelessness of attempting to run a modern economy on the basis of bureaucratic rule.

11. If workers' democracy, rather than Stalinism, ruled the countries where capitalism had been overthrown, then one integrated federation extending from the Pacific shores of China to the Baltic, and the Black Sea to the frontiers of West Germany could have been created. Instead of co-operation and economic integration, there has been in reality something that could never have been conceived of in the past, and that is the outbreak of war between so called 'socialist' regimes. This abomination is an indication of the antagonistic interests of the nationalist cliques in control of Moscow, Hanoi and Beijing (Peking). China and Russia were virtually at war, with large numbers of casualties in the battles which took place on their common frontier some years ago. There was an actual war between China and Vietnam. Vietnam has invaded the deformed workers' state of Kampuchea. Incapable of being a beacon of peace, democracy, freedom and of economic construction, the Stalinist bureaucrats' military-police dictatorships have repelled and confused the peoples of the world by appearing to show that under what they call 'socialism' wars were possible.

12. The Stalinist regime has had enormous successes in the past: Russia now produces more steel, oil and coal (including lignite) than any other economy in the world. But as the economy developed, it more and more seized up in the bureaucratic stranglehold. Now the Soviet Union's growth rate is less than what capitalism achieved during the upswing. In the case of Japan, in some years at the height of the world economic upswing it achieved

growth figures of 17%. For Western Europe and the United States a figure of 8% per annum has been achieved in the period of upswing in the past. The fact that only with a special campaign did Andropov and his successor Chernenko succeed, only for a temporary period, in increasing the growth rate to 5% is an indication that the bureaucracy has now completely outlived itself. The continuation of bureaucratic rule means the possibility of economic stagnation in Russia.

13. Corruption, waste, mismanagement, chaos are the hallmarks of the bureaucracy everywhere. From time to time, 'anti-corruption' campaigns are waged by the bureaucracy, when the fruits of the method of state ownership and the plan threaten to be devoured by the rapacity of the ravenous bureaucratic managers of industry, the state and the military. The purpose of these campaigns is to maintain some check within the bureaucratic system against gross excesses which would jeopardise the bureaucracy as a whole.

14. The national question has not yet been completely solved, even in the federation of the Soviet Union. 'Great Russian' chauvinism and oppression of the Ukrainians, Georgians and other peoples of the Soviet Union by the centralising and reactionary bureaucracy is still evident. That explains why there was no attempt to draw in the other states where capitalism and landlordism were destroyed, in Eastern Europe or China, into a federation with the Soviet Union. Although Lenin had clearly anticipated such a federation by calling the first workers' state not Russia, but the Union of Soviet Socialist Republics. Even in the small republics of Lithuania, Latvia and Estonia, the national question is still an important factor in the attitude of these peoples. If the bureaucracy cannot solve the question in these former parts of the Russian Empire, even more so would it be impossible to absorb Hungary, Poland, East Germany, Bulgaria, and Romania.

15. These 'independent' countries were originally looted by the Moscow bureaucracy after the Second World War. Goods were sold to these countries at above world market prices, while the Soviet Union bought their products below world market prices. Now the situation has been completely reversed. The USSR now sells raw materials at below world market prices to the Eastern European countries. That is a crushing argument against the claim that the Soviet Union was 'imperialist' because it was abusing its position of domination and getting a surplus by the above means. Now when the trading advantage is with the satellite countries, it is a final argument against the idea that the Soviet Union is an imperialist state. No imperialist country has an arrangement of that kind.

16. However it is the relationship of these regimes with world capitalism that is the basis of the stability which they still possess. The masses in the Soviet

Union are haunted by a fear of intervention by the imperialist powers. The regime carefully and skillfully plays on this fear of intervention against the gains of the revolution. They have gone to the extent of arranging elaborate air-raid precautions, even though they would be useless in the event of a nuclear holocaust. But they serve as important reminders to the mass of the population of the dangers of war and the dangers of interventions.

17. The Russian regime can base itself on its enormous achievements in moving from the position of a semi-colonial country to the second world superpower. An additional achievement was its victory in the Second World War, which was largely, in Europe, a war between Germany (armed with resources of the whole of Europe) and the Soviet Union.

18. However the Stalinist regime in Russia has nothing in common with a healthy workers' state, except for the foundations of state ownership of the means of production. Socialism, if it had to have any meaning at all, would guarantee a higher productivity of labour than that achieved by any of the regimes of capitalism. In fact it is the basis of Marxism that one social system replaces another when the old can no longer guarantee the development of the productive forces, and when the new system will guarantee a higher productivity. Otherwise the overthrow of capitalism would be an unimportant episode.

19. The regimes in the countries of Proletarian Bonapartism are a horrible caricature of what genuine socialism would be. There is waste, chaos, incompetence, corruption and bureaucracy. At least in the Soviet Union this is partially masked by the enormous resources of the Eurasian land mass.

20. The local bureaucracy's different origins and its clear role as a parasite, explains the periodic movements of the workers in Poland, Hungary, Czechoslovakia and East Germany during the last three decades. The contradictions between the ostensible aims of the regime and the realities of bureaucratic rule are exposed more clearly in these countries.

21. However, the advanced layers of the proletariat must not be deceived as to the apparent stability of the regime within the Soviet Union itself. The terror of the bureaucracy at the General Strike in France in 1968 and, more recently, at the movements of the proletariat in Poland, was shown clearly. Brezhnev and the clique around him were terrified of the political revolution spreading to Russia and the rest of Eastern Europe had the Polish workers been victorious.

22. The inertia of the Russian workers was due to the world relations and the fear of intervention by the US and NATO imperialists. They point to policies of 'encirclement of Russia' by the forces of US imperialism, which has planes, men, guns, and bases in

the countries all round the Eastern Bloc. An additional factor has been the lack of an alternative in the West. The Russian masses see the degenerate Communist Parties which, however much they distance themselves from Moscow, nevertheless still praise the 'Socialist countries'. A very important factor also, is that in the countries where capitalism has been overthrown during the course of the post-war period, like China, Cuba, Ethiopia, Angola and other countries of Proletarian Bonapartism, they have constructed regimes in the image of present-day Moscow. On top of this, the Russian bureaucracy appeals rather to chauvinism than to the genuine internationalism of the early days of the Russian Revolution under Lenin and Trotsky.

23. There are no mass Marxist parties in the West which could evoke an echo within Eastern Europe and the Soviet Union. The Communist Parties of Europe and other parts of the globe have long ago degenerated into national and reformist parties, which have adapted themselves to the rule of capitalism in their countries. The mighty movement of proletarian internationalism created by Lenin and Trotsky is now turned into its opposite. The Communist Parties are firmly rooted in nationalist and reformist channels and that has an enormous effect on the psychology of the advanced working class in the Stalinist countries.

24. Although some of these parties have recently adopted a critical attitude towards the Stalinist regimes, they all accept that they are 'Socialist countries' and in fact argue that they are trying to construct similar regimes in their own country. Even the left reformist leaders in the Socialist parties and trade unions accept that what exists in Russia is 'Socialism'. The right wing of the Socialist parties and trade unions are critical only in order to alienate the Russian masses by taking a pro-capitalist stand. The right-wing reformists support their own ruling class's alliances with other ruling classes and seek to confuse the working class by equating 'communism' with Stalinist totalitarianism.

25. The Stalinist regimes have nothing in common with the fundamental principles on which the October Revolution was based. The four points of Lenin and Trotsky—1. The free election and organisation of Soviets; 2. No official to receive a higher wage than a skilled worker; 3. No standing army, but an armed people; 4. No permanent bureaucracy—have been turned into their opposite, with the construction of the most bureaucratic regime in the history of society.

26. Sixty-six years after the revolution, the workers are further away from control than they were at the beginning of the revolution when the economy was much more primitive. Now there is an economy of the most modern character. The bureaucrats could succeed when it was purely a question of building the basic infrastructure of society. But now a

sophisticated economy like the Soviet Union requires the control and the check of the masses. Without it, enormous red tape, bureaucracy, inefficiency, incompetence and stupid decisions mean complete seizing-up of the economy as a consequence. It is impossible to run a modern sophisticated economy on the basis of command from the top. Even the monopolies of the West are faced with waste, mismanagement and bureaucratic inefficiency. In the Stalinist countries these are multiplied by a complete lack of democracy and of criticism.

27. The Stalinist regimes move convulsively from crisis to crisis, from economic centralisation to de-centralisation to re-centralisation and so on. For a period the de-centralisation works and then they find that, instead of one bureaucracy, they have 16 or more bureaucracies and this makes the situation even worse. Turning to re-centralisation, this gets improvement for a short time and then the whole of production threatens to seize up again because of bureaucratic incompetence and the impossibility of controlling an entire economy on the basis of the decisions of a handful of people at the top.

28. Andropov's attempt to boost production by making scapegoats of the worst offenders in corruption at the top only produced small results. Andropov, significantly the former head of the KGB, used measures against the bureaucracy itself for the purpose of gaining support among the masses, and used the threat of action to tighten labour discipline, for example by campaigns against drunkenness and against those who take time off work to queue for the goods which are in short supply. But the effects of this can only last for a short period. Without the regime of workers' control and workers' democracy, corruption is absolutely inevitable. It will seep in again and reach the same heights as it did under Brezhnev, and before him Krushchev and Stalin. Already Chernenko has restrained the anti-corruption drive. Cleansing the worst excesses of the bureaucracy from time to time, particularly taking action against sections of the lower bureaucrats, has become part of the system itself. It cannot solve any of the problems of the economy.

29. From the viewpoint of a planned economy, democracy is as essential as oil to lubricate machinery. Under capitalism there is the check, or rather used to be the check, of the market. Competition is the spur to the capitalists themselves and at the same time acts as a means of checking price, quality, productivity and other important aspects of the production of commodities. Even under capitalism, the development of monopoly capitalism and state monopoly capitalism means that this is only very partially true at the present time. In a regime of complete state ownership, the spur of the market can only be replaced by the check of the masses. Healthy democracy is absolutely vital to any regime of state ownership, if it is to achieve its aims and get the maximum development of production on the

basis of the level of the productive forces at each particular stage.

30. Through the dominance of the working class, and in reality the entire population, every step of the plan is checked and controlled. Every workshop, every industry and the economy as a whole works on the basis of democratic planning. It is possible then for mistakes to be rectified and checked. The one-sidedness of the economy where the production of goods does not dovetail into the plan, thus resulting in waste and chaos, can be eliminated by this means. Democratic workers' control and management of the economy from this point of view is a vital necessity. Fewer mistakes will be made and these mistakes will be easily corrected. But the main basis of the plan must be the interests of the toilers and their standard of living. That would mean that they would take an interest in the quality of production and in the dovetailing of products with other factories and the plan as a whole.

31. The direct involvement of the masses in checking and acting in their own interests, cannot be replaced by bureaucrats at the top organising industry to get the maximum result. Each bureaucrat, each manager is only concerned with what he can get out of the plan. Therefore swindling and distortion is absolutely inevitable under a system of this sort. In order to achieve the target which has been set for them, they will produce goods that are not necessary, or of poor quality, so long as the figures of production can be met.

32. After 60 years of bureaucratic rule in the USSR there is now a massively powerful industry. This is not the consequence of bureaucratic rule, but rather in spite of it. It was built only on the basis of the advantages given by state ownership and a plan of production. Yet even after this enormous development, the economy and the state is further away from socialism than it was in the early years after the revolution. This is because, despite primitive industry and a primitive state machine, the Bolsheviks, under Lenin and Trotsky, attempted to implement the four conditions for workers' rule.

33. Lenin even declared that a wage differential of 4-1, which they were compelled to give specialists because of the situation at that time, was a 'capitalist' differential. The suppression of workers' democracy by the Stalinist political counter-revolution means that, despite the development of the Soviet economy and the country becoming more powerful and rich, there has not been a move towards equality or the withering away of the state, as was the intention of Marx, Engels, Lenin and Trotsky. On the contrary there has been a greater move towards inequality. Corruption devours a great portion of the product of the working class. The top bureaucrats live like millionaires in other countries. They devour more and more of the surplus produced by the labour of the working class.

34. The system was relatively 'progressive' when, in the early days of the Stalinist bureaucracy, they were introducing into Russia the achievements of modern capitalist industry from the West. Now, despite the USSR having more engineers, technicians and scientists than the USA, Japan and Britain put together, they are absolutely incapable of using the resources of science, technique and the labour of the working class to develop the productive forces to the limit of their capacity. The bureaucracy felt that it had a 'mission' at the time of the initial development of the productive forces, now they themselves uneasily feel that they are becoming more and more a parasite on production.

35. In the past the capitalists of the West could allow, under pressure, the granting of reforms like the democratic right of free speech, a free press, the right to organise, the right to strike and the other rights which workers' struggles over 150 years have obtained. They could introduce bourgeois democracy because of the scattered nature of industry and of productive forces. There were various centres of power. The bourgeoisie itself was split into various factions. Today bourgeois democracy remains the cheapest form of rule for the capitalists, because, with its control of the media and the pressure from parliament and the councils, etc., it is possible to keep a check on the state machine and on society as a whole. Although now, with state monopoly capitalism, the situation has changed to a certain extent, from the point of view of the convenience of the ruling class a bourgeois democracy remains the best system, even though it is being undermined by the capitalist crisis. It also has the advantage of presenting an apparently 'democratic' alternative to the totalitarian system that exists in the Stalinist states.

36. Fundamental reforms such as these are impossible in the Stalinist states, because the moment democratic rights were introduced it would mean the end of the privileged role of the ruling caste. Then the bureaucracy, the privileged layer of society, including the army, state, and party bureaucracy as well of course as the managers, would be entitled only to 'wages of superintendence' as explained by Marx. In the words of Marx, they would be entitled to a wage somewhat higher than the wages of the unskilled workers, but only for a temporary period. As the economy developed, the masses would move more and more in the direction of equality and the dismantling of the state. The state's main role in the transitional society between capitalism and socialism, is suppressing the old exploiters and the organisation of the economy and distribution. As society moved in the direction of socialism, the workers' state would gradually 'wither away'. But far from withering away, the state has assumed enormous proportions in the Soviet Union and the other countries of Proletarian Bonapartism. In Lenin's time, specialists and technicians who were members of the Communist Party did not get the differential of 4-1, but on the contrary they only received the

wage of a skilled worker. Today the 'Communist Parties' in the Stalinist states are not even workers' organisations: they are instruments of the bureaucracy to perpetuate bureaucratic rule.

37. Cynicism, drunkenness, indifference and fear are the lot of the workers as the facts of bureaucratic misrule percolate down to the masses. They have no say in correcting these abominations or the results of the stupidity, incompetence, greed, indolence and lack of foresight of the managers and state bureaucracy. These in turn are trapped into the meshes of the bureaucratic machine and plan. Without bribing other managers, they could not get the raw materials or other necessary things required in their own industry or factory. These 'fixers' work in the pores of Stalinist society. Although illegal, they are an absolutely necessary constituent of the system. The state, police and KGB turn a blind eye to these transactions. Occasionally they make an example of some manager who has turned himself into a millionaire too ostentatiously. This is to encourage caution in other bureaucrats.

38. Without the activities of these parasites, industry would seize up completely, as it would be impossible to obtain necessary materials. The blackmarket man is indispensable to smooth over the difficulties that the managers find in running industry. In return for a percentage he will obtain raw materials, food and all the essentials for the running of the economy. The KGB only act when it is essential to limit the illegal transactions of the managers to a tolerable level. The existence of corruption to an unheard of extent, the speculation in all sorts of transactions, prostitution, deprivation and want at one pole of society, while at the other pole the bureaucracy lives at the level of high society in capitalist countries, shows the rottenness of Stalinism.

39. Despite the difficulties, despite the fact that more and more the bureaucracy can feel itself as a hindrance on the development of production and the development of the economy, it is clear that they will not give up easily. No privileged class or caste in history has given up its privileges voluntarily. Consequently, even though the bureaucracy is becoming conscious of itself as an absolute fetter on production, it cannot give up bureaucratic rule. It fools itself into believing that this or that measure, this or that tightening up, will make the economy go forward again.

40. There is a swing not towards equality but towards greater inequality. The corruption prevalent from the top to the bottom of the bureaucratic system has always devoured a great part of the surplus produced by the working class. Now it threatens to absorb a greater and greater part of the surplus. Despite increases in living standards, the difference between the bureaucracy and the mass of the population has increased during the course of the last 60 years. The bureaucracy consumes most of its

share of the social product not openly but illegitimately through swindling and perks, special food, special houses, special villas in the countryside and so on. The top layers of the bureaucracy have raised themselves to the position of a new aristocracy.

41. Consequently the illusions of some writers and sectarians that the bureaucracy can 'de-bureaucratise' itself, is even more remote from reality than the reformist illusion that the capitalists can 'de-capitalise' their system. The vested interests of the state, party, military, industrial and the lesser bureaucracies stand in the way. Every section of the bureaucracy has its snout in the state trough. They will not give this up until they are compelled to do so. In reality it would be more difficult to get a completely peaceful transformation of society in the Soviet Union than in the capitalist countries of the West, even though in the one case it would be a political revolution and in the other case a social revolution.

42. The bureaucracy feels itself as doomed and searches frantically in all directions for a way out of the situation in which they find themselves. That explains their participation in the world market.

43. The peculiar law that the Stalinist bureaucracy can only rule by totalitarian means has been demonstrated over and over again. In Poland, for example, the moment that the workers moved into action, the bureaucracy was virtually suspended in mid air. Immediately the workers spontaneously began to put forward demands to limit the role of the bureaucracy in industry and the state, and to limit the stolen privileges which the bureaucracy had obtained. In a capitalist state, the workers do not challenge the profit system until they are moving towards overthrowing the system itself. While seeing the monstrous and extravagant expenditure of the top layers of capitalist society, and while enjoying democratic rights, workers nevertheless do not challenge it in 'normal times'. But once democratic rights, or elements of these rights, began to appear in Poland the workers rapidly began to challenge the bureaucracy's privileges. It was clear to them that in a so-called 'socialist' state this should not exist. Thus the bureaucracy clings to its totalitarian hold on all the means of communication, the media, schools and universities. They understand that the moment that the heavy hand of the bureaucracy is lifted, the masses would move to overthrow them and introduce—or, in the case of the Soviet Union, restore—workers' democracy on a higher level even than it existed in the Soviet Union's early days.

44. In Poland in reality, with the movement of the masses, for a time the bureaucracy was powerless; it could not rely on the army or police. All that was necessary was for the workers to have the consciousness to take power into their hands. The bureaucracy was impotent to prevent this. But there

was a lack of Marxist leadership. The workers allowed themselves to be swayed by the nationalist, religious and utopian petit-bourgeois prejudices of the 'intellectuals' like Kuron and KOR. Using the argument of the threatened Russian intervention 'if it went too far', they tried to limit the struggle to one of democratic rights and free trade unions. They failed to understand that they were trying to square the circle. Only the overthrow of the bureaucracy could guarantee all these rights. They tried the utopian path of establishing free trade unions within a totalitarian system.

45. The Polish bureaucracy waited until chaos developed because there was no real control of society or plan of production, and then seized control back into its hands through General Jaruzelski. When asked to put down the Gdansk workers in 1980, Jaruzelski had replied with: 'What army and what police?'—i.e. the army and police could not be relied upon. But a revolutionary situation does not last indefinitely and the workers' leaders' mistakes, along with Walesa's obtuseness, played into the hands of the Polish, East European and Russian bureaucracies. Moreover, a fatal factor was the national limited outlook of the leaders. Their nationalist standpoint made it impossible to approach the workers of the rest of Eastern Europe or of Russia. Their only hope of victory would have been to establish a regime of workers' democracy, offering a federation of equals to the workers of Russia and Eastern Europe. That was the only possibility of success, in the face of the threat of Russian military intervention—but their half-and-half approach doomed the developing political revolution in Poland to defeat and a return to totalitarian rule.

46. In the Stalinist states, even the corruption which stinks to the skies is not as bad as the waste, chaos and mismanagement which is an inevitable accompaniment to bureaucratic rule. Just as capitalism has become absolutely reactionary—destroying and limiting production—so the Stalinist bureaucracy has ceased to play even a relatively progressive role. This means that, simultaneously with the crisis of capitalism, there is also the crisis of bureaucratic rule in the Stalinist states.

47. The consolidation of bureaucratic rule and the extension of Proletarian Bonapartism into backward countries was only a phenomenon while the workers in the industrial heartland of capitalism were temporarily quiescent due to the world economic upswing. Now it is a race as to which will collapse first, capitalism in the West or Stalinism in the East. Both feed on each other. However the crisis of one will be reflected in the crisis of the other.

48. Once the masses in the USSR move, the dictatorship will be suspended in mid-air, as it was in Poland and Hungary in 1956 and again during 1980-1981 in Poland. There could be a movement of the workers at any time over some incident. On the

other hand, the process could be protracted because of fear of intervention from outside.

49. The movement of the workers to take power in any important country of Western Europe or even in the Proletarian Bonapartist countries of Eastern Europe, would find an enthusiastic echo throughout the Soviet Union. The new generation of Russian workers have not forgotten that their forebears made three revolutions. Once they see a different perspective, they will soon settle accounts with the hated bureaucracy which acts as a pure parasite on the state and the means of production.

50. Only on the basis of workers' democracy and the mighty gains of modern industry could the state be reduced to the scale of a semi-state, and begin its final withering away, preparing for the first time the movement towards socialism on the basis of modern techniques.

51. The basic contradiction in the Soviet Union is that the material conditions for socialism have been prepared by the development of the forces of production. But the state super-structure has moved further and further away from the ideals of the October

Revolution, into contradiction with its basis in industry and society. The basic task of the political revolution is to bring the productive forces and the state super-structure into consonance. The victory of the workers will immediately have the effect of simplifying the tasks of the state to those explained by Lenin—tasks of 'accounting and control'. The basic task of the political revolution will be to bring to power the workers, so that they can really control and manage industry and the state. But the moment that the working class takes control into its hands in this way, on the basis of a modern economy, will see the preparation of the new society of socialism.

52. Beginning with the move to greater and greater equality on the basis of modern conditions, modern productive forces and means of communication, it would be possible to very speedily begin the dismantling of the state, its withering away into society itself. The domination of man by man will be replaced by the domination of man over things. The socialist revolution will have reached its fulfillment. There would be a return in the early stages to the ideals of October, but on a much higher material basis. That task lies as the immediate perspective for the revolution in the coming years.

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