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SOCIALIST VOICE

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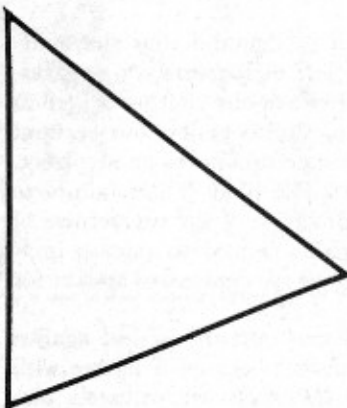
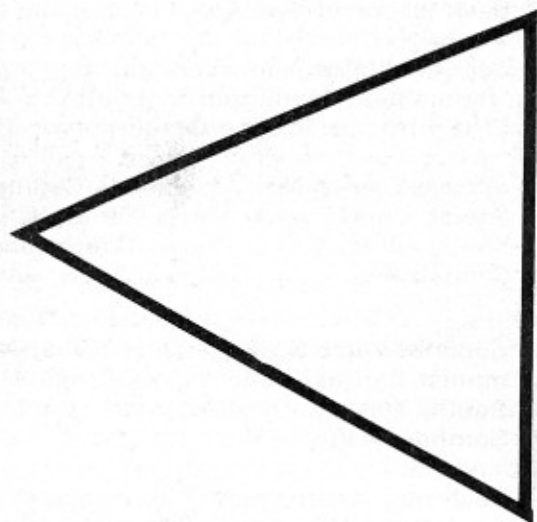
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Reconstruct
the Fourth International!

Published by the LEAGUE FOR THE REVOLUTIONARY PARTY

Strategy for the Anti-Apartheid Struggle



Jimmy Carter's *New "New South"*: The World
The "Marxism" of the Petty Bourgeoisie

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Back Issues

Back issues of *Socialist Voice* are available.

Socialist Voice No. 1 contains the major articles "Permanent Revolution in Southern Africa" and "The Struggle for the Revolutionary Party."

Socialist Voice No. 2 includes "Capitalism in the Soviet Union" and "Class Struggle in the U.S. South, Part 1: The New South and the Old Capitalism."

Socialist Voice No. 3 contains "What Are the Communist Parties?" and "Class Struggle in the U.S. South, Part 2: Revolutionary Perspectives for Southern Labor."

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To Our Readers

The following letter was sent to *Workers Vanguard*, the newspaper of the Spartacist League, in response to the report in *Socialist Voice* No. 3 of a forum given by James Robertson, the SL's national leader. The article, "The Spartacist League's Scandalous Chauvinism," cited Robertson's blatantly chauvinist remarks and opinions. Needless to say, this letter has not appeared in *Workers Vanguard*. It is printed here with the author's permission.

San Francisco, 18 March 1977

Workers Vanguard
New York

To whom it may concern,

Number 145 of your paper, dated 18 February 1977, carried a letter signed by me in the name of the Bay Area Group for the Defense of Paranagua and Pilla, dated San Francisco, 5 February 1977, expressing thanks to you, the Partisan Defense Committee, and the Spartacist League for support work on the Paranagua-Pilla case.

Today I chanced to read the account of the January 29th meeting in New York at which Jim Robertson spoke, in number 3 of the *Socialist Voice*.

I can only say that I am deeply shocked at the tone of Robertson's remarks as reported by the *Socialist Voice*, and that I know that I speak for the majority of activists on the Paranagua-Pilla case when I say that, while I do not retract the statements in my letter in *WV* number 145, I feel very strongly that whether or not the facts as stated in *Socialist Voice* are true, the Spartacist League owes the whole left of the U.S. a full, satisfactory accounting of the comments of Robertson at the January 29th meeting. Furthermore, I must say that if the account published in *Socialist Voice* is true, Robertson should immediately retire himself or be retired from any further leadership activity in the socialist and workers' movements. I feel obliged to let you know I find the remarks reported from Robertson by the *Socialist Voice* a great deal more alarming on their face than anything reported in France from the lips of Varga!

Yours,
Stephen S.

Comrade Stephen S. is correct to demand that the Spartacists give an accounting to the left of Robertson's remarks. The SL, however, has refused to reply to our charges as well as to print the above letter. If the Spartacists believe our account of Robertson's racist and chauvinist comments to be incorrect, they could have denounced it as a vile libel. Their failure to reply can only be taken as an admission of the correctness of our account. Furthermore, the SL's refusal to release their tape recordings of this public talk as we demanded speaks for itself.

We note also that the SL will not take the action against Robertson that Comrade S. requested because it agrees with the underlying politics, even if members are privately embarrassed over the crudity of Robertson's formulations. Our previous article pointed to the roots in Spartacist politics of Robertson's public chauvinism. In this issue, our article on the SL's theoretical conceptions ties these political views to their classically petty-bourgeois conceptions of Marxism. The Spartacists' deep case of social chauvinism will not easily be expunged. ■

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Strategy for the Anti-Apartheid Struggle

The following article is adapted from a perspectives resolution approved by the League for the Revolutionary Party in April 1977. It proposes a strategic orientation for revolutionaries in the United States consistent with the Marxist understanding of the southern African revolution which was elaborated in our article, "Permanent Revolution in Southern Africa," *Socialist Voice* No. 1.

The die is cast in South Africa. Despite the periodic surface calms, an enormous social upheaval has begun, the force of which once fully unleashed will not only sweep aside a powerful capitalist state but will engulf a continent and buckle mighty regimes thousands of miles away. The first outbreaks starting from the struggle that erupted in Soweto in June 1976 have already brought forth solidarity efforts in many countries.

Such a solidarity movement in the United States is of particular importance because of South Africa's role as an imperialist junior partner of the U.S., and the potential for it is enhanced by the parallel strength of the black industrial proletariat in the two countries. The South African proletariat is overwhelmingly black; and although the black work force the U.S. is proportionately smaller, it is strategically powerful in vital industries and the urban centers. Upsurges among black workers here and in South Africa can have enormous reciprocal impact; in turn, given the relation of oppressed blacks to the international proletarian struggle, South Africa could set off the spark that detonates the world.

The South African Movement

Segregation and racism have existed for many decades since the colonial-settler states took hold in southern Africa. Apartheid is the elaborated structure of racial division which seeks to ensure unity among the whites by giving a privileged position to the Boer poor at the expense of the oppressed blacks. It was installed with the victory of the pro-Nazi Nationalist Party in 1948; the racial barrier, now rigorously and murderously enforced, suppressed every sign of the nascent class solidarity between the white poor and the black majority that had once threatened to form. A rapidly expanding labor aristocracy among the whites gave its full support to the reactionary regime.

The wherewithal to extend such privileges to the whites came from the oppression of the masses of blacks in the new industries spawned by imperialism, which was attracted to a country of stable class relations created by a regime willing and able to brutally suppress any struggle of the black working class. The accelerated imperialist penetration was a consequence of the post-World War II prosperity bubble; in turn, super-exploitation of black labor under apartheid added to the gains of the imperialist powers. The rigorous suppression of black labor in South Africa created a favorable climate for

imperialism which led to massive investments by British, American, West German and Japanese capital and one of the highest rates of profit in the world.

Today, however, the world economic crisis has brought to the fore the issue of reform or revolution in South Africa. Super-exploitation of black labor is a bounty which imperialism can ill afford to lose at a time when capitalist stability is threatened almost everywhere. South Africa as well has been an imperialist rock holding down and conservatizing sub-Saharan Africa in the interests of Western capitalism, but the defeats of imperialism in Vietnam and Angola have brought revolution to its door. Within the context of a revitalizing world proletariat, the Angolan and Mozambican revolutions — although they were not led by the working class in these mainly agricultural countries — sounded the alarm to the bourgeoisie. As a result, the status quo in Rhodesia (Zimbabwe), Southwest Africa (Namibia) and South Africa (Azania) itself has been irretrievably undermined.

The South African bourgeoisie is now forced to face the fact that mass poverty enforced by apartheid can no longer be maintained as in the past. Under pressure from the mass struggle, the South African regime is forced to alter its course. A regime famous for never budging an inch in the face of the black masses now wobbles uncertainly under pressure from the imperialist-dominated bourgeoisie to make concessions in the face of a looming revolution. Thus the *Wall Street Journal* (May 18, 1977) quotes a Johannesburg banker: "There has been a change in the government attitude. That's why they rolled back the rent increases (on black homes). It's the only thing that will keep the government in power. Without it, you'd have a revolution. Politicians will do what they have to do to stay in power."

The apartheid structure is threatening to crumble, as is the prosperity (for whites) which allowed it to flourish and which it nourished to begin with. The one-time "miracle economy" slumped sharply to a 2.5 percent growth rate in 1975 and a zero growth rate in 1976. Inflation is running at 11 percent, and foreign investment is sagging dangerously. Black joblessness is somewhere between one and two million out of a workforce of 6.8 million.

The Bantustanization and tribal redivisions fostered by the regime are insufficient by themselves to shore up the system. Hence a policy of tentative, hesitant and uneven "integration" is being put forward to give layers of the "coloured" (mixed ancestry) and black populations the feeling of a stake in society. Until now, apartheid has ensured that there is virtually no aristocratic layer in the black working class to hold it in check; in addition, the black middle class is tiny and the coloureds, given only infinitesimal privileges compared to the blacks, have proven highly unreliable as a brake against the black movement. Under these circumstances, the Vorster regime is being pressed to grant greater privileges to the black

middle class and the coloureds and to create a working class layer that will hold a vested interest in a capitalist South Africa.

Given the size, strength and explosive potential of the black proletariat, in combination with the precipitous decline of South Africa's economy, the goal of a stabilized integrationist solution that will leave the black masses aspiring but unsatisfied cannot persist for long. The black masses will learn that buying off the middle class and a labor aristocracy — a fraudulent "majority rule" on a bourgeois basis — has little to offer them; imperialism could never afford to pay the mass of black workers a subsistence wage. Now even the semblance of such a wage for any large number of black workers is precluded, and any small concession will only demonstrate to the dissatisfied masses the weakness of the once-unyielding regime. Therefore democracy and black majority rule are possible not through any reform of apartheid capitalism but only through proletarian socialist revolution and the creation of a black South African workers' state — that is, through the permanent revolution.

In South Africa the proletariat has a specific weight far beyond that of any other country in Africa. This does not mean that a South African revolution will automatically become socialist and proletarian, for the South African working class, no more than any other, is not guaranteed to become communist. It does mean that the requisite objective conditions are present for the development of advanced working class consciousness, that is, for Marxism. But this task itself requires a conscious struggle and therefore the construction of the organization that embodies such a struggle, the revolutionary party. The theory of permanent revolution has no resemblance to any automatic law; its "logic" rests upon the existence of a fighting proletarian vanguard. Such a revolutionary party will be able to carry the South African revolution through to socialism; moreover, a socialist revolution in South Africa would have an enormous impact upon the surrounding neo-colonial nations, many of which still call themselves revolutionary but are tied to imperialism in practice. It would generate a socialist federation of southern, indeed all of, Africa.

The ideological struggle over the strategy for black liberation is therefore of world-shaking importance. Rival to the proletarian solution are the two petty-bourgeois strategies of integration and nationalism. The integrationist solution is the most immediate danger for the black masses. Its advocates among the black and coloured middle classes urge "unity," that is, reliance upon minimal bourgeois-democratic demands which can at most loosen the racial restrictions. Such a policy cannot lead even to a real bourgeois-democratic solution; worse, it would limit the gains of the masses to what decaying capitalism in South Africa can allow and would thus disarm and demoralize the black masses and set the stage for a bloody racist counterrevolution.

On the other hand, the militant nationalist sections of the students and middle classes hope for a black nation like the other African states, one after another of which has proclaimed itself socialist and quickly proved to be nothing of the sort. While the nationalists favor going for support to the "people" or even the proletariat, even the advocates of the ideology of "black consciousness" propose a strategy of class collaboration.

For example, Henry Isaacs, former president of SASO (the South African Students Organization), writing in the African

Maoist magazine *Ikwezi* (December 1976), hails a statement by Ben Turok, an ex-member of the South African Communist Party:

"Since most Africans and most blacks are proletarians, and since almost all employers are white, conflict over wages, general conditions of work, as well as overt political conflict, takes on a colour aspect. That the African proletarian, being the most exploited and oppressed of all, should play the most prominent role in this struggle ought to be clear But their role will be played out in national (race) rather than in class terms since this is how the contradictions manifest themselves.

"But even outside the framework of industrial relations, black and white earnings and prospects, and therefore loyalties, are wholly different. Black petty traders, professionals, businessmen and civil servants are all clearly marked out by the stamp of colour which acts with rigorous consistency in determining the place of people in the system. The polarity of race ensures that the difference of income and status within the black communities themselves tends to become diminished within a broader solidarity embracing a wide range of strata."

The truth in such arguments is the reality of black oppression; the treachery is the suppression of the class interests of the proletariat to those of the black petty bourgeoisie. Where such nationalist ideologues are in the leadership of actual struggles against the apartheid regime, revolutionaries will give military support to their struggles but not one iota of political allegiance. Socialists are the staunchest defenders of the right of black self-determination in South Africa, but the truth must be proclaimed that no bourgeois-democratic solution to apartheid is possible, neither through integration into the Boer state nor through the creation of an independent black bourgeois state. As opposed to the bourgeoisie, whose goals are tied to the nation-state, for the working class nationalism is a hollow shell whose promise of liberation and material well-being can be fulfilled only by internationalism and socialism. This the workers will learn in the course of struggle, and they will thereby oppose and discard their erstwhile leadership.

Solidarity Movements in the U.S.

For revolutionaries outside of South Africa the broad tasks are the same: internationalism through solidarity and building revolutionary parties. This is especially true in the United States, which is the mainspring of imperialism throughout most of the world and in Africa in particular. Imperialism can be dealt serious setbacks short of socialist revolution (as has been done in the past) but, if not eliminated, it will only resuscitate itself. After the U.S. was defeated in Vietnam it was permitted to surgically remove its dying limb, bind its wounds and reassert much of its imperial strength throughout the world. The black South Africans as well as every other people are paying the costs of its survival, and the limitations of the American anti-war movement bear a large share of the responsibility.

What is needed in the U.S. is a powerful working class solidarity struggle with South Africa. Because of the present conservative consciousness of the mass of American workers, this goal appears on the surface to be at sharp variance with the goal of revolutionary politics. The question for revolutionaries is how to maximize the strength, breadth and unity of the workers' struggle and at the same time advance the socialist solution. What at first appear to be totally op-

posite goals, and are taken as such by the leadership of the movement as it is today, are in fact part of the same process.

The superficial question is posed as follows: how can a movement large enough to be capable of blocking the U.S.'s interventions in South Africa be built if it is not based on minimal reformist politics that most workers can accept today? It should be noted that because of the intensified level of oppression and struggle in South Africa, many American workers — mainly among blacks and other oppressed minorities at first — may come to recognize the need for socialist revolution sooner there than at home. Because of this, it is likely that a strong movement in support of the South African revolution will influence not only South African events; it will also be a vital stimulant for the development of the revolutionary party in the U.S.

The potential size of such a movement is itself a factor. The working class accepts its present misleadership, the union bureaucrats and their white and black liberal allies, because it thinks itself weak and unable to fashion an alternative. Mass actions which demonstrate to the workers themselves the enormous strength that the class can wield when united will be powerful levers for shifting working class consciousness. In such a context the revolutionary alternative to the current leadership will no longer seem out of the question. To advance this goal, placing the task of building the American and South African sections of the reconstructed Fourth International before the workers in the solidarity movements is a job revolutionaries must undertake.

In the U.S., the South African solidarity movement is just beginning to emerge. Objectively, the pace of its growth depends largely on the development of the crisis in both South Africa and the U.S. Subjectively, the movement today depends on the various groups claiming to play a vanguard role, and it serves as an important test of the politics of these organizations.

There are many groups claiming the mantle of socialism in the U.S. today. Of the large and influential ones, only the Socialist Workers Party (SWP) has committed itself to a major role in the anti-apartheid struggle and taken its initial steps. The Democratic Socialist Organizing Committee (DSOC) of Michael Harrington, which has been gaining trade union and name liberal adherents in recent months, has not undertaken any real activity on South Africa. The Communist Party has played some role and engaged in a number of actions, but it is still uncommitted to a major role. The SWP, however, has begun to set up formations having a political strategy similar to the anti-Vietnam War organization NPAC (National Peace Action Coalition) which it once controlled, a strategy of mass marches built around liberal slogans.

At the moment, the SWP seems to be projecting an NPAC-style coalition around NSCAR (National Student Coalition Against Racism), their student integrationist front group. They have held local demonstrations and minor nationally coordinated ones. It is clear that they are looking forward to an involvement greater than their present restrained efforts, but they are holding actions in check at the moment while they move behind the scenes to arrange for more suitable alignments. Their hope is for larger and more moderate forces, a coalition that will be politically safer than the present marches, where the SWP's conservatism can be challenged by what it calls the ultra-left groups. To see what the SWP has in mind, a look back at its work in the anti-war movement of the past decade is in order.

The anti-war movement was generated by the defeats in-

flicted by the Vietnamese masses upon American imperialism, in conjunction with the deepening crisis in the U.S. It continually attracted new elements at its height, who became increasingly radicalized through their involvement and often tried to direct the radical lessons they learned into political channels broader than the anti-war parades. With the SWP and CP in the leadership of the movement, however, their radicalization stopped short of socialist conclusions and they ended up in the 1968 Eugene McCarthy presidential campaign, designed explicitly to rechannel radicalism into safe electoral lines and whose liberal politics were no different from what the "socialist"-led movement put forward. The effect of the SWP and CP strategy was to build a reservoir for "clean Gene's" movement of dashed hopes, and later the McGovern campaign as well. Michael Harrington approvingly and correctly characterized the SWP at that point as carrying out Menshevik policies with Bolshevik rigor.

At first the SWP had to rely upon pacifist and new left allies and even needed ties with its central foe, the CP, in order to float on top of the movement. For all the infighting among these groups, no single strand was strong enough to go it alone. When the SWP did achieve hegemony over NPAC, leaving the CP and others to dominate the weaker PCPJ (People's Coalition for Peace and Justice), it sought to lean upon liberal politicians, those who favored U.S. withdrawal from Vietnam when the U.S. was losing but who didn't dare organize for that demand until they were sure that the movement would not go beyond their limited bourgeois program. The SWP and CP had by this time proved their commitment to police the movement against currents further left.

But the SWP and the CP would never have had the strength to keep the anti-war movement within safe bourgeois limits if the labor bureaucracy had not been successful in restraining the working class in the face of the bourgeoisie's economic attack. The left-labor bureaucrats, little different from the Meanys on the economic front, hesitated to enter the largely middle class anti-war movement until its later stages and did little in terms of direct action against the war. While the mass of workers had come to oppose the war, the bureaucrats refused to mobilize them since that would have required a social and economic program of at least minimum radical proportions. The bureaucrats timidly entered in 1969 on the most careful and modest lines because of growing pressure from the ranks against the war's harmful effects. Generally they joined neither NPAC nor PCPJ but formed their own committees and balanced between the rival groups. They were able to call the tune to a certain extent (they enforced united marches at certain times) as the student base of the movement sputtered. Although the labor officials were mainly former CP fellow-travelers, they were willing to work with the SWP for two reasons: 1) the single issue approach of NPAC didn't force them to expose workers to radical-sounding positions on other questions (such as support to black leftists); 2) the variegated mixture of leadership in PCPJ rendered it unstable — the CP could not police their groups as well as the SWP could theirs to ensure a moderate tone.

NPAC was able to prosper because the working class had no revolutionary alternative and had not yet been pushed into a full-fledged struggle by the pace of the crisis. As well, the Vietnamese National Liberation Front did not openly endorse the CP over NPAC, despite their Stalinism in common. NPAC had sufficient strength to hold the Stalinists back in this respect.

The situation today bears certain similarities. The role of blacks in any solidarity movement with South Africa is obviously critical, but as yet the SWP's NSCAR does not have enough cadre, let alone enough black cadre, to ensure its conservative control over the demonstrations. It has feeble ties with a handful of black politicians and recognized black organizations but not enough to police the more radical blacks (or whites, for that matter). The leading petty-bourgeois groups with whom the SWP would like to deal, such as the NAACP, are too caught up with Andrew Young and explicit American neo-colonialism to be attracted into protest activities. Thus at the March demonstration in New York, the SWP's attempts to restrict chants to "black majority rule" were challenged with some success by more militant slogans from the left (more of which later).

The SWP is hoping to construct an organization similar to NPAC, a popular front political bloc with the liberal bourgeoisie having a bourgeois-democratic minimum program, and under the SWP's organizational control. It wishes to become the needed ally of the black petty bourgeoisie through groups like the NAACP, which would lend it "legitimacy" in that milieu. Above all, it wishes to become the loyal tool of the left labor bureaucracy stretching from Sadlowski to the former CP adherents like Leon Davis of District 1199 in New York. In order to corral both black and white liberals in its popular front effort it must prove its ability to keep the left in line. (Recognizing its inability to carry this out in March when the first nationwide marches were scheduled, the SWP "wisely" restricted the planned demonstration in New York City to a picket line at South African Airways and even failed to mobilize its own adult membership, thus reducing the impact and importance of the demonstration.) Organizational hegemony by the SWP does not, of course, mean that it would exercise any discipline over the labor leaders or the major black groups; it simply means selling these elements a disciplined political police force built around NSCAR.

The SWP's goal has not yet been achieved. The labor bureaucrats are holding back; some are not yet even aware of the possibilities inherent in the South African events, but others are well aware of the importance that action around South Africa will have for their largely black memberships. This sector of the left bureaucracy is also waiting to see what the CP will do (and the CP is waiting in turn to see how far the unions will go); they are awaiting developments to decide which tail to attach their kites to.

The Popular Front Forces

The potential struggle among the SWP, CP and DSOC for the role of chief tail-wagger can only be seen in broad outlines at this time. Our analysis is based upon the historical practice of these groupings as well as on the Marxist understanding of the class character of the popular front. Whether in the open form of the CP or the more disguised setting of the SWP, the popular front represents the organizational collaboration of the working class with the bourgeoisie. In essence it is the political form of imperialism: it stands for the immediately perceived interests of the upper layers of the labor aristocracy, and symbolizes its ties to the liberal democratic bourgeoisie and middle classes — ties which are strengthened by imperialism's domination of the world.

The growth of popular frontist politics is a great danger for the working class. This tendency is strengthening in the present conjuncture because of the erosion of the post-war prosperity and a growing awareness by sections of the middle

class and the labor aristocracy that capitalism is increasingly unable to afford reforms. It means in this country a tendency towards the political confluence of left reformists (DSOC), Stalinists (CP) and right centrists (SWP), symbolized by the Sadlowski campaign for the presidency of the Steelworkers' union. This confluence contains sharp internal contradictions, but all three agree on the need for a democratic and reform stage of development for the workers. In other words, there must first be a struggle for the program of the labor aristocracy before socialism can be placed on the agenda; capitalism must first be shored up.

In the United States, the trade union bureaucracy has generally been satisfied enough by the direct rule of the bourgeoisie and has posed no independent challenge. Even the left bureaucracy is but a pallid image of the already pale left reformism that is currently being generated in Europe. This is because of the slow pace of the class struggle in the U.S. It is the left groups that project popular frontist ideas today. However, the Sadlowskis, Frasers et al keep an eye on their future needs by maintaining close relations with the left wing of the Democratic Party. At this point, Harrington's DSOC is linking up with former SDS new left generation elements around the newspaper *In These Times*. What Port Huron rent asunder, it takes only a Sadlowski to make whole again.

These forces anticipate a popular front that will be within the Democratic Party itself. One step to the left, the CP seeks a more radical image and a consistent detente-oriented policy for American capitalism. Consequently it looks forward to third bourgeois "people's" party, in opposition to the Democrats and Republicans. Another step to the left is the SWP, which advocates a labor party or a "mass socialist party" on a clearly reformist basis. All three groups raise the same politics, those of the left labor bureaucracy. Thus all three found Sadlowski's program to be the necessary next step for the workers, although with slightly different "criticisms."

Of the three forces, the common policy of class collaborationism causes the centrist SWP the most serious contradictions. Those who are attracted to popular front politics at a time when the working class is not in mass motion will see no need for an independent working class party, whether under a "labor" or "socialist" label, in order to carry out a program which by no means excludes liberal bourgeois supporters. The SWP builds its movements on popular front politics but refuses to call for popular front governments through openly bourgeois parties. The contradiction stems from the SWP's strong independent party tradition, rooted in part in its Trotskyist origins, which still impedes any popular front conceptions. Instead, it maintains its own party apparatus which runs for office independently of the bourgeoisie. The SWP certainly does not use its electoral platform to condemn parliamentarism in the Leninist manner and assert the revolutionary program. It asserts the need for demonstrations, a reformist labor party and a mass reformist socialist party. The SWP's class collaborationism is coated with a more independent cover than the others', in effect posed as a British Labour Party strategy for bourgeois reforms rather than a French popular front formation to achieve the same end.

In addition to the political differences among the three groupings, they have their own bureaucratic sovereignties to maintain. As a result a season of petty maneuvers is about to begin. This is a miserable substitute for the broad working class unity so vitally necessary for the interests of the workers in general and the South African struggle in particular. It is also

a miserable substitute for building an independent and politically intransigent revolutionary party; without which imperialism will never be destroyed.

On the South African terrain the SWP and CP shape up as automatic rivals, playing similar roles as over Vietnam. The DSOC, which will inevitably be drawn into the field is in a somewhat different position; it lacks disciplined cadres and therefore cannot serve as the movement's policeman, so its reformist role is different. It can provide spokesman, writers, image-making press relations, liberal names, access to labor bureaucrats, etc. Between the CP and the SWP the choice is between the CP's open policy of popular fronts and the SWP's more covert line. The CP will seek to push the liberal consequences of the South African minimal demands campaign in order to build a full-fledged popular front in the U.S., its "peoples" party. The SWP will seek to limit the scope of the movement in order to avoid the obvious popular front consequences of an alliance with the liberal bourgeoisie, especially on the electoral side.



The SWP line, however, is no less popular frontist in its consequences than the CPs. It means seeking to bottle up the consciousness of the ranks it mobilizes, at the level where they enter the movement. Since it is bourgeois Democratic Party consciousness that dominates the working class and liberal petty bourgeoisie, it is that consciousness which the SWP maintains — except, of course, for those whom it recruits to itself or to its NSCAR-type front group, whose function is to serve not as the bottled but the bottlers.

The United Front

The desire for working class unity which the popular front program attempts to mislead can in fact only be secured through a revolutionary struggle. Such a struggle can take the tactical form of the united front, the bloc of the mass working class organizations for specific actions in the class struggle. Since the SWP frequently declares that its policy of long-term blocs with bourgeois politicians on single-issue programs exemplifies not the popular front but the united front, an

examination of the united front tactic is important in the present connection.

1. The united front is a bloc for action, not based on programmatic agreement. There can be no programmatic agreement between any form of bourgeois ideology (whether overt or pretended Marxist) and the Marxist program, not one demand or ten. If there is a similarity in demands, and there often is, then the demands in common are being used for different purposes: reform versus revolution. Both revolutionaries and reformists can stand for reforms, but for exactly opposite reasons. Thus whenever reformists and revolutionaries are aligned, the task of revolutionaries is to expose the reformists' inability and unwillingness to achieve the common demands. Even when (as today) it is not a question of a united front between the large reformist forces and the small revolutionary cadres, the point is the same. The workers, whether they are aware of it or not, have no programmatic interests in common with the bureaucrats, only common needs for action and common directions at a given

conjuncture. The bourgeois programs of the present leaderships can lead only to disaster for the masses; the leaders fight only under the masses' pressure, and will betray them if the masses do not learn that differing interests lead to different programs. To the extent that leftists preach otherwise, the bureaucrats' betrayal is furthered. Even when there seems to be common agreement, the revolutionaries' duty is to explain the different roads underlying the common direction. For underneath the common demands, the bureaucracy has a very material stake in capitalist society and their social role is to protect it. The workers fundamentally have no such stake. Without the exercise of the right to freely criticize and openly expose rival leaderships, the united front becomes a political bloc on the terms of the lowest common denominator, inevitably bourgeois politics.

2. The united front is a front of the working class. Stalinists, reformists and frequently centrists support popular fronts which command unity with the "progressive" bourgeoisie and its political representatives. Independence of the working class

from the popular front must be counterposed to the popular front conceptions. Not that the petty bourgeoisie must be excluded; the united front can be made with even "the devil's grand-dam," in Trotsky's phrase. There is a big difference however, between a bloc with the liberal bourgeoisie and an alliance made with the oppressed petty-bourgeois masses whose only way out of the devastating impact of capitalism's crisis upon them is to follow the movement of the proletariat. Proletarian unity and consequent strength will permit the petty bourgeoisie to break from its pro-bourgeois leadership.

Winning the petty-bourgeois masses to the side of the proletariat is a necessity. In the hands of reformists, Stalinists, and centrists, however, the united front must tend to capitulate to the lowest common denominator, the "practical" bourgeois goals. Only revolutionary leadership can secure class independence and the leadership of the petty-bourgeois masses by the working class.

Simple independence of the working class short of the revolutionary party must mean leadership by reformists (liberals or "socialists") or Stalinists, that is, political capitulation to the bourgeoisie through its agencies in the class. A political bloc or grouping which is organizationally independent of the capitalists but is not revolutionary — even a government of that character — fundamentally supports capitalism. Such a government is of course extremely dangerous for the bourgeoisie if the revolutionary workers can take advantage of the bourgeois disarray that it implies, and it will be advocated only as the last desperate act to ward off revolution. (In Britain it is less dangerous for the bourgeoisie because of the Labour Party's historically tested and proven conservative character.)

3. Long-term or open-ended united fronts can only result in capitulation to bourgeois programs. They tend to substitute for the revolutionary party and its program. This is true whether the bloc actually occurs in practice or is simply a constant, uninterrupted slogan (like the permanent call for a labor party among much of the U.S. "Trotskyist" milieu). At a time (such as today) when the revolutionary banner is far from being sharply defined for the working class or even for its advanced layer, this point is especially crucial.

The united front must be a means towards building the revolutionary party and not a blockade (which is what a long-term bloc that inevitably blurs the programs of the partners becomes). It symbolizes the specific need for united action by the working class in a situation where the revolutionaries do not have hegemony. It is necessary to carry out the struggle against the bourgeois enemy when the revolutionary forces do not influence the outlook of the class as a whole. It is a compromise, an unfortunate necessity, but a principled maneuver to demonstrate the road forward to the working class in struggle. The chief task of revolutionaries, it must be remembered, is not propagandizing for the united front, although that will frequently dovetail with our needs. In our epoch, the chief task of communists is to struggle for the construction of the revolutionary party and international; the only answer to capitalism which is nothing less and nothing other than imperialism.

The South African struggle has created a critical need to put forward a call for a united front in solidarity at this time. The South African revolution must be allowed to develop without the danger of the U.S. bourgeoisie being able to intervene as it sees fit through its freedom of action at home. The popular front strategies raised by the Stalinists, left

reformists and centrists will do little to limit the options of the bourgeoisie, based as they are upon bourgeois needs; in fact, they threaten to draw the masses into support of the capitalist system. Thus the united front is a necessary tactic to mobilize the working class against the dead-end popular front maneuvers now taking place. Moreover, since the labor bureaucracy, left as well as right, is the capstone for all the popular front strategies, it will have to be the central target for revolutionary attack.

The Revolutionary Strategy

In addition to the SWP, CP and DSOC there are other smaller forces already in the field. Their importance lies in the fact that the conservative larger groupings will not be able to contain a South Africa movement to the extent that they could the Vietnam movement, because the crisis is deeper and the working class is potentially more disaffected, even if it is just as hamstrung politically for the moment. In addition, the middle class base that dominated the movements of the 1960's has become cynical as a result of the dead-end struggles it was led through and will not be as weighty a counterbalance to the working class. Therefore the forces of moderation will need to find more left disguises; either the SWP will have to move left or the smaller centrist groups will play a greater role. It is less important to predict just who will be wearing the revolutionary masks in the future than it is to warn advanced workers away from the deceit which is already being practiced, refined and tested by a variety of groups today.

One section of the U.S. left which is playing a role smaller than it would be expected to, given its importance in the recent past, is the Maoists. Some groups have initiated activities and are already embroiled in sharp factional clashes over the issues which the fast-moving events in China have not resolved: is the Soviet Union and not the U.S. the real imperialist enemy? If so, can struggles backed by the Soviet Union be supported? China's ultra-reactionary foreign policy of opposing whatever struggles will damage the interests of the United States (even when the U.S. cannot afford openly to oppose them!) has flipped more than one Maoist grouping over the class line. Almost all, for example, opposed the anti-imperialist struggle in Angola in 1975. It is a particular tragedy for the American left that so many black radicals became Maoist. The situation is particularly striking over South Africa, where a solidarity movement championed by many radical blacks could have a great impact. The absence of some black Maoist elements from any anti-apartheid work, and the devotion of others to the "Superpowers Out of Africa" slogan which equated (in Angola, for example) the U.S.-armed forces with USSR-backed nationalists, are disasters that the Maoist version of Stalinism is directly responsible for.

There are other small left organizations which have launched their own front groups disguised as genuine united fronts. Each is designed not for collaboration with other groups but as a private farm where a few recruits can be cultivated, safely hidden from rival forces. Given the importance of South African solidarity, such maneuvers are both pathetic and damaging. One group will serve as an illustration. The Revolutionary Socialist League, which is carrying out a program similar to the Maoists', has created a mini-front group called the Solidarity Committee Against Apartheid (SCAA), which it labels the "revolutionary wing of the anti-apartheid movement." The basis for this claim is the SCAA's demand that "our movement must be organized

around victory to the revolution in South Africa, and not around false promises of reform."

What the RSL is counterposing to the SWP's bourgeois reformism, however, is bourgeois "revolutionism." The RSL favors a militant, armed struggle in South Africa as opposed to peace-keeping demonstrations, but it does *not* want to see the movement organized around a strategy for socialist revolution. In the context of the black movement today (especially after victorious nationalist revolutions in Africa), the word "revolutionary" does not carry a proletarian socialist content but merely a militant nationalist one, and everything the SCAA says in public strengthens the latter interpretation. The SCAA in no way criticizes or distinguishes itself from the African nationalists. Of course, in the pages of its newspaper the RSL favors socialism, but even here they strictly avoid counterposing a socialist revolutionary leadership to the nationalist leaders who look forward to a "socialist" state as bourgeois as Tanzania, Angola or Ethiopia.

Whereas the SWP confines its front groups to a blurred reformist program in order to win the labor bureaucrats and the left liberals, the RSL limits its front to the fudge of "revolution" in order to win black nationalists. The SCAA is therefore a centrist political bloc, a step to the left of the SWP's reformist bloc. Fundamentally both blocs have to give political support to the African revolutionary nationalists, and so the RSL is hard-pressed to distinguish itself from the much larger SWP. Since the SWP can win the nationalists through its promise of broader and more serious support, the RSL has been left with nothing but leftist rhetoric, petty maneuvers and maladroitness one-upmanship.

Thus it tried to shout down NSCAR's "black majority rule" chants at the March 26 New York City demonstration with chants of "revolution" and "smash apartheid." "Black majority rule" happens to be a democratic slogan that revolutionaries must support; we have to prove to the working class that the only method of achieving it is revolutionary, not dismiss it as simply the "strategy of Jimmy Carter and the U.S. ruling class." What an illusion! Carter's slogan in fact is "majority rule" by which he means integration — black support for a liberalized version of the present regime. When the *New York Times* asserted that "black majority rule" was Carter's program, the State Department quickly replied with a denial. (For a full report of this demonstration and the various maneuvers and controversies surrounding it, see *Socialist Action*, April 1977 and June 1977.)

The RSL buttresses its nationalist line for South Africa by explicitly denying any possibility of white workers coming to the support of a black revolution. Such a line can only harm the proletarian struggle. First of all, the "black consciousness" leaders are explicitly class collaborationist with a line that can only betray the black working class, as we showed earlier in this article. Secondly, the sharp collapse of the South African economy, already a factor in the black upsurge, has also affected white workers. When the whites' aristocratic privileges can no longer be maintained the apartheid barriers will begin to break down. Already, two major white trade union federations have been forced to threaten to break out of the wage-price deal that they made with the Vorster regime. There is an important opportunity to attempt to win white workers to the movement of the far more advanced black workers; the alternative is to simply allow the white workers to be used, once again, as the hatchet-men in the hands of a revived fascism against the blacks.

The RSL is unwilling to confront the nationalism of the

present leaders of the developing movement of the black masses. It is the duty of revolutionaries, however, to point out the possibilities of warding off serious dangers to the workers. Revolutionaries have a knowledge of the history, tactics and strategies of the workers' movement and must use it to show how to drive wedges between the opponent forces, win workers away from the enemy and thereby save the oppressed sections of the proletariat from unnecessary losses. Only a fool could guarantee that white workers in South Africa can be won over, but only those who seek to patronize the masses would fail to point out the opportunity. The RSL's brand of tailism presents no alternative to the SWP's more expansive efforts in the same direction.

The major line of revolutionary strategy in the anti-apartheid movement must be opposition to the popular frontist groupings and their class collaboration. Unlike the RSL, our attack against the SWP hits at its primary contradiction, its claim to revolutionary Trotskyism. We propose no alternative to NSCAR along the line of SCAA or even a revolutionary anti-apartheid formation built out of the present socialist groupings. SCAA is no answer to NSCAR, not only because its program is also bourgeois, but also because it offers no alternative to the SWP's strategy of wooing the labor movement through the left bureaucracy.

Hundreds of thousands of workers in this country are outraged over the condition of South African blacks, and a majority of American workers would undoubtedly favor some notion of democratic rights. A number of trade union officials have expressed their support for black rights in South Africa but have done nothing effective about it. The task of revolutionaries is to find ways to involve the mass of workers in the struggle. This requires the organized strength of the working class and the use of its only existing class institution, the trade unions. It is necessary to demand that the union bureaucrats mobilize the ranks; a campaign to this end would itself aid the organization of the workers and force the misleaders to respond or be cast aside. The ranks have basic interests which the bureaucracy does not share and fears to let loose. If such a campaign were undertaken, union demonstrations, effective boycotts of American goods to South Africa, and timely work stoppages would all be possible. Black organizations like the NAACP could also be forced to ally with such united fronts of the working class.

The American working class is undergoing turbulent and worsening social and economic conditions. Yet its consciousness is conservative and cynical. It accepts the limits of possible alternatives which have been set for it by the bureaucracy, which has chosen not to wage even a minimal fight. This has left workers angry and frustrated, and if they have no alternative to the bureaucracy, they have no love for it either. The only way the American working class, or large sections of it, will move on South Africa or anything else will be through an attack on the bureaucracy (including all of its wings), not through tailing the bureaucracy.

The SWP, however, chooses to cajole the bureaucrats rather than appeal to the ranks. The SWP is wedded to the social outlook of the middle class and the labor aristocracy, and it sees the leftish "labor statesmen" as the key to the limited struggles it considers possible in this stage. It sympathizes with the bureaucrats' fear that the workers' anger over South Africa could get out of hand and teach them too much about their own class power. The RSL, on the other hand, produces a "solidarity committee" which is no basis for a united front since its slogan of "revolution," as well as being the

programmatic bloc we have already discussed, is an ultimatum to the masses (who do not now in general favor revolution or socialism). The RSL's approach leaves the bureaucrats free to reject the demands made upon them and therefore does nothing to win the workers from their misleaders.

The RSL reflects the cynicism rampant among former New Leftists adapted to defeatism current in the present backward consciousness of the working class. This defeatism falsely regards the bureaucracy as either unimportant, and not worth the effort of a fight, or invincible, and similarly not subject to challenge. Revolutionaries must recognize that no transformation of the American working class will come about if the bureaucracy's sway is not defeated. The attitude of the SWP and its tinier competitors accepts the bureaucracy as a basically unchangeable reality. Their different strategies are merely opposite poles within a common political capitulation.

There is only one way forward: to press the large battalions of the labor and black movements to come together, not on a minimal political program, but on *action*, through united

front struggles. Within such a movement principled and clear programs can be advanced and fought for by revolutionaries. While the various left currents can also join in common actions, this should not be confused with the real united front of the class which is so desperately needed as a weapon against apartheid and imperialism. As revolutionaries, we will join with others in genuine united front actions and fight against all sectarian front groups which inevitably display the most opportunist politics. The revolutionary program can be confused with no others if the revolutionary parties, essential in South Africa as in the U.S., are to be constructed.

**Socialist Revolution to Smash Apartheid!
Defend Black Self-Determination in South Africa!
AFL-CIO Must Embargo Shipments to South Africa!
U.S. Imperialism Out of Africa!
For a Workers' Azania! For a Socialist Federation
of Southern Africa!
Reconstruct the Fourth International!**

Was Trotsky a Pabloite? Part 2

We have a question for the Pabloites, those epigones of Trotsky who accept the notion of "deformed workers' states" and the "unconscious proletarian revolution." The various strands of Pabloism all consider China today to be a workers' state, some because of the conquest of power by the Chinese Communist Party (CCP) in 1949, others because the CCP in power was "forced to yield to the laws of permanent revolution" (in the words of Peng Shu-Tse) and expropriate the bourgeoisie in the 1950's. Our question is: what was the class character of the sizeable areas of China that were ruled by the CCP in the 1930's? The "Chinese Soviet Republic" in Kiangsi, according to Mao, ruled over 9 million people. During the war against Japan, the "Soviet" areas expanded and led directly to the "People's Republic" of 1949. Were these examples of proletarian state power, or at least historically destined to become so? And if they were, why did Trotsky — who was alive in the thirties — not take note of the phenomenon?

The answer is that Trotsky did take note of the CCP-ruled areas, and he *rejected* the idea that they could be considered "proletarian" or "soviet," precisely because the Chinese working class was not the leading force in their creation. By the thirties, the CCP had abandoned the idea of a proletarian vanguard and staked its hopes on the peasant movement in rural areas led by Mao Tse-tung's "Red Army." Here is what Trotsky wrote in 1930:

"The Stalinist press is filled with communications about a 'soviet government' established in vast provinces of China under the protection of a Red army. Workers in many countries are greeting this news with excitement. Of course! The establishment of a soviet government in a substantial part of China and the creation of a Chinese Red army would be a gigantic success for the international revolution. But we must state openly and clearly: *this is not yet true.*

"Despite the scanty information which reaches us from the vast areas of China, our Marxist understanding of the developing process enables us to reject with certainty the Stalinist view of the current

events. It is false and extremely dangerous for the further development of the revolution. ...

"When the Stalinists talk about a soviet government established by the peasants in a substantial part of China, they not only reveal their credulity and superficiality; they obscure and misrepresent the fundamental problem of the Chinese revolution. The peasantry, even the most revolutionary, cannot create an independent government; it can only support the government of another class, the dominant urban class.

The peasantry at all decisive moments follows either the bourgeoisie or the proletariat. ... This means that the peasantry is unable to organize a soviet system on its own. The same holds true for an army. More than once in China, and in Russia and in other countries too, the peasantry has organized guerrilla armies which fought with incomparable courage and stubbornness. But they remained guerrilla armies, connected to a local province and incapable of centralized strategic operations on a large scale. *Only the predominance of the proletariat in the decisive industrial and political centers of the country creates the necessary basis for the organization of a Red army and for the extension of a soviet system into the countryside. To those unable to grasp this, the revolution remains a book closed with seven seals.*" ("Manifesto on China of the International Left Opposition," *Leon Trotsky on China*, pp. 476-480.)

That the two main strands of Pabloism would tend to see the peasant "soviet" areas as future workers' states is indicated by the debate between Pierre Rousset of the majority tendency of the United Secretariat of the Fourth International and George Johnson and Fred Feldman of the SWP over the class nature of the Vietnamese Communist Party (in *International Socialist Review*, April 1974, p.51). Feldman and Johnson wrote: "Rousset tells us that the embryo of a workers' state was created in peasant liberated zones — where there were no workers. What was actually created in embryo in Vietnam, as in China, was the skeleton of the bureaucratic hierarchy that would establish a privileged bureaucratic caste on the Soviet Stalinist model once it had state power." Such a bureaucratic caste holding state power would be ruling a deformed, not a

"healthy," workers' state. Although the debaters differ over the degree of deformity, they agree on the existence of embryonic workers' states — in both Vietnam and China. Their problem remains to reconcile their views with Marxism.

It is argued by some of the Pabloites that the Chinese Communist Party was itself the centralizing, proletarian force that enabled the peasant-based armies to triumph over Chiang Kai-shek and the Chinese bourgeoisie in the forties. This notion contravened the analysis of the Trotskyists that Stalinism represented a petty-bourgeois force within the proletariat. In the Soviet Union, which was still a workers' state in the early 1930's, the Stalinized leadership of the Communist Party was a force leading the USSR towards capitalist restoration and could by no means be considered the linchpin of the proletarian character of the state. Even less could this be the case in China, where the CCP was rapidly losing its proletarian cadre. The CCP of the early thirties, by virtue of its composition and history, had far greater affinity to the proletariat than it did later on. Trotsky never thought that the "soviet regions" were proletarian because of the CCP's role and had even less expectation for the future. In 1932 he wrote in a letter to his comrades of the Chinese Left Opposition:

"In order to express my ideas as clearly as possible, let me sketch the following variant, which is theoretically quite possible.

"Let us assume that the Chinese Left Opposition carries on in the near future widespread and successful work among the industrial proletariat and attains the preponderant influence over it. The official party, in the meantime, continues to concentrate all its forces on the 'Red armies' and in the peasant regions. The moment arrives when the peasant troops occupy the industrial centers and are brought face to face with the workers. In such a situation, in what manner will the Chinese Stalinists act?

"It is not difficult to foresee that they will counterpose the peasant army to the 'counterrevolutionary Trotskyists' in a hostile manner. In other words, they will incite the armed peasants against the advanced workers. This is what the Russian SRs and the Mensheviks did in 1917; having lost the workers, they fought might and main for support among the soldiers, inciting the barracks against the factory, the armed peasant against the worker Bolshevik. ...

"The struggle between the two communist factions, the Stalinist and the Bolshevik-Leninists, thus bears in itself an inner *tendency* toward transformation into a class struggle. The revolutionary development of events in China may draw this tendency to its conclusion, i.e., to a civil war between the peasant army led by the Stalinists and the proletarian vanguard led by the Leninists.

"Were such a tragic conflict to arise, due entirely to the Chinese Stalinists, it would signify that the Left Opposition and the Stalinists ceased to be communist factions and had become hostile political parties, each having a different class base." ("Peasant War in China and the Proletariat," *ibid.*, pp. 529-530.)

Trotsky did not consider this variant inevitable, but it was nevertheless an extremely farsighted analysis. The Chinese Left Opposition was unable to win hegemony over the proletariat as Trotsky had hoped, but the Stalinist armies did confront the proletariat in a hostile manner when they took power in 1949. The Pabloites in the leadership of the rapidly degenerating Fourth International then concluded that the Mao government represented not a workers' state but only a "workers' and peasants' government" in transition to a

workers' state. (The fraudulent use of "workers' and peasants' government" in this sense has already been discussed in the article "Was Trotsky a Pabloite?" in *Socialist Voice* No.3.)

Such an analysis accepted in its essentials the Stalinist theory of the "democratic dictatorship of the proletariat and the peasantry," a bourgeois government under CP leadership capable of evolving into a full-fledged workers' state. In the early post-revolutionary years, when the CCP itself insisted that the state it ruled was not proletarian, most of the Pabloite tendencies argued that a workers' state had already been created. Trotsky and his comrades had already made more than clear the impossibility of such a position for Marxists:

"The Stalinists say that the democratic dictatorship, as the next stage of the revolution, will grow into a proletarian revolution at a later stage. This is the current doctrine of the Comintern, not only for China but for all the Eastern countries. It is a complete departure from the teachings of Marx on the state and the conclusions of Lenin on the function of the state in a revolution. The democratic dictatorship differs from the proletarian in that it is a *bourgeois-democratic* dictatorship. The transition from a bourgeois to a proletarian dictatorship cannot occur as a peaceful process of 'growing over' from one to the other. A dictatorship of the proletariat can replace a democratic, or a fascist, dictatorship of the bourgeoisie only through armed insurrection." ("Manifesto on China..." *ibid.*, pp.482-3.)

We have previously argued, as does Trotsky in this passage, that the notion of a peaceful transformation from bourgeois to workers' state without the proletarian revolution is a travesty of Marxism. The Pabloites who defend such a thesis must, in the case of China especially, come to grips with the fact that Trotsky held a point of view precisely opposite from theirs. If China after 1949 could "grow over" into a proletarian dictatorship under the guidance of the CCP, why was the same possibility not open to the "soviet" areas of the 1930's? That is our question, and we believe that Trotsky has answered it excellently.

We are the last ones to rely on claims of "orthodoxy" to defend our views. Such a stance is alien to Marxists but not to the Pabloites, whose claim to Marxism rests directly upon the assertion that their views are the same as Trotsky's. For us, even when we disagree with Trotsky's conceptions they must be always taken into account, for the founder of the Fourth International was rarely far off the mark. However, the Pabloites' "orthodoxy" extends to the point of blaming Trotsky for their own shortcomings.

In 1948, for example, the Pabloites shamelessly chased after Tito's tail when he broke from Stalin's orbit. Yugoslavia, which had up to that moment been analyzed as capitalist, suddenly and without apology became a retroactive workers' state — moreover, one whose ruling Communist Party was not Stalinist! The Pabloites had simply overlooked a "socialist" revolution, just as they later had to retroactively acknowledge overlooking "socialist" revolutions throughout Eastern Europe.

To think that Trotsky would agree that the present Stalinist states are proletarian is to assume that Trotsky also overlooked such a proletarian revolution in China during his lifetime. Marxism, fortunately, prevented him from making such "oversights." He knew that revolutions do not "grow over" without the leadership of the consciously organized proletariat through its revolutionary party. And that is precisely what the Pabloites do not know.

Jimmy Carter's New "New South": The World

The foreign policies of Nixon-Ford-Kissinger and Jimmy Carter are fundamentally the same. The bounds of decision for capitalism are narrowing as the social crisis of our era intensifies. Nevertheless, within these limits there are significant differences in the way that presidential administrations seek to defend American capitalism. To understand how Carter approaches the tasks of imperialism in a world tipping at the edge of revolutionary upheaval is essential for serious Marxists.

Carter's perception of the world is colored by what we described in our articles on the New South as the controlled political revolution that took place in the fifties and sixties. Although his arena has broadened considerably, his political outlook, his perception of what works, remains the same. Because there are substantial differences between the recent development of the American South and the revolutionary upheavals generating today, Carter's policy in the long run can only add to the problems that imperialism faces. A review of the New South outlook measured against the world reality will shed light upon the forms that the crisis will take.

The South since the Second World War has gone through an enormous urban and industrial expansion. The shift of economic power from plantation and small-town capital to the urban bourgeoisie was mirrored in the reform movements, voting rights campaigns and electoral reapportionment efforts that became vehicles, once the CIO red scare was ended in the late forties, for the rise of urban bourgeois and middle class power. The civil rights struggle crested during this transformation. An uneasy political combination sits atop the new situation. In addition to the urban white upper classes (interpenetrated with the national bourgeois interests) there is the liberal black middle class which holds in check its restive base, the black working class whose aspirations were whetted but not fulfilled by the upsurge of the civil rights movement and the new alignment of class political forces.

The process of modernization and concentration of capital affected the agricultural sectors as well and therefore allowed transformation of much of the South. Previously recalcitrant "Dixiecrat" sections of the white bourgeoisie and petty bourgeoisie, seeing the impossibility of continuing segregation, also saw that tokenism seemed to work and accepted the new reality. The schism was ended. After all, the urban businessman was the focus of the "white side" of the biracial boards set up in city after city to maintain the new social change. The unions were far from radical and tailed these developments, speaking very softly and carrying no stick at all. The black threat was no threat to property and prosperity, it appeared. In startling contrast to the past, today no leading bourgeois figure openly proclaims racism. Giving the black upper strata a little recognition and others a little "piece of the action" or some hope seems to have cooled the

revolutionary cauldron. So they believe.

The relative prosperity of the post-war imperialist boom is what enabled the tokenist alliance to endure for a historical period. Beneath the quiet that pervades the political scene at this time, the New South actually rests upon a precariously perched balance of forces held together by evaporating prosperity and the very looseness of the coalition of class forces that leads it. The alliance needs considerable flexibility to survive, given the volatile class and race bases upon which it rests, and only the grease of money provided by the wisp of prosperity enables it to function without tearing itself apart. The white working population is no longer simply rural but dangerously proletarian; the preponderantly urban black masses are even more consicous and demanding. The product of this ephemeral New South is the politician who plays the delicate game of balance with the expertise of a perfect opportunist. As we wrote in *Socialist Voice* No. 2:

"Carter is a classic New South politician. Based in Atlanta, he blends a policy of adjusting to necessary changes in Southern society with a basic loyalty to the old order. He was hardly a staunch advocate of the civil rights movement, but he did not support the white plebeian backlash. As Governor of Georgia, he established firm links with the more conservative black leaders (like Martin Luther King Sr.) in pursuing a policy of racial moderation. But of course he had mixed his tokenism with deft appeals to racism as when he ran for Governor in 1970. He tolerates the existing docile unions in the South but is hostile to labor organizing (as in his own peanut operation) and has always fought to maintain 'right-to-work' laws.

"With his head in Jehovah's austere heaven and his heart seeking the approval of the jaded, sophisticated Northern *Playboy*, Carter epitomizes the contradictions of the New South bourgeoisie. This opportunist, sensitive to all pressures and counterpressures, appeals to blacks while seeking to safeguard 'ethnic purity.' He dutifully cajoled labor leaders wherever he campaigned, but as one Southern capitalist, Robert E. Coleman, chairman of Riegel Textile Corporation commented (*New York Times*, August 15, 1976):

"As a politician, his first concern is getting elected so I don't take too seriously all his campaign promises to labor. It is inconceivable to me on his whole record that he could be anything but what he says he is, a businessman who recognizes the need for a reasonable profit."

"Carter's contradictions affected his campaign in the form of his oft-noted capacity for talking out of all sides of his mouth. This was inevitable for such a consummate New South candidate, representing a basically contradictory class equilibrium which can hold together in its present fashion for only a historical moment."

It is by no means an accident that Carter put together an administration composed of seemingly disparate elements,

hard liners like Schlesinger and Brown, soft liners like Warnke — and that he always seems to speak with many tongues. As C.L. Sulzberger, the *New York Times* savant remarked, there is "...an impression the United States government is a centipede none of whose feet knows what the others are doing until they get into the creature's mouth."

This is the inevitable result of a campaign composed of diverse elements all designed to accommodate and appease a variety of bourgeois forces who wish to collaborate but are under the pressure of irreconcilable "constituencies." It is a loose and permissive design molded in the New South, a product of the lessons learned by a supposedly simple ol'

concession to revolutionary forces. His Metternichean world view was based upon forging if not a Holy Alliance then at least a balance of powers which would have enough interests in common to stymie revolutionary upsurges. The Russians, naturally, did not favor so absolute a maintenance of the status quo, but in the face of revolutionary challenges to the whole festive board of imperialism, they held to their part of the bargain and defended the table.

Kissinger & Co. appreciated Moscow's "restraint" and restraining hand in dealing with the rebellious movements. On the other hand, Moscow frequently aided the rebels in order both to gain immediate influence for the USSR and to prevent



Andrew Young (above) selling his neo-colonial wares on a recent trip to South Africa. Picture at right shows him as a "well-scrubbed product of the black middle class" (Newsweek) at age 3.



country boy who rode to Presidential power by yoking both George Wallace and Andrew Young to his cart. Accommodation of opposing forces on all sides of the line in situations of upheaval, under the leadership of "business" is Carter's method. The "success" of the New South proved that through such tactics he can contain a revolutionary world, Carter believes. This is the line that American imperialism is promoting.

Kissinger's Risky Policy

In *Socialist Voice* No. 1 we outlined the policy which the Kissinger State Department was being forced to take in the face of a regenerating international revolutionary wave. In addition to an alliance with China based upon every reactionary status-quo force in the world, Kissinger's strategy buttressed local subimperialisms in each area: Israel, Iran, Brazil, etc. His policy towards Russia was ambivalent, reflecting the contradictory nature of state capitalism's relationship to the U.S. It was necessary both to establish a detente with the second strongest imperial power so that both could benefit from their rights of dominance, and to insure that the second power would be kept in its place.

The last thing Kissinger ever wanted was to make any

national bourgeois-democratic revolutions from becoming proletarian socialist ones. Although Kissinger complained of Moscow's growing influence, his fears were tempered by the fact that, in the words of his lieutenant Helmut Sonnenfeldt, "The Russians are lousy imperialists." The hard-won gains of Russian diplomacy in the Mideast and Southeast Asia always seemed to dissipate. In fact an enormous flap occurred in 1976 when the Kissinger-Sonnenfeldt concern over Russia's *weakness* came to the surface. Afraid that Russia could not police its own territory, that Rumania and other East European countries were pulling away, the U.S. had to help create a more "organic" relationship between Russia and its satellites. Revolutions like those in Hungary and Czechoslovakia send hackles up the spine of any good Metternichean.

Where he deemed the working class a decisive factor, Kissinger always took a hard line. He adamantly opposed popular front governments, indeed any European government that included the Communist Parties. Suspicious of the CPs, Kissinger was even more worried that their gains would encourage moves by more militant layers and would stimulate upheavals within the working class that the CPs could not contain.

More immediate problems arose in Africa. Kissinger had

dealt with the Middle East by attempting to stitch together a covert bloc between the reactionary ruling classes of Israel and the Arab states. During the Angolan revolution it became clear that similar tactics were needed in southern Africa or the whole region would be lost. The local subimperialism, the Union of South Africa, rests upon an apartheid structure which had been able to extract huge superprofits for itself and for American capitalism, its senior partner, out of the labor of super-exploited blacks. After Angola, it became necessary for the Vorster regime to yield face-saving concessions to "moderate," i.e. pro-Western, black African leaders in order to maintain itself. In Rhodesia, white domination could not be saved, so the rulers would have to be bought off and the country gradually turned over to a friendly black bourgeois government, if that could be arranged.

The "front-line" black African nations, neo-colonialisms all, were also worried. Capitalism's profound crisis is most deeply felt by the poorest and most exploited countries, and as a consequence all of Africa was in upheaval. Moreover, the revolution in a country like South Africa with its large, modern black working class presented a distinct threat of proletarian revolution which is a danger to every bourgeoisie, large or small, white or black.

The aim of American foreign policy, therefore, became to establish a loose (and of necessity, somewhat covert) alliance between the black African states and South Africa. This required gradually dappling the white capitalist political and economic hierarchy of South Africa with some black faces, a tokenist integration. A real overthrow of apartheid was out of the question because it would necessitate the end of bourgeois rule in the area and enormously weaken the imperialist world economy by eliminating the South African superprofits. The black states, in their turn, needed to have apartheid cloaked before they could deal. Thus the tokenist approach necessitated the creation of a black middle class in South Africa itself, a class with a stake in the imperialist system. It would have to be created, for too little in the way of such a layer exists today.

For Kissinger, these were risky steps. A man of the status quo, he in no way reflected the elements of the bourgeoisie who were able to run with the revolutionaries in order to catch up with and incorporate them. He might in dire circumstances lower himself to do this if forced, but that would have been a strategy essentially alien to his whole traditional and reactionary world outlook.

Carter's Opportunism

Jimmy Carter, on the other hand, is a "man of the people," an opportunist who seeks to ride the waves of change under the illusion that he can steer them his way. He knows that accommodations have to be made in order to insure stability on a new level. He had seen the Old South's blockade strategy fail in the late fifties; that's what Griffin Bell, his buddy now in the Justice Department, tried, and they all now "know" that it doesn't work. So he is prepared to take certain chances and allow the waters to flow a bit now in order to be better able to dam the mass current later on.

Kissinger, for example, was far closer politically than Carter to the likes of Solzhenitsyn. Kissinger was no less a reactionary nationalist than Solzhenitsyn, but he was not going to play any games with the Russian dissidents and risk encouraging the forces of destabilization. Solzhenitsyn was no threat, but there is a dangerous logic in showing friendship to any oppositionist lest the masses gain confidence and assert themselves. Thus

Ford's famous refusal to see Solzhenitsyn. Kissinger, Ford and the multitude of businessmen who want to trade with the USSR are now critical of the Carter administration for its "rhetoric" about human rights in the Soviet bloc; such talk might "incite" upheavals.

Carter is also concerned that his administration's own rhetoric might get out of hand. His object is certainly not revolution but a "controlled revolution," meaning a new stability. Therefore the Carter forces, despite their "commitment" to "human rights," openly attacked Congress for refusing to allow them "flexibility" in awarding loans to the murder and torture regimes which so tastefully ornament Western "democracy." Similarly, when the *New York Times* rashly took his morality line on South Africa seriously and credited him with advocating "black majority rule," his State Department quickly responded that he favored only "majority rule" — meaning a handful of token blacks to "represent" and incorporate the black masses.

Carter's opportunism is most apparent in his line of overt warmth to the Russian dissidents, at least those that are upper class, pro-West or at best reformist. Andrew Young makes Carter's policy perfectly clear. A former civil rights leader and now the government's token black, Young is the perfect embodiment of the role of the black middle class in the New South. Placed in charge of trial balloons for the administration, he is given ample prestige but no real power and serves to shield Carter from direct attacks on foreign policy. Indeed he serves Carter as a lightning rod, drawing away attack from Carter personally and yet attracting and de-energizing new forces. Embarrassment over his barbs directed at Washington's racist and imperialist allies have been tolerable so far. The European leaders may resent it but seem to be able to take words in their stride since they approve of Carter's essential plan to incorporate black anger at home and abroad. Thus they "strongly protest" Young's "behavior." Young's every word might not reflect Carter's every word, but he perfectly reflects the New South opportunism of both of them. In a recent interview in *Newsweek* magazine, Young outlined the New South world view.

"Q. Is the Administration saying it is in Russia's interests not to suppress people?"

A. Yeah, in a real sense we are. Repression causes more dissent rather than quells it, and if you keep on applying pressure, you're creating conditions for the overthrow of governments.

Q. And yet dictators would argue that if they loosen up, they're doomed.

A. That's what people in the South said — that if they let blacks get the right to vote and didn't maintain a rigid system of segregation, the blacks would run off with their daughters and burn down their cities. My feeling is that as the Russians begin to evolve, they're going to have more problems rather than less. The fact that we are helping them deal with these few dissenters right now will prepare them down the road to deal with a massive generation of dissent which is probably not ten years off in the Soviet Union."

Of course, another reason that the Carter crew engages in "human rights" attacks upon the Stalinist dictators is simply to embarrass them and score points in the inter-imperialist rivalry. But this just proves that Carter's conception of a new international stabilization means that he will allow the boat to rock far more than Kissinger ever would have done.

To a degree, Carter maintains the same view of the Russians as does Kissinger, since the reality of the contradiction-laden imperialist rivalry and partnership continues. Kissinger and Carter both rest upon the economic power of America's predominant imperialism. For rationalist observers (some of

whom think of themselves as Marxists), statesmen and politicians are necessarily rational representatives of the class they serve and are capable of discerning fully their unanimous class interests. But this is far from the case. Ruling class leaders have different interests within the class system and different understandings of what they are doing. They have brilliant strokes at times and do stupid and irrational things at others. They only reflect the system's interests. They all serve the same god, but at different temples and with different rites.



Martin Luther King, Jr. steered the black rebellion towards accomodation. His lieutenant is now Carter's flag bearer in the attempt to subordinate rebellions abroad to imperialism.

Kissinger was notorious for relying upon bureaucratic skills, diplomacy and the brandishing of military power, but he was equally known for his lack of understanding of all of the available economic weapons. His policy obviously rested upon America's overwhelming economic strength and it backed into the use of this power as the situations permitted; but his policy did not concentrate on the overt use of economic diplomatic tactics. The New South people, in contrast, know from their entire history that America's economic strength is their chief asset. The change in the Southern economy brought about through placating opposing forces with compromises is in their blood. The "success" in deterring the black revolution in the South derived from the affluence of the U.S. economy as a whole and the huge investment sent Southward by Northern, that is U.S., capital. Young made the point clearly:

Q. Does it worry you that there seems to be such a sizeable Marxist (by 'Marxist,' they mean Russian or State Capitalist) penetration in developing nations, notably southern Africa?

A. No, and the reason it doesn't worry me is that I don't think the Marxists can compete. What people want in the world is not ideology; they want goods and services. There's no Marxist economy that's been able to deliver goods and services to the people like we have.

Q. But isn't it true that few countries, having gone Marxist, ever go back?

A. It may be that they don't go back, but they will all, including Russia, gradually increase their participation in a free economy. They will open a window to the West for trade. My feeling is that our most useful relationship to the Marxist world is not to take them on militarily, where everybody loses, but to go ahead and take them on economically, where I'm sure we're better prepared to win."

Young has explicitly cited the "stabilizing" efforts of the Cubans in Angola. When pressed, Carter backed him up on

this and used the same term to defend the "legitimacy" of the South African regime whose "major role to play" in southern Africa may have to outlast the Cubans'. Both Young and Carter are aware of the weakening of the Stalinist state capitalist economies as they fall into stagnation and deeper in debt to Western banks. Shopping for technology which they cannot generate themselves, they are more and more dependent on Western imperialism. Russia cannot match U.S. economic power, despite the crisis in the West after the end of the post-war boom. Angola didn't hesitate to protect U.S. interests. Carter has already pointed out that both Vietnam and Cuba cannot depend upon the USSR but must deal as well with the United States or collapse. This is a common understanding of the Russians, Vietnamese and Cubans by now.

Whereas Kissinger and Sonnenfeldt had looked for stability in Eastern Europe through the tightening of Russia's relationship to its satellites, Carter has a more dynamic understanding of Russia's weakness and the danger that state capitalism may not stand up as a major prop for world imperialism. His policy is a controlled loosening of the Russian bloc in order to tie the state capitalist countries to the Western bourgeois orbit more thoroughly. In an interview with the West German magazine *Quick* reported in the *New York Times* of September 23, 1976, Carter said, "It is in our interest and the interest of world peace to promote a more pluralistic Communist world." And further: "We should remember that Eastern Europe is not an area of stability and it will not become such until the East European countries regain their independence and become part of a larger cooperative European framework."

This "larger cooperative European framework" is of course an adjunct to the entire structure of Western and Japanese imperialism. Preservation of imperialism is as much the essence of Carter's policy as it was Kissinger's. Carter understands that the world is far too turbulent to attempt to maintain it by a simple stitching of the tearing fabric. Carter takes bigger risks. However, this venturism rests upon an attempt to weld the major Western imperialists more firmly together than in the past. The New South would have been much easier to achieve, Carter believes, if the whole bourgeoisie had got itself together more rapidly and prevented its own internal schism. Carter's famous "trilateralism" indicates far greater attempts to cohere the imperialist bourgeoisie of the U.S., Europe and Japan in order to carry out his new world design.

Given this New South outlook Carter and Young have faith in the power of the bourgeoisie to conduct social change in such a way as to create new bases for stability. On his recent trip to South Africa, Young hailed the "progressive business leaders" of that country. The junior imperialists such as the South Africans must be pressured as were the New Southern bourgeois, but in the end they too will come through. The *New York Times* summed up Young's approach in South Africa.

"He spoke of the role that business had played in the transformation of the American South serving as a partner of civil rights activists and responding to their demands. That alliance, he declared, proved that 'when goods are shared with those at the bottom of the

system, it doesn't mean that they have to be taken away from those at the top'."

But despite all this confidence, the Carter foreign policy is bound to fail, because the parallel between the New South and Carter's new world breaks down. The South was part of the United States and not a colony or even a former colony. More important was the fact that the Southern transformation was based upon the defeat of the working class through the collapse of the CIO organizing drive and the domestication of the entire union movement in the forties. Internationally, imperialism was reasserting itself after the worldwide defeat of the proletariat through the Great Depression, fascism, World War II and betrayal of the workers' post-war uprisings by the Stalinists and Social Democrats. The resulting prosperity and stability under American hegemony even allowed colonial revolutions to take place without delivering upon the underlying threat to imperialist domination of the world. This was the situation that permitted the development of the South.

Today the situation is directly opposite. The stabilization of the moment should fool nobody. Rebellious masses are beginning to move throughout the world. The petty-bourgeois leaderships of the colonial revolutions, including even the most extreme Stalinists, have demonstrated their inability to escape from the capitalist orbit. The mass struggle has no alternative if it is to succeed but to continue through proletarian socialist revolutions to break free from imperialist super-exploitation, since world capitalism can afford no new plums for its semi-colonial dependencies. Even the triumphs of the New South, made possible by America's domination of the world, are endangered by the international crisis. Young's faith in the ability of capitalism to give a share (sop) to the masses is misplaced. The weakening U.S. economy is in better condition than most countries', but even here the slide downward is inescapable short of proletarian revolution.

Kissinger had already begun to realize that the status quo could not be maintained unaltered in the face of the revolutionary changes now brewing. Carter even more so, for he understands that stonewalling will only lead to a bigger disaster for imperialism. But Carter's strategy of a controlled change — limited accommodation without fundamental overturns — cannot work. At best it will succeed for a time in Europe but it can only court additional destabilizing trouble in the rest of the world.

A salient feature of Carter's foreign policy has been the assertion of "moral" support for "human rights," not only in the Stalinist countries but in some of the reactionary bastions of capitalism in Latin America, Asia and elsewhere. This policy, as much of the left press has already pointed out, is a cover for support to these regimes, and Carter has already backed off from some of his demands because of the irritation expressed by the Argentinian, Brazilian and Chilean tyrants. However, this reaction and the administration's retreat prove that the policy meant something real and was not a total lie. Carter's policy demands a more fluid, pluralist and pseudo-democratic network of allies, but he is already discovering that it cannot be achieved.

World capitalism needs dictatorships in the backward countries because popular governments are too fragile to defend bourgeois rule from the masses. Democracy, as Trotsky pointed out, depends not upon the good will of the leaders but upon the ruling class's ability to satisfy at least some of the needs of some layers of the population. Where the bourgeoisie can provide sops and reforms to a layer of petty-bourgeois intellectuals and the bureaucracy and aristocracy of labor,

then class contradictions can be deterred from exploding. "In the condition of capitalist decay a democratic regime is accessible (up to a certain time) only to the most aristocratic bourgeoisie."

Reformism, Stalinism and social patriotism, those vermin forces of accommodation, are able to breed only where there is still enough prosperity to tie sectors of the masses to the system. Growing sections of the working classes in Europe are already beginning to see through the popular front and class collaborationist policies of their traditional leaders. In the poorer countries, the material base is eroding so rapidly that democracy can be only a momentary phenomenon. Those who believe that the electoral defeat of Indira Gandhi really means long-term democracy for India are in for a rude awakening.

Military rule ("left" or right) is the only answer for the bourgeoisie in the "third world." At the same time, the power of the working classes is now on the rise after the French events of 1968. That is why Carter is willing to be flexible towards autocracy in Latin America and the Middle East but must take a more placating attitude towards the proletariat in Western Europe. Carter as well as Young knows that the U.S. must be prepared to deal with even the most "extreme" (but petty-bourgeois) forces; he knows from his Southern experience that these, given a stake in maintaining the system, will serve as a last-ditch barrier against the masses.

Labor Misleaders Earn Contempt

Consequently, in sharp opposition to the Kissinger line, the new administration has publicly indicated that it will not withdraw support from European governments that include the Communists. Carter may not *want* popular fronts, but he is willing to accommodate to them because he knows they are coming. Because of the power of the working classes and the existence of powerful CPs, the final resort of military rule and fascism is not yet necessary for the leading capitalist countries.

In the United States itself, the labor bureaucracy does not have to be bought off further at all. The miserable class collaborationism of, say, the French and Italian Communist Party bureaucrats smells like a rose in comparison to the utterly contemptible stench of the servile AFL-CIO leaders. Carter does have to accommodate to a whole variety of interest groups, but he can afford to virtually ignore the AFL-CIO. The labor misleaders, by their absolute capitulation, earned not favored treatment but contempt. They have no alternative to him and he knows it.

Even here it is only a question of time before the American working class begins to explode. Then the bureaucrats (the Sadlowski types if not the Meanys) will also bleat as through they were real troublemakers in order to stay on top of the ranks. It is as yet too soon to tell which way Carter will move to deal with a situation that is entirely new for him: a fighting and political workers' movement on his own turf. His talent for accommodation will be at war with his class hostility to a force different from all other "pressure groups" in that it is fundamentally aimed at the destruction of private property. Should he attempt to placate it, that would be nothing but a continuation of his usual pose. For behind every Carter grin there stands the real spirit of capitalism in its decay: reaction, torture, murder and starvation. It is because the ruling class policy of accommodation is necessarily ephemeral that the working class must learn, too, that there can be no accommodation in the class war against imperialism. Or with its representative, the Imperial President, James Earl Carter, who just wants all of us folks to call him "Jimmy." ■

The "Marxism" of the Petty Bourgeoisie

The Spartacist League and the Theory of State Capitalism

In the past half-year the Spartacist League (SL), a tendency that has never tried to penetrate very deeply into theoretical questions, published a series of lengthy newspaper articles against theories that claim the USSR and other Stalinist-ruled states are state capitalist. Even though the theories of state capitalism that the SL chooses to attack are fundamentally different from our own, the Spartacist polemics give us an opportunity to defend and further elaborate the Marxist analysis of state capitalism which has been presented in *Socialist Voice*.

The Spartacists defend the Pabloite view that the Stalinist states are degenerated or deformed workers' states. Until recently they have done even less than most Pabloites to provide any theoretical underpinning for their analysis. They had been content to claim that their view was the same as Trotsky's. Now, however, their appetites have been whetted by the disorientation and break-up of the Maoist movement resulting from the momentous events in China after the deaths of Chou En-lai and Mao Tse-tung. Various Maoists have produced theories which attempt to show that Russia was transformed after the death of Stalin from a healthy socialist society into a capitalist (even fascist) one; the Maoists, of course, insist that China is still socialist. It is these theories that the SL attempts to confront. As well, in order to deter escaping Maoists from adhering to non-Maoist state capitalist views, the SL attacks other such theories, those raised by Amadeo Bordiga, Raya Dunayevskaya and Tony Cliff in particular. Towards our own theory, which they imply is "sophisticated," they dare raise only an occasional barb and no concerted attack.

The appeal of Maoism was based upon China's breakaway from Russia's economic and political domination. In Western countries, it found ready allies among radical middle class youth who saw China as a leftist and so-called Third World citadel standing firm against the revisionism of Russia and its allied Communist Parties. In recent years, the internal convulsions of China and its increasing orientation towards the right wing of Western imperialism have shaken many of the remaining Maoist adherents. These events have in turn

produced in the West crass hacks who bow to every whim cast into the breeze in Peking; among them are adroit "theoreticians" who attempt to rationalize the socialist credentials of Stalin and the rulers of present-day China.

The Maoist theories are products of the current crisis of capitalism in general and of state capitalism in particular. Maoism as a political current owes its very existence to the weakening of the Stalinist bloc and the Stalinist parties. Similarly, the new-found theoretical capacities of the Spartacists are due only superficially to the potential of Maoist



Workers in electrical equipment factory in Peking. Massive use of labor is substituted for capital and technology in China's failing drive to overcome economic backwardness through state capitalism.

recruitment. The SL's theory, like the Maoists', is a response to the crisis that is shaking Stalinism. It is an attempt to defend in theory (and to the degree possible, in practice) the system that is being undermined in the material world by the general crisis of capitalism, the Stalinists' technological backwardness, their dependence on the West, and most importantly, by the sharpening interventions of the working class.

The SL theory is just another rationalization, another attempt to conceal the crisis of state capitalism (and therefore

of capitalism as a whole). It denies the depth of the crisis. It salutes the strength and progressiveness of Stalinism just when its reactionary character becomes widely visible. It offers a system of reforms for a society facing revolutionary threats from the proletariat; therefore the Spartacists' reforms are couched in revolutionary phrases. This is precisely the function of centrism: to attract the most advanced elements in the workers movement through revolutionary pretensions which conceal its reformist content. As Trotsky pointed out, centrism has proven to be the last resort of capitalism in its struggle to disable the proletariat. When the class struggle intensifies, centrism represents vacillation in practice. It represents vacillation in theory at all times, never achieving a unified world view.

It is hardly surprising, therefore, that in the entire series of articles, written by the SL's house theoretician Joseph Seymour, the SL's own point of view is never given a coherent presentation. The series appears rather as an unstructured hodgepodge of potshots against various notions held by those whom the SL chooses to attack. (Some of the jabs, but not many, do hit the mark.) The lack of a comprehensive statement of the Spartacist theory is especially striking because Seymour affirms that "the nature of the Soviet Union under Stalinist rule is one of the most difficult theoretical problems which has ever confronted the Marxist movement," and then goes on to berate his state capitalist opponents because "they almost never pose the question from the standpoint of the Marxist dialectical conception of history" (*Workers Vanguard*, February 18, 1977).

Seymour is compelled to evade his own challenge, however, for the same reason that *all* the Pabloites have always avoided probing too deeply into their theories. Namely, Pabloism asserts that the creation of a workers' state does not require a workers' revolution, and therefore it quickly runs into contradictions with the basic teachings of Marx, Lenin and Trotsky on the nature of the state and the role of the proletariat. It was a theory devised after World War II, when the decaying Trotskyist movement had to face up to the fact that Trotsky's assessment of Stalinist Russia as an internally weak and fundamentally contradictory structure that would collapse during the war was off the mark. The massive defeat of the proletarian upsurge in Europe was largely the work of Russia and the Communist Parties, which emerged from the war in a relatively strong condition. The Trotskyists' initial response, as revolutionaries, was to oppose the expansion of Russia into Eastern Europe, its suppression of the workers, and the counterrevolutionary role of the Communist Parties elsewhere. However, the defeat of the proletariat and the consequent reassertion of world capitalism had a devastating impact upon the Trotskyist movement.

Over time the Fourth International adapted to the new Stalinist conquests. They quickly dropped the original label of "buffer states" and "state capitalist" societies in Eastern Europe, in order to chase after Tito when Yugoslavia broke with Russia. When Tito refused the offer to join the Fourth International (and quickly went on to support American imperialism in Korea), the theory went through further changes and all the satellites were declared to be "deformed workers' states." (The term "degenerated workers' state" that Trotsky had applied to Russia could not be used, since these states had never been created by the workers and had no heritage of workers' rule to degenerate from.)

In the early post-war years under the leadership of Michel Pablo and with the theoretical aid of Ernest Mandel, the faltering Trotskyists tried to wrestle with the problem of how

workers' states could be formed and the socialist revolution carried out by a petty-bourgeois counterrevolutionary anti-working class force (Trotsky's description of Stalinism) by means of the defeat of the proletariat. It was no small problem and the subsequent petty-bourgeois achievements — the victory of a peasant-based Communist Party in China and Fidel Castro's overthrow of imperialism's puppets in Cuba — only intensified the difficulties. The initial attempts at theoretical clarification quickly gave way to bland statements that theoretical problems still existed and empirical assertions that workers' states "obviously" had been created. The Pabloites' acceptance of the idea that the petty bourgeoisie could take the place of the proletariat in making the socialist revolution was a prominent signpost on the road to the triumph of centrism within the Fourth International. The revolutionary continuity was broken, and the so-called Trotskyists became the left-wing apologists of the Stalinist counterrevolution, not just in theory but in actual practice.

The Pabloites' differing assessments of the new period of capitalist stabilization and the expansion of Stalinism led to schism after schism. Although the debate over the question of Stalinism subsided, there remain today perhaps a dozen distinct Pabolite theories distinguished from one another on how, when and why the various Stalinist states became "proletarian." Seymour, who delights in polemicizing against Ernest Mandel's reformist ideas on the economics of capitalism, studiously avoids any confrontation with Mandel over the Russian question — even though Mandel, both as a theoretical writer and a political leader of the "United Secretariat of the Fourth International," has been the leading defender of the deformed workers' state theory for twenty-five years. The Spartacist League has serious differences with Mandel on this subject — how and when China became a workers' state, the Berlin Wall, the class character of the Soviet dissidents, etc. — yet these differences are *never* probed to their theoretical roots. Seymour mocks the Maoists for being unable to agree on how and when the restoration of capitalism occurred in the USSR, but he keeps the peace among the Pabloites. On fundamentals, the policy of the entire Pabloite family is a deafening conspiracy of silence.

Our task in this article is to bring to light the conceptions underlying the SL's point of view. We will show that the Spartacists dismiss state capitalism in theory only to advocate it in practice. In particular, they conceal the fatal weaknesses of the USSR's economy in order to paint it as progressive; they credit sections of the ruling bureaucracy with noble intentions in order to disguise their crimes; they deny the existence of Russian imperialism in order to defend it; and lastly, they offer reforms to the bureaucratic system which, although they do not know it, would only strengthen its bureaucratic character. In sum, we will show that the SL not only credits "socialist" revolutions to the petty bourgeoisie but itself reflects the world outlook of sections of the petty-bourgeois intelligentsia. As the growing proletarian struggle moves towards Marxism again, such theoretical capitulations pave the way for material disasters; hence the need for Marxists to expose them. The SL presents itself as a left-wing alternative to mainline Pabloism and can only serve to disorient elements breaking from it.

(Since February 1977, the SL has been announcing the appearance of a pamphlet on state capitalism which is to contain the recent articles as well as some earlier ones. As of this writing in May, the pamphlet has not appeared, so our references will be to the original articles.)

State Capitalism in Theory

Although the Spartacists' underlying views are never specifically presented, the unstated premise throughout Seymour's articles is that state capitalism (where the national economy is in the hands of a single owner) is a theoretical impossibility. This premise should not be confused with the views of Marx, Engels, Lenin and Trotsky, all of whom recognised that the tendency in capitalism towards concentration, centralization and statification could in theory lead to a society in which a single capital, the state, administered the entire capitalist economy. In fact Marx pointed out, "In any given branch of industry centralization would reach its extreme limit if all the individual capitals invested in it were fused into a single capital. In a given society the limit would be reached only when the entire social capital was united in the hands of either a single capitalist or a single capitalist company." (*Capital*, Vol. 1, p. 627.) Engels added, "In any case, with trusts or without, the official representative of capitalist society — the state — will ultimately have to undertake the direction of production. ... But the transformation, either into joint-stock companies and trusts, or into state ownership, does not do away with the capitalist nature of the productive forces." (*Socialism: Utopian and Scientific*, Part III.)

None of the outstanding Marxists foresaw a national state capitalism as a practical likelihood, however, since they all expected the workers' revolution to intervene before capitalism reached this extreme. Seymour, on the other hand, objects to state capitalism on the theoretical, not just the practical, plane. This is shown by analyzing his treatment of the law of value. "Some of the more sophisticated theories of 'state capitalism' attempt to prove that the USSR is capitalist by claiming that the Soviet economy is regulated by the law of labor value," he writes (*Young Spartacus*, February 1977). (Which "sophisticated" theories does he mean? Cliff's he considers "shoddy," Bordiga's is "simplistic," and Dunayevskaya, although "articulate," can't tell a workers' state apart from full communism.)

Indeed, our article in *Socialist Voice* No. 2 explained in detail how the law of value comes to operate both under a workers' state and the state capitalist economy of today. It operates differently in different historical periods. In capitalism's progressive epoch during the nineteenth century, the law of value expressed itself as a regulator of "equality" among capitalists: it allocated to each capitalist, according to size, a proportionate share of the total surplus-value produced in society. This is what Marx referred to as "capitalist communism." Its result was to accentuate the inequality among the capitalists, as the large grew proportionately larger. In the present epoch of capitalism's decay, the law of value compels the largest and strongest capitalists to appropriate disproportionate shares of surplus-value in order to be able to accumulate. The result, first systematically analyzed by Lenin, was the stage of imperialism or state monopoly capitalism.

Since Lenin's day, the centralizing and concentrating drives of capitalism have developed further. Statification has deepened in every capitalist country, and full statification, state capitalism, has taken place in certain countries. This is no new stage or epoch higher than the imperialism which Lenin correctly called "the highest stage of capitalism." It is part of world imperialism which acts as a prop to the entire system on an international scale, just as the nationalized

sectors of industry within a given national economy prop up the other sectors and their profitability.

Full nationalization in the face of a powerful and threatening proletariat was impossible for the bourgeoisie itself to achieve. It was only the Russian proletarian revolution of 1917 that overthrew the bourgeoisie and created a workers' state capable of nationalizing the means of production as a whole. When the Stalinist counterrevolution succeeded twenty years later in wiping out the last vestige of proletarian rule, the nationalized property remained in the hands of the emergent ruling class.

Seymour will have none of this. "Marx was quite categorical in insisting that the capitalist mode of production and the law of value are inextricably bound up with atomized competition." This idea is essential to Seymour's entire case, and he believes he can prove his claim. "Here is a quote from Marx which leaves very little room for misinterpretation on this point." The quotation from Marx's *Grundrisse* which follows, pompously identified by the Spartacists as "our translation," can be found (with only trivial differences on page 414 of the available English edition. This quotation has appeared twice in the Spartacist press and was prominently displayed in the February 1977 *Young Spartacus* alongside a portrait of Marx. It deserves to be read carefully.

"Conceptually, *competition* is nothing other than the inner nature of capital, its essential character, appearing and realized as the interaction of many capitals on one another, the inner tendency as external necessity. Capital exists and can exist only as many capitals, and its self-determination therefore appears as the interaction of these on one another."

Seymour interprets Marx to say that competition is the inner nature of capital, for he continues in his article: "Thus, one cannot speak of the law of value in the absence of a market, since the law of value is generated by competition on the market." If this interpretation is correct, the law of value would *not* operate in a society where the state owns the means of production and is therefore marketless, and consequently such a society could not be capitalist. But this interpretation is not correct, for Seymour has managed to find "room for misinterpretation" by standing Marx on his head.

The Marx quotation, despite Seymour's reading, does *not* say that competition is the inner nature of capital and it certainly does not say that market competition generates the law of value. It says that competition is the way the inner nature of capital *appears*. What is this inner nature of capital that Marx is referring to? Marx makes it clear a few lines earlier: it is capitalism's drive to accumulate beyond all bounds, since it "strives limitlessly for surplus labor, surplus productivity, surplus consumption, etc." The entire passage is designed to make the point that the inner tendencies or laws of motion of capital are carried out in practice not through the capitalists' conscious recognition of these laws, but through their recognition of the fact of competition. Thus, as Marx states twice in the quoted passage, competition is only the *appearance* of the inner laws. The appearance, however, is not a falsification but a reflection of the reality. For example, an individual bourgeois credits his survival to his ability to compete successfully with his commercial rivals, not to his perception of laws of capitalism. He sees himself forced by competition to keep his prices as low as possible, and therefore he has to cut down on labor costs. In reality, it is capitalism's drive to accumulate that requires the techniques of production to be advanced, and this is what enables the labor cost of each product and the price of the product as a whole to be reduced. This illustrates what Marx means by competition as "external

necessity": it compels the capitalists to act according to the inner laws of capitalism whether or not they (or their Seymours) are able to understand them.

Seymour's notion that "the law of value is generated by competition" is specifically answered by Marx later in the *Grundrisse* (page 752):

"Competition executes the inner laws of capital; makes them into compulsory laws toward the individual capital, but it does not invent them. To try to explain them simply as results of competition therefore means to concede that one does not understand them."

The point was no small one to Marx. It recurs in *Capital*, Vol.1, p.270: "Free competition brings out the inherent laws of capitalist production, in the shape of external coercive laws having power over every individual capitalist," and Engels cites this line in full in his "Synopsis of *Capital*." We too reiterate for Seymour's sake: that which brings out, which executes, the laws of capitalism is not itself the inner law.

The upshot of the point that Seymour misinterprets is this. While the inner laws of capitalism (the drive to accumulate, the law of value, the tendency of the rate of profit to fall, etc.) remain throughout the history of capital, the character of their appearance changes, as we have described above. Seymour instead takes competition as the reality and not the appearance; he regards the surface appearance of reality as the entire reality and the laws (to the extent that he regards them at all) as only a more general description of the surface. He therefore shares the outlook of the nineteenth century petty-bourgeois relic who sees capitalism as a struggle with the competitor on the next block. Like the twentieth century petty-bourgeois intellectual that he is, however, he opposes such anarchic competition in the name of a secure, ordered and planned economy behaving according to "rational" principles. Unable to account for the development and changes in capitalism that Marx foresaw, he is forced to reject not only the theory of state capitalism but the Marxist understanding of the decay of modern capitalism as well. In the name of rational principles he becomes, as we shall see, the unwitting spokesman for the laws of capitalist decay.

The Epoch of Imperialist Decay

Seymour gives the game away by the character of his challenge to his opponents: "Any serious would-be Marxist who holds that the USSR is 'state-capitalist' or some other form of exploitative class society must answer the following question: is this form of society a progressive development or is it a historical retrogression from the most advanced capitalism?" (*Workers Vanguard*, February 18, 1977). For a serious Marxist the question poses no difficulties whatever. State

capitalism is a product of the epoch of capitalist counter-revolution and decay and cannot therefore be considered in any way progressive by comparison to the epoch of capitalism's rise.

It is Seymour's method of posing the question that is significant. He is really asking whether Russia is more progressive than the United States. By "the most advanced capitalism" he means not the system at the height of its progress before its historical decline, but the economically advanced capitalist countries of today. These are the imperialist countries, those whose exploitative domination of the world represents the degeneration and reactionary character



The Berlin Wall. Guns not cement stopped the "hemorrhage" of Stalinist Germany's work force. Their blood is the price the Spartacist League is willing to pay to keep the bureaucratic plan alive.

of the imperialist epoch. State capitalism is one aspect of the retrogressive state monopoly capitalist system as a whole. The Spartacists fail to grasp this because they equate imperialism's economic advantage with historical progress.

This observation enables us to further examine the national chauvinism so characteristic of the SL (see *Socialist Voice* No.3). One of these "advanced" countries (in Seymour's sense) is the Union of South Africa, the racist society based

upon apartheid. The Spartacist League wishes to preserve its "advanced" character, embodied in the super-privileged, technologically knowledgeable, white labor aristocracy. Hence they oppose self-determination for the South African blacks out of a desire to conciliate the white workers (their call for a constituent assembly is a cover for the failure to support black majority rule); and they go so far as to back the "right of self-determination for the Boers" should the blacks achieve state power. As we commented in the April 1977 issue of *Socialist Action*, "Such deliberate confusion of 'human progress' with the vicious oppression of the epoch of imperialist decay is possible for only the most cynical and corrupted 'socialists'."

The theoretical justification that enables the Spartacist League to commit their chauvinist outrages is now clear. South Africa is "advanced" in the same way that the SL considers the USSR of today to be advanced (although to a far lesser degree) — solely because of its economic achievements. Because it examines these societies statically and not historically, the SL cannot see that they are representative of imperialist decay and that their achievements are maintained only through the vicious exploitation of the workers and the oppression of subject peoples, no longer a miserable necessity in this epoch. What makes South Africa "advanced" in the SL's sense is in fact the reciprocal relationship between apartheid and the systemic drives of imperialism.

Seymour cannot grasp the inner laws of capitalism and the contradictions inherent in the drive to accumulate. He fails to understand the epoch of stultifying capitalism, that is, of imperialist degeneration. For Seymour, capitalism's evils are of an entirely different character: its anarchic markets, its planlessness, and its cyclical depressions and recessions. This is the same view of capitalism maintained by the left liberal "social engineer" economists who once adored the "Russian experiment" as it became more and more bureaucratized and less turbulently proletarian. It is the same view of capitalism that is held by the Stalinists, the open advocates of state capitalism: if only everything were statified, capitalism's problems would cease. If you can't bust the trusts — as Stalinist and pro-Stalinist reformers quickly learn — nationalize them; that becomes the content of many varieties of petty-bourgeois "socialism."

Thus Seymour criticizes the Maoist theory of Martin Nicolaus on capitalist restoration in the USSR by demonstrating, contrary to Nicolaus, that the Soviet enterprises are not independently controlled by their local plant managers (*Workers Vanguard*, January 14, 1977). As Seymour shows, Nicolaus falsifies the facts in order to describe post-Stalin Russia as a pluralistic capitalist society. But Seymour agrees with Nicolaus that this is the only kind of capitalist society conceivable. Both Seymour and Nicolaus accept a model of capitalism which is defined by the freely competitive pre-monopoly epoch. Both ignore the laws of development found by Marx which explain why competition occurs on a more centralized plane in this epoch. Lenin, for example, wrote in his *Imperialism, the Highest Stage of Capitalism* (Chapter I):

"Half a century ago, when Marx was writing *Capital*, free competition appeared to the overwhelming majority of economists to be a 'natural law.' Official science tried, by a conspiracy of silence, to kill the works of Marx, who by a theoretical and historical analysis of capitalism had proved that free competition gives rise to the concentration of production, which, in turn, at a certain stage of development, leads to monopoly."

Seymour likewise rejects the Marxist historical analysis of capitalism, and this is what enables the Spartacists to defend

the most centralized and concentrated exploitation that capitalism achieves today.

Arguing against Nicolaus, Seymour "proves" that Russia disobeys the laws of capitalism by claiming that Russia has no cyclical economic contractions. He accomplishes this by citing exactly one statistic on the Russian economy, a supposed 18 percent growth rate in industrial production from 1974 to 1975 while the Western imperialists and Japan were all undergoing recessions in production. For one thing, the figure is wrong; even the Russians claimed growth rate was a far less remarkable 8 percent (see the United Nations *Statistical Yearbook* for 1975 which Seymour cites as his source). For the most recent year, according to the *New York Times* of January 23, 1977, the industrial growth figure of the Soviet Union was 4.8 percent, its lowest rate since World War II.

The basic error in Seymour's approach, however, is that he chooses to cite one (false) figure instead of studying the historical trend. The statistics provided by the Stalinists for their own economies are notoriously unreliable (at times they were deliberately falsified) but two observations can be made from either the official statistics or the various Western bourgeois versions: 1) the rates of industrial growth have been cyclically uneven since World War II; 2) the rates of growth of the individual Stalinist countries have generally declined from one Five-Year Plan to the next; the tendency to decline is sharp and inescapable. Moreover, the Eastern European satellites, who do not benefit from Russian imperialism and cannot use its proceeds to offset immediate crises, have not succeeded in avoiding obvious economic contractions. The uprising of the Polish workers in 1976 was the most obvious recent reaction against the bureaucrats' imposition of economic "sacrifices" on the proletariat. With these trends and events in mind, Seymour's peroration against Nicolaus (precariously based on his single phony statistic for Russia!) falls flat on its face.

"A serious and honest Marxist confronting these empirical facts could reach only one of two conclusions: either the USSR is not capitalist, or it is a new form of capitalism which has overcome cyclical contractions (which Marx considered *necessary* for the capitalist mode of production).

"The latter, revisionist conclusion directly negates the fundamental Leninist position that this is the epoch of capitalist reaction and decay. The Marxist revolutionary program ... is based on the *objective* condition that capitalism arrests the development of productive forces and must be superseded by a superior economic system. Thus if there exists today a capitalist system which ensures the rapid and steady growth of productive forces, this calls into question the necessity and progressive character of proletarian revolution and working-class rule."

However, the epoch of decay evidences itself not in cyclical contractions (which occurred during capitalism's rise as well) but in the inability of capitalism to qualitatively expand the productive forces except at the expense of entire sectors. State capitalist Russia does not "ensure the rapid and steady growth of productive forces," despite Seymour's faith; its declining rate of accumulation, in fact, illustrates another Marxist law of motion of capitalism which the USSR obeys, the falling tendency of the rate of profit which is reflected in the rate of accumulation.

It is true, as Seymour states elsewhere, that "from a backward, largely peasant economy in the 1920's, the Soviet Union has transformed itself (despite massive bureaucratic parasitism and mismanagement) into a modern industrial society. The USSR is the only backward country to achieve such a transformation in the 20th century ..." (*Workers*

Vanguard, February 18, 1977). The Soviet Union's outstanding growth, however, aside from the period of its recovery from World War II, took place in the 1920's and mid-1930's when it was still a workers' state. It was due fundamentally to the socialist consciousness of the workers and their willingness to sacrifice and sweat, not alone to the "collectivized property forms" the necessity for which is understood only abstractly by the SL. Since that time, Russian expansion has kept well within the limits of capitalist decay. For example, according to Angus Maddison in his book *Economic Growth in Japan and the USSR*, manufacturing output in the Soviet Union grew by 190 percent from 1953 to 1965, while Japan's increased by 360 percent over the same period. If Russia's 8 percent growth rate convinces Seymour that it is not capitalist, then he ought to be ecstatic about Taiwan's 8 percent growth rate which has lasted for two decades (*New York Times*, April 23, 1977). Seymour's crass empiricism is highly selective and explains nothing.

The manifest decline in growth rates of all capitalist countries, East and West, since the end of the post-war boom is a clear indication that capitalism's laws of motion have not

the USSR from the West in the 1970's. The USSR and its satellites alone do not produce the surplus-value they need to invest profitably, and so must go heavily in debt. The Russian bloc's utter dependence on Western financing only proves the failure of a "self-reliance" that never really existed. The attempt to bulldoze capitalism's crisis into the future could only postpone and thereby magnify it. Already the weaker satellites have joined with the West in the 1974 recession (the 1976 Polish uprising resulted from a continuation of this crisis), and the future of the USSR itself is bound to be similar.

Seymour's own "concentration" on cyclical contractions is in fact an evasion of what he must prove if the Soviet Union is really a "superior economic system." As Trotsky pointed out in *The Revolution Betrayed*, the USSR would have to show a qualitative advance over the capitalist countries in its ability to expand the productive forces, to widen the productivity of labor, to equalize wages and to make it possible for the mass of workers to improve their standard of living and culture so as to become a true ruling class. Only such a society could expect to achieve the economic abundance and the abolition of hostile classes that are among the prerequisites for socialism and communism. Seymour is unable to claim that the USSR is qualitatively ahead of other countries or even up to the Western capitalist states in these respects. Nevertheless he asserts that the USSR's economy is "superior," and this leads him to some almost unbelievable apologetics for the Stalinist bureaucracy through his support of its layer of planners.

Table 1. Rates of Growth of Russian Industry

<i>Period</i>	<i>Plan</i>	<i>Average annual percent increase</i>
1922-28	pre-Plan	23
1929-32	1st FYP	19.3
1933-37	2nd FYP	17.1
1938-40	3rd FYP (3 years)	13.2
1941-45	war	—
1946-50	4th FYP	13.5
1951-55	5th FYP	13
1956-60	6th FYP	10.4
1961-65	7th FYP	8.6
1966-70	8th FYP	8.4
1971-75	9th FYP	7.4
1976-80	10th FYP (est.)	6.5

(Source: *Programme Communiste*, May 1976, p. 96. Figures derived from Soviet periodicals.)

been superseded. Only by insisting that cyclical contractions are the chief symptom of capitalist decay can Seymour claim that the USSR outperformed Japan and escaped the laws of the epoch. In fact, the cyclical contractions are only a surface manifestation of capitalism's crisis. They result from the law of the falling rate of profit, which periodically forces higher levels of capital centralization on the bourgeoisie by wiping out the weaker capitalists and lowering workers' wages. The concentration of surplus-value into fewer hands permits the needed levels of investment to be undertaken that will ensure profitability. In the USSR, a high level of capital centralization and statification was conquered by the Stalinist counterrevolution from the proletariat, so periodic restructurings of capital were not necessary.

Today, however, the necessary levels of concentration are greater than can be achieved within one country, even countries as large as the United States and the Soviet Union. An international concentration and centralization of capital is under way. This is the significance of, on the one hand, the rapid growth of "multinational" corporations in the past decade, and on the other, the massive capital borrowings of

The Law of Value in the USSR

Having claimed that the law of value can only be generated by market competition, Seymour naturally deduces that "For a Marxist any discussion of the law of value must be limited to those areas where markets exist: the private peasant market, the labor market and the consumer goods market." (*Young Spartacus*, February 1977). He goes on to argue that the law does *not* hold in these areas because of the restrictions that exist on the free market competition and accumulation that he believes to be a requirement. As for industrial production, here Seymour rises to the full height of his assumed authority: "Only by the most gross distortion of Marxist categories can one claim that in the USSR the law of value operates in the sector of producer goods."

Since we have seen that Seymour's competitive assumption is incorrect, and that free competition is only one expression of the law of value, how does the law of value apply in the USSR? No matter how far removed a given capitalist society is from a free competitive market, the law of value exerts its sway throughout the economy and not just in limited, distinct areas. For example, it requires that the wages paid to workers conform to the social cost for the reproduction of labor power; it demands that the value of all commodities produced be based fundamentally on their costs of production; and it enforces the accumulation of producer commodities ahead of consumer goods. Moreover, it brings about the falling tendency of the rate of profit which prevents the bourgeoisie from qualitatively expanding its productive forces. For the falling rate of profit is nothing but the result of the preponderance of dead over living labor that capitalist accumulation, generated by the law of value, means. (see "Capitalism in the USSR," *Socialist Voice* No. 2). The SL, despite its every intention, is forced to describe the operation of the law of value even when it is unable to recognize it.

"In most Comecon countries, wholesale prices are fixed at the average costs of production. Newer plants

producing at costs below average make 'profits' which are largely taxed away; older, high-cost enterprises make accounting losses which are covered by planned subsidies. Because there is central control over total costs, industries operating on subsidies considered too high by the planning commission can be retooled, converted to another line of production, or closed." (*Young Spartacus*, May 1975).

This of course is what happens under a society that even Seymour would call capitalist. Inefficient factories are generally retooled, converted or closed — in the U.S. not by a central planning commission but by either an individual ownership or the board of directors of a broader corporation. Under Stalinism, state capitalist planning commissions "recognize" the law of value because they have to deal with a real economy and must come to terms with its laws of operation. It is not a cloak which may be donned or shed. To ignore it would make their economies less efficient than they already are and would render their plans increasingly absurd. Indeed, Stalinist theoreticians began to acknowledge the operation of the law of value as early as 1943, after trying to ignore it for a decade.

Seymour's apologetics for the planning bureaucracy's "recognition" of the law of value sometimes reach pathetic levels. "The 1970-75 Five Year Plan," he writes, "reversed the traditional Stalinist policy that the producer-goods sector must grow faster than consumer-goods output. Because of agricultural shortfalls, that plan was not fulfilled. But the intention was there." (*Young Spartacus*, April 1977).

This amounts to a deliberate avoidance of a Marxist interpretation. Every Stalinist Five-Year Plan has under-fulfilled the planned output of consumer goods, even when (as in the Second Five-Year Plan) consumer goods were "planned" to outgrow producer goods. Nor is it true that the blame for failure can be laid to unforeseen "agricultural shortfalls"; Seymour judiciously substitutes an "act of God" for a consistent, predictable phenomenon. The USSR's agriculture has been a disaster area ever since Stalin's enforced collectivization of 1929 (as Seymour points out in another connection), and the bureaucracy has never been able to modernize the farming sector. The planning bureaucracy's "intention" has not been as noble as Seymour believes. The *New York Times* of December 18, 1974 reported the decision by the USSR's chief economic planners "to swing back towards heavy industry" because "the targets...on the production of consumer goods proved unreachable."

If the bureaucrats' "intention was there" to reverse "the traditional Stalinist policy," that is only because of increased pressure from the Soviet workers and peasants. As the personification of capital, the bureaucracy's "intention" can be nothing other than the carrying out of the laws of capitalist development. And the domination of consumer goods by capital goods is one of those plagu inner laws, not a law of nature or of abstract rationality or a mere "policy" of good men or evil, competent or incompetent, dedicated or not — as any half-serious Marxist ought to be aware. In a capitalist society, the law can be inhibited by state intervention but not eradicated or seriously undermined, as the operation of the Soviet Union's economy verifies once again.

Seymour is capable of extreme generosity when it comes to the bureaucracy's intentions. "The extreme fall in real wages in the USSR during the early 1930's was not the deliberate intent of the Stalin regime, but arose largely because managers employed more labor than the plan for consumer goods had anticipated." Seymour could not better illustrate his stifling unwillingness to think as a Marxist; this notion is a

testament to the consequences of attributing the results of fundamental laws to surface and secondary factors. If plant managers had followed Seymour's prescription and had hired fewer workers, what would have happened to those not employed? They would have remained unemployed and, in all likelihood, sent back to the countryside by force. But this would have had no effect on the plan for consumers' goods. Those who starved as employed workers would equally have starved as unemployed workers, because the consumers' goods were not available.

Moreover, both the plummeting of the standard of living and the surplus of labor in the cities were the direct results of the Stalinist policy of forced collectivization that wrecked Soviet agriculture. Yet Seymour sets out to defend the bureaucracy's good intentions. This is not a matter of moral cretinism on the SL's part but rather a lack of Marxism. It comes from attributing basic economic laws to the intentions, capabilities and competence of a "planning principle" raised above society and its class struggles. The SL raises the economic planners, a stratum reflecting the new middle class intelligentsia, above society and the political state. It regards the planning layer as the rational element outside of and separable from Stalinist rule instead of one of its creatures.

What Seymour refuses to recognize is that Stalinism (with its planning lieutenants) enforces the law of value against the working class by its own methods. A traditional bourgeoisie might have dismissed millions of workers to drive down their income and thereby lower the total wage bill. The Stalinist managers maintain instead a fictitious full employment, keeping workers on the job by hoarding labor (one large element in restricting Soviet labor productivity to very low levels), but they hold the total wage bill down simply by planning for inadequate amounts of consumers goods to be produced. The methods are different, but the effect on the working class is much the same. The necessity over time to drive the total wage cost down is the inescapable law of capitalism; how it is accomplished at any given period or in any particular country is a secondary, derivative, question.

Russian Imperialism

The Spartacists' blindness to the laws of capitalism leads them not simply to deny that the Soviet Union of today is imperialist (any Pabloite is capable of that) but to justify it and deny it in the same breath. To introduce this political wizardry we begin with their theoretical overview of the question:

"Since the flow of resources in the producer goods sector of the Russian economy is determined by the plan, the USSR is under no compulsion to 'export capital.' With the destruction of capitalist competition for a market in the state sector, the Russian economy is liberated from the 'declining rate of profit' (the very formation of an 'average rate of profit' ceases) and thus from the economic compulsion to export capital to where the rate of profit is higher." (*Young Spartacus*, May 1975).

Every single thought in this passage is wrong. Take the average rate of profit. A tendency for the rate of profit of all capitalists to equalize at an average rate of profit is present in the epoch of competitive capitalism ("capitalist communism") but does not predominate in the epoch of imperialism. In this epoch, the monopoly sectors are able to enforce a higher rate of profit than the average, leaving lower than average profits for their smaller and less powerful classmates. The tendency towards equalization (the formation

of an average rate of profit) still takes place, but on separate levels for the monopolists and the others. In state capitalism, the process operates but in still different ways. Trotsky described it in *The Revolution Betrayed*, p. 245.

"Theoretically, to be sure, it is possible to conceive a situation in which the bourgeoisie as a whole constitutes itself a stock company which, by means of the state, administers the whole national economy. The economic laws of such a regime would present no mysteries. ... Under an integral 'state capitalism,' this law of the equal rate of profit would be realized, not by devious routes — that is, competition among different capitals — but immediately and directly through state bookkeeping."

The USSR differs from Trotsky's theoretical model of state capitalism in that it arose by an entirely different historical route. In itself, this difference is of world-historical significance, but it is not important for the understanding of capitalism's laws. The redistribution of profits occurs in the USSR much as Trotsky outlined. In fact, the SL's description of the setting of wholesale prices in the Comecon countries, quoted in the previous section, is perfectly adequate. The efficient plants have their "profits" (the SL's quotes) taxed away; the plants which suffer losses are subsidized. Thus "state bookkeeping" redistributes the profits among the plants and spheres of investment.

For Marx, the fundamental economic law of capitalism is the falling tendency of the profit rate, which the SL believes to

profit. The falling rate of profit, of course, means nothing but a falling ratio of surplus-value to total capital investment; and this in turn means precisely that investment resources are scarce. The SL is absolutely right that Russia suffers from a capital scarcity; that is why the bureaucracy strives to borrow capital from Japan and the Western imperialists and has run up such a huge balance of payments debt (the Soviet bloc's deficit was widely estimated at \$40 billion in 1976). Russia is not "liberated" from the falling rate of profit; it is growing increasingly dependent on its rival imperialisms of the West for the continuation of its present level of production.

The SL's contention that Russian planning eliminates the compulsion to export capital is equally wrong. The drive to export capital, as it acknowledges, is forced upon the bourgeoisie generally by the falling rate of profit. The imperialists' purpose is to produce surplus-value in backward areas at rates higher than can be achieved at the center, and then import the surplus-value produced. The USSR, under the Marxist law of combined development, operates both ways. The massive amounts of capital needed to develop backward Soviet resources are imported from the West, and at the same time the USSR exports capital to more backward areas that it rules or once influenced (Soviet Asia and Siberia on the one hand, countries like Egypt and India, on the other). Even though India is moving out of the Russian orbit, it continues to pay millions of dollars in fees and debts back to the USSR.



Prague, August 1968: Russian tanks crushing Czech revolt. This is "not imperialism (quite the reverse: a pattern of importing capital)," the Spartacist League idiotically observes.

be impossible in Russia because the average rate of profit doesn't apply. Even if an equalized rate of profit does not actually form, however, the falling tendency will apply nevertheless. The laws of capital accumulation apply to the system as a whole and not only to an "average" industry, and consequently the rate of profit of Russian capital will tend to fall.

The question of whether Russia is "liberated from the declining rate of profit" is answered by the SL two sentences beyond our previous citation. "The USSR suffers from a scarcity, not a surplus, of investment resources..." it notes, imagining that this proves the absence of a falling rate of

The purpose of capital export is beyond the SL's ken; it apparently believes that imperialism has nothing to do with the importation of capital from weaker countries. Here is how it polemicized against the Maoist Revolutionary Union:

"The RU glibly passes over Stalin's bureaucratic looting of Eastern Europe in the wake of the military conquest during World War II: the massive removal of industrial machinery, raw materials and even manpower; the extraction of severe reparations payments; and the establishment of joint-stock companies. While not imperialism (quite the reverse: a pattern of importing capital), ... " (*Young Spartacus*, May 1975).

What the SL lacks in Marxism it replaces with utter non-

sense. Stalinist Russia in the 1940's was recovering from the bloody counterrevolution and the massive effort of World War II and hadn't yet developed the sophisticated banking techniques and international corporations that Western imperialism is familiar with. So Stalinist imperialism had to make do with Stalinist methods as Czarist imperialism made use of Czarist methods. Today the Russian state capitalists are learning to use the more modern techniques, although the Soviet Army is still the enforcer of imperialism. But let us allow the SL to continue:

"...Stalin's policy of reconstructing the USSR at the expense of the material and social bases for Eastern European workers states was justified precisely by the perspective of 'socialism in one country.' Concerning this brutal bureaucratic looting, (the RU) has the gall to declare, 'Stalin encouraged a policy of cooperation, aid and mutual exchange.'!"

The Spartacists' anger at Maoism's concealment of Stalin's crimes is entirely justified. But what are we to say about their own efforts in this direction? It was not the RU but the SL that wrote, "Comecon is an attempt, inadequate and internally contradictory, to extend the monopoly of foreign trade beyond the individual states of the bloc." The extended monopoly of foreign trade that the SL applauds is nothing but a Russian monopoly of Eastern European trade. Of course it is "internally contradictory"; the Eastern Europeans object to being told what to produce by the Russians (with the Soviet Army on hand to help import it, non-imperialistically, of course).

Nor was it the RU that mocked and denied the "Cold War bogey of Russian trade 'exploitation' of the Eastern bloc." The SL cites "liberal bourgeois-academic economists" such as F. Holtzman as its authority for this claim (without specifying what it is they said). What Holtzman and his colleagues do say is that the apparent Russian price exploitation is not simply the result of prices imposed by Russia but also of Western trade discrimination against East Europe and of Russia's enforcement over its satellites of trade limitations with the West. That is, where East European goods would sell for higher prices in the West, Russia insists on buying them in large quantities and therefore at lower prices; where Western goods are produced at lower prices, the West and Russia both make sure that the East Europeans end up buying Russian goods, at higher prices. Only a bourgeois-academic or a Stalinist could conclude from this that Russian policy toward its satellites is non-exploitative. But such is the Spartacists' line. Is it any better than calling Russian policy "cooperation, aid, and mutual exchange"?

If Comecon is not imperialist or exploitative but indeed a "partnership" of workers' states, then breaking from it should be a crime against the proletariat that deserves to be prevented by force. When the SL points out that "The disadvantages of trading within the Russian-led bloc were important factors in both the Sino-Soviet and Yugoslav-Soviet split," why does it not advocate the restoration of the bloc by means of Russian troops? Such outright support of Russian imperialism, which the SL denounces in those Pabloite tendencies that backed the Soviet invasions of Hungary and Czechoslovakia, would only be the logical conclusion to be drawn from the Spartacists' economic analysis. (It should also be stated that both Yugoslavia and China had more to complain about in terms of Russian imperialism in addition to the severe trade disadvantages when they split from the USSR.)

Indeed, the SL appears to be moving towards precisely such a position. In a criticism of a German Pabloite group, *Workers Vanguard* (December 12, 1976) stated:

"The Berlin Wall, according to the GIM statement, is simply 'a wall for the protection of the bureaucracy, for the prevention of any real construction of socialism in the DDR.' While it is true that the bureaucracy's crimes (notably the vain attempt at 'peaceful coexistence') made the wall's construction necessary, and that it would be torn down in a revolutionary reunification of Germany, nevertheless it represented a defense of East Germany's deformed collective economy. When it was constructed in 1961, the DDR was suffering a massive hemorrhage of its workforce, particularly skilled workers, threatening the collectivized economy. The proletarian economic forms have to be defended through political revolution — and social revolution in the West. The GIM's social-democratic criticisms of the wall only feed open anti-communism." (*Workers Vanguard*, December 10, 1976).

The wall, intended to stem the outflow of workers from East Germany, does not accomplish its task by means of cinder blocks and mortar alone. Workers, "particularly skilled workers," can overcome such obstacles. What preserves the wall, besides the Spartacists' verbiage, is the police of the "workers' state" who shoot down workers attempting to leave. The Berlin Wall is no abstraction but a real organ of the state — "special bodies of armed men which have prisons, etc., at their disposal." The SL's defense of East Germany's "deformed collective economy" comes down to the defense of the Stalinist state against the workers. Regarding society from the vantage point of economic planners beholden to the laws of capitalist scarcity, they counterpose the economic requirements of the bureaucratic system to the living working class. They mistake the prison for the proletariat.

Is Stalinism Progressive?

The Spartacists' denial that the law of value holds any sway in the USSR has led them from apologies for Stalinism to an outright cover-up for post-World War II Russian imperialism and their defense of the Berlin Wall. This is not accidental, for the logic of the SL's point of view is that Stalinism represents a progressive economic development within the "workers' states," capable of advancing the society along the road to socialism. Thus, the struggle between the law of value and the "planning principle" within the Soviet workers' state of the twenties was ended by Stalinism: "ever since the victory over the kulaks in the mid-1930's, the planning principle has been predominant" (*Workers Vanguard*, January 4, 1974). And also: "The social structure of Russia in the 1920's (though not the regime) was far more conducive to capitalist restoration than in the USSR today" (*Young Spartacus*, March 1977).

If Stalinism can defeat the law of value and move the USSR further away from capitalism than Lenin and Trotsky ever did, then the Spartacists cannot have any qualitative faults to find with the "deformed collective economy." The regime may be criminally bureaucratic, but if it not only defends but advances the economic and social structure towards socialism (which is where it must be headed if it has moved away from capitalism), its bureaucratism can only be a secondary annoyance.

To illustrate further, Seymour believes that workers in the Soviet Union are paid, not in money-wages, but in the equivalent of "generalized ration tickets." He even argues that "In this respect, the Soviet economy conforms to Marx's own explicit projection of the financial mechanisms of a socialized

economy under scarcity," and quotes Marx as saying, "The producers may eventually receive paper vouchers, by means of which they withdraw from the social supply of the means of consumption a share corresponding to their labor time." (*Capital*, Vol. II, p. 358.)

If this were true, the Soviet economy would be conforming, at the critical level of wages, to Marx's projection of the first stage of communism. That is what the passage from Marx refers to, not simply a workers' state. Trotsky ridiculed Stalin's promise to abolish money, likening it to his absurd claim of having achieved socialism in the backward Soviet Union (see *Writings 1934-35*, p.158). But Seymour claims even more than Stalin: that the Soviet workers are paid in proportion to their labor time, along the lines of the formula for the first, socialist stage of communism, "to each according to his work." Seymour forgets that Stalinism has widened the inequalities within the working class, not to speak of the tremendous gap separating workers from ruling bureaucrats. The Soviet economy of the twenties in this respect was far closer to the socialist model than it has been since Stalinism took over, whatever the SL might think.

Nor has Stalinism defeated the law of value via planning. For the "planning principle" to achieve predominance (as the SL thinks) would mean that the workers' state has succeeded in mastering the heritage of capitalism. This does not mean that scarcity has already been overcome (that awaits a later stage), but it does mean that mass working class participation in economic planning has become a reality, that the workers' leisure time has been generally expanded to make this possible, that the tendencies toward privilege and inequality inherent under the law of value have been reversed — if not entirely eliminated. Obviously, Stalinism did not accomplish this, or even try to achieve anything of the kind.

Stalinist planning is not at all the "planned economy" that the Spartacists ritualistically cite as a "proletarian" conquest. It is the negation of a planned economy, a device of the bureaucracy to enforce its power over the proletariat. In the thirties, the Stalinist plans had nothing whatever in common with the carefully worked out programs designed to fulfill and expand the capabilities of the forces of production that socialism would demand. They were instead bureaucratic commands, based not upon the needs of the economy but on the public relations needs of the ruling stratum, having only a gross relationship to the figures of the industrialization drive. The ringing phrases and science-fiction predictions of the early Stalinist "plans" served mainly to obscure the mass misery that Stalinism was responsible for in the real world. As Trotsky pointed out to the Seymours of his day, "The Soviet economy today is neither a monetary nor a planned one. It is an almost purely bureaucratic economy." ("The Degeneration of Theory and the Theory of Degeneration," *Writings 1932-33*, p. 224.)

Today, the Soviet plans are more realistic than they were under Stalin in conforming to bourgeois imperatives but are still not remotely related to socialist planning. No longer bureaucratic decrees, they are now bureaucratic projections into the future of the economic results of the most recent paths. They are still fulfilled infrequently, only as a matter of chance, because the rates of growth of the Russian economy are declining and the bureaucrats' projections from the past are therefore generally too high: the following table, derived from Russian figures compiled by a bourgeois academic economist, shows the industrial production categories for recent Soviet Five-Year Plans:

Table 2. Percentage Increases in Industrial Production

Period	Group A (producers goods)	Group B (consumers goods)	Total
7th FYP (actual) 1960-65	59	36	51
8th FYP (actual) 1965-70	51	50	50
9th FYP (planned) 1970-75	46	48	47
9th FYP (actual) 1970-75	45	37	43
10th FYP (planned) 1975-80	40	31	37

(Source: Gregory Grossman, "An Economy at Middle Age," *Problems of Communism*, March-April 1976.)

Socialist planning, even in its preliminary stages in a relatively backward workers' state, would be an entirely different process, far closer to the initial planning efforts made in the twenties than the Stalinist bureaucratic operation of today. For one thing, the planning figures in the years before the workers' state had degenerated beyond recognition were generally honest if incomplete. For another, the planners of that time tried to consciously overcome the existing economic relationships rather than simply projecting them into the future. They knew that the law of value had to be defeated, not ignored (as in the Stalinist thirties) or simply accepted (as is done today). In a word, the early planning in the Soviet Union was the base for the socialist planning of the future, whereas the Russian planning processes of today are little more than the indicative planning practiced by many a traditional capitalist country. Less in a sense, because the vast bureaucratic inefficiency of the USSR prevents the planners from knowing very much about just what the value of the various commodities produced is. Given the artificialities of the Soviet pricing methods, it has often enough happened that Russian managers have less of an idea of the value of their output than do their Western counterparts. When Marx mentioned that socialist planners would do without the indirect calculation of value and would measure labor time directly, he did not have the present Soviet methods in mind — where the knowledge of the labor time required for production is even less than the knowledge of value. The various waves of economic reforms in the USSR and (especially) Eastern Europe have fundamentally been attempts to measure value more accurately by establishing more open, but still restricted, levers of free competition. These reforms have not rescued the state capitalisms from the crisis of capitalism as a whole, and have instead linked them more closely. Not even a master of muddle like Seymour could seriously think that Russia under Lenin and Trotsky was "far

more conducive to capitalism" than the much-reformed Yugoslavia of today.

For or Against the Law of Value?

Seymour objects to Soviet planning methods also, and he even offers some specific suggestions for reform. But all of his criticisms and proposals remain within the framework of state capitalist planning. He cites several examples of well-known inefficiencies and irrationalities that are built into the Stalinist economy, and points out that the Liberman reforms of 1965 did not eliminate the fraud and dishonesty that Soviet enterprise managers depend on for survival but only changed its form. "Libermanism is a fruitless effort to overcome managerial parasitism through more sophisticated plan indices," he comments. "But no planning techniques, however sophisticated, can prevent dishonest managers from subverting the planners' intent and squandering resources." What is needed is a "political revolution" to oust the Stalinists and institute, in particular, "selection of managers with demonstrated socialist consciousness and workers control of production." Under such workers' control in the individual factories, "incorrigibly incompetent, abusive or dishonest managers would simply be removed" (*Workers Vanguard*, January 14, 1977).

Revolution is popular rhetoric for centrists; even the SWP (like Pepsi-Cola) is "revolutionary." But despite his liturgical calls for revolution, Seymour's is a reformist program. If his proposals could be carried out, dishonesty might perhaps be eliminated for a moment, but the underlying character of Stalinist planning would remain. For Seymour's complaint is that "the planners' intent" has been "subverted" by incompetents at the lower managerial levels — he is ever so mindful of the good intentions of the Stalinist planning bureaucrats, especially the higher-up ones. It never occurs to him that the planners' intent is not a matter of bureaucratic choice, competence or honesty — sometimes doing good things for the workers and sometimes bad; that their intent is derived from the operation of economic laws (and the political consequences the laws point to) which inevitably work out to the detriment of the working class. In fact, if the planners' intent could be carried out to the letter and all inefficiencies and squandering of resources done away with, that would only allow Stalinism to operate the law of value more efficiently against the workers. It is not just dishonest managers but also exploited workers who do their best to find ways to ease the pressure from the planners at the top. A bureaucracy, the subordinate planning bureaucracy included, that had all its wishes faithfully carried out would be a scourge against the masses.

When Seymour gets down to the concrete details that he recommends to the planners, his prescriptions reduce to a heavier dose — although he is unaware of it — of the law of value! The trouble, it seems, with the Soviet economy is not the decisions of the bureaucrats or the Marxist laws under which they must operate, but its size and complexity. And what better mechanism to cut through the inevitable red tape than — a market!

"...we are not endorsing traditional Stalinist bureaucratic planning methods. The detailed rationing of intermediate goods a year in advance possesses neither the virtues of socialist principle nor of economic rationality. The supply plan, involving hundreds of thousands of transactions, is always and necessarily inconsistent, resulting in untold shortages and bottlenecks. Soviet managers regularly resort to

hoarding, black marketeering and corruption to procure their 'planned' supplies. Rational socialist planning should involve a centralized wholesale market where enterprises can purchase inputs at will. This would provide the necessary flexibility for the production process while avoiding the inefficiencies and dangers of atomized competition between enterprises." (*Workers Vanguard*, January 14, 1977).

What Seymour seems to be suggesting (he is far from clear about it) is that the planners should introduce a market which would not be stigmatized by the law of value. All the bureaucratic inefficiencies and dishonesties can be eliminated, he imagines, along with the dirty competitive capitalist greed. Coming from one who believes that the law of value is generated by markets, this is amazing. One contradiction is that enterprises are to have the freedom to obtain their *inputs* as they need them, but that *outputs* will be determined by the plan. Our planner overlooks that one firm's input is another firm's output, and therefore that the firm looking to buy will be able to do so only if another firm is trying to sell. The match-ups can be guaranteed on an overall basis only if the market is allowed to supersede a good portion of the plan.

Seymour asserts that a *centralized* wholesale market for purchases will avoid "the dangers of atomized competition between enterprises." One can only guess at what he means, but he must have in mind the idea that the selling at such a market will be done by a central authority while the buying will be up to the individual (atomized) enterprises. But again he forgets that commodities must first be produced in order to be sold. If firms learn that there is a demand for certain commodities, then they will have to alter their production plans accordingly in order to take advantage of the market. (This, after all, is the ABC of capitalism according to the bourgeois textbooks.) Once more, the "honest" plan is being left dangerously open to depredations from the "dirty" market.

What Seymour overlooks is that no workers' state can avoid operating under the influence of the law of value. Over time, as economic backwardness is overcome, the law of value will cease to be the dominating force, but this requires the development of the countervailing forces based on the mass consciousness of the workers. Markets will undoubtedly be a feature of life in a workers' state; however the goal of the state will not be to introduce markets in order to iron out the inefficiencies of planning (as with Seymour), but to restrict markets or to use them at early stages to ignite dormant accumulation in a backward country.

Seymour adds elsewhere that the market principle is rational not only for the producer goods sector but for consumer goods as well. In this department, he adds that the law of value should determine prices as well as allocation, and he chastizes the USSR for violating the "norm" that "consumer goods should generally be priced at their cost of production" (*Young Spartacus*, February 1977).

There are two things wrong with this. A workers' state would not necessarily distribute consumption goods through a market. Especially under conditions of scarcity where incomes are still unequal (Seymour assumes that the wage structure is "optimal," whatever that means) the *basic* consumer goods like food and housing would in all likelihood be rationed. Otherwise inequality given free rein could lead to starvation. Seymour worries about the "wide variety of ingredients available in subtle gradations" that are needed by painters and sculptors (*Workers Vanguard*, November 19, 1976); such commodities could either be sold on the market or made available for use by the state for whoever needs them. In any

case, their distribution would not be the primary problem for the workers' state and would not determine the pattern on which consumption goods are distributed.

Secondly, it is a serious mistake to believe that consumption goods and not production goods can be priced at their cost of production, a mistake impossible for a Marxist but one that comes naturally to those (Stalinists and Pabloites) who imagine that the different spheres of a national economy can operate under different laws. After all, the cost of production of any commodity includes the value of the materials,

then the article is sold at its market value. The exchange, or sale, of commodities at their value is the *rational* state of affairs, i.e., the natural law of their equilibrium.' (our emphasis) — Karl Marx, *Capital*, Vol. III, Ch. 10." (*Workers Vanguard*, November 19, 1976).

We must add that not only the emphasis in the passage from Marx, but also the deletion indicated, is by Seymour. The sentence from Marx within parentheses (see page 187 of *Capital*, Volume III) is a reference to socialist society. We have previously seen Seymour confuse one of Marx's



Russian shoppers mob stores when consumer goods become temporarily more available. Underproduction of consumer goods illustrates the operation of the Marxist law of value in state capitalist USSR.

descriptions of economic relations under socialism with the Soviet economy. Now he is confusing socialism with what even he would have to agree is capitalism, for that is what the remainder of Marx's quotation is about. Marx's parenthetical remark about socialism is inserted only to emphasize the point that in capitalism, the amount of labor time embodied in a commodity need not correspond to the social demand. Marx's conclusion that the exchange of commodities at their value is the "rational state of affairs" applies to capitalist society, which is the subject of Marx's entire discussion. Seymour's juxtaposition of a parenthetical comment about socialism with the conclusion of an argument about capitalism several sentences away is pure fraud. It happens to be exactly the same "mistake" committed by Joan Robinson in her anti-Marxist *Essay on Marxian Economics*, page 23. Seymour is not even original in his chicanery.

machinery, etc. — the means of production — that have gone into its production. Thus, if consumer goods are to be priced according to their true costs of production, so must all the goods that enter into their production — and so on. The upshot of Seymour's proposal for pricing consumer goods at cost is that all goods would then be priced at cost. The workers' state would then be enforcing, not combatting, the law of value.

Even if Seymour misread the structure of Marx's passage and assumed that the conclusion also applied to socialist society, Marx's conclusion states that commodities are sold at their "value," a category which would not be retained in socialism. Seymour, however, wants his workers' state to establish the commodities' "true value," independent of even capitalist fluctuations. To this notion the definitive reply was given by Engels (*Anti-Duhring*, page 347):

Seymour is not content to rest with a position that implies subservience to the law of value in a workers' state. He goes on to attribute his view of "rational" pricing for consumer goods to Marx!

"Marx considered that in a collectivized economy under conditions of scarcity, consumables would be priced and sold at their cost of production. In fact, he believed that one of the advantages of economic planning would be the elimination of random market fluctuations and that consumables would be available at their true value and equilibrium quantity:

'(It is *only* where production is under the actual, *predetermining* control of society that the latter establishes a relation between the volume of social labor-time applied in producing definite articles, and the volume of social want to be satisfied by these articles.) ... But if the quantity of social labor expended in the production of a certain article corresponds to the social demand for it, so that the produced quantity corresponds to the usual scale of reproduction and the demand remains unchanged,

"The value form of production therefore contains in germ the whole capitalist form of production, the antagonism between capitalists and wage workers, the industrial reserve army, crises. To seek to abolish the capitalist form of production by establishing 'true value' is therefore equivalent to attempting to abolish catholicism by establishing the 'true' Pope..."

Seymour has come full circle. Starting from the theoretical premise that state capitalism is an impossibility, he is forced to conclude that the best remedy for the economic ills of the Soviet "workers' state" is a good dose of — capitalism. His basic criticism of the USSR is that the economy doesn't work efficiently enough, not that it is an exploitative or oppressive society. His real argument, although he doesn't understand it, is that the economy would be more efficient if it more accurately reflected the law of value. Nationalized property should be a tool that competent managers with "demonstrated socialist consciousness" could use to rationalize the economy and eliminate dishonesty and fraud. Because the USSR's nationalized property has been used by the bureaucrats for different purposes, Seymour recommends a well-established

system of rationality, one that even has Marx's recognition. Seymour forgets only one small point. The rationality, the lawfulness that Marx discovered in capitalism, was not something that he recommended to the working class.

The Ideology of the Petty Bourgeoisie

Instead of a "rationality" based upon accepting the laws of scarcity that regulate capitalism, Marx advocated a higher rationality. The working class would have to overcome in struggle the laws of capitalism in order to achieve a society in which it could live in abundance in a rational relationship with the natural world. The workers' state is the primary tool for eliminating scarcity and carrying out the tasks of democracy and development that capitalism in its decay leaves unfulfilled.

The economic laws of motion of capitalism describe real, material forces. Starting from the law of value, which regulates the exchange of scarce commodities according to the necessary amount of labor time embodied in them, they derive from the dictates of scarcity, which has always produced inequality and class-ridden societies. For these laws to be overcome, they like the bourgeoisie must be fought, controlled and disciplined — and over time eliminated. The class struggle within the proletarian state is the struggle not just to defeat the surviving bourgeoisie but to overcome and negate the objective laws of scarcity and inequality as well.

This class struggle is a struggle against every bourgeois survival, including backward consciousness in the working class itself. Backwardness means that large sections of the proletariat do not understand that their material interests lie with the eradication of every vestige of capitalism. It stems from two sources, abject poverty both culturally and economically, and the surviving privileges of labor aristocratic and petty-bourgeois layers. The backward elements become the human vehicles for the defense of the law of value and the restoration of capitalism. The victory of advanced consciousness can best occur through democratic struggle in mass institutions of the working class like the soviets. It can only occur reciprocally with the expansion of the productive forces and the extension of equality.

The question of planning is fundamentally that of consciousness, for consciousness in the Marxist sense means the active awareness by the working class of its material needs and what it must do to fulfill those needs, its Marxist understanding of the world. Workers' consciousness is not at all the same thing as "democracy," as it is to the spontaneists and workerists who abhor planning, and to the Pabloites who favor

"workers control" as an adjunct to bureaucratic planning. For the SL and other Pabloites, planning (or as they like to call it, the "planning principle") is not the conscious expression of the interests of the working class but a rational allocation factor separate from and above all classes. It works best when directed by sincere, dedicated and competent planners, those who are free of selfish competitive interests and can therefore execute the true laws of society which, unlike the law of value, are deemed rational. They have truly stood Marx on his head, for the laws which they would have their system conform to are nothing more or less than the law of value as it appears under state capitalism.

The view of capitalism as competition is the view of the petty bourgeoisie. Squeezed between the decisive classes of capitalist society, the petty bourgeois sees market competition and not exploitation in the workplace as the axis of bourgeois oppression. While Seymour and the SL reflect this general viewpoint of the petty bourgeoisie, it is necessary to locate them more exactly as being within the petty bourgeois intelligentsia. This modern middle class layer has qualitatively expanded in the imperialist epoch.

This intelligentsia arose in response to the needs of state monopoly capitalism and plays important roles, extending from the white collar working class to the labor bureaucrats, academics and literati. They are the low-level managers, technicians, mediators, trouble-shooters, press agents and ideological mythmakers of bourgeois society. As the state has expanded its role, it has become a major source of employment for the intelligentsia. But this is not the only source of infatuation with the state on the part of the new middle class. Threatened by the giant monopolies on the one hand and the labor movement on the other, the new middle class looks to the state as a vehicle above society that can escape from special interests and act rationally for the general good. Of course, in the hands of the wrong people with lustful appetites the state does bad things; that is why it is important for the state to be run by the sincere and the dedicated.

The desire for rationality in a world gone out of control is central to the intelligentsia. Rational allocation is superior to "cutthroat competition" — thus the middle class ideology mirrors that of the state and the monopolists which attempt to suppress such dangerous anarchy. Because the intellectual frequently stands opposed to competition and narrow self-interest of the old petty bourgeoisie, he thinks of himself as altruistic, the good citizen dedicated to helping others. He believes himself above narrow special interests and independent of any special interests within capitalism.

The intelligentsia's problem is that it is weak and

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unorganized, without any effective role in the process of production. Its alienation stems basically from this factor. Having no alternative, its only road to power is to attach itself to either the bourgeoisie (as do the liberal intellectuals) or, in the case of the radicalized and more fundamentally alienated elements, to the massive social classes, the proletariat and peasantry. In doing so, the intelligentsia does not understand that it is acting in its own social interest derived from its own role in capitalist society, nor that its image of a competition-free rational society is precisely the false consciousness, the ideology necessary to defend statified monopoly capitalism

working class movement. It identifies its own interests as those of the proletariat — "socialism" — and also identifies itself as an alien class element:

"Socialist consciousness is based on knowledge of the history of the class struggle and, therefore, requires the infusion into the class-struggle process of socialist conceptions carried by declassed intellectuals organized as part of a vanguard party. Socialist revolution does not occur through the intensification of traditional class struggle, but requires a leap from a vantage point outside bourgeois society altogether." ("Trade Union Memorandum," November 1972, in *Marxist Bulletin No. 9, Part III*).



"Computers of the world, unite!" Bureaucratic intelligentsia, East and West, substitutes idealist "rationality" for workers' revolution.

(and its state capitalist sectors especially). Hence the popularity of Stalinism, reformism, mixed-economy socialism and a thousand other petty-bourgeois "socialisms" which strive to harness the proletariat's struggle against capitalism and prolong the agonies of a capitalism in its senility.

This ideology represents the material self-interest of the petty-bourgeois intelligentsia and its bourgeois masters. It is not in the interest of the working class, whose self-interest lies in overcoming all the workings of capitalism including the laws deemed rational by the intelligentsia. Although the Spartacist League believes itself to represent working class interests, it has more self-awareness of its outsider's role than the general run of petty-bourgeois intellectuals within the

On the contrary, socialist consciousness occurs through revolutionary leaps in consciousness made by the proletariat in its struggle and in response to material conditions. Its vanguard leadership arises in response to the acts of the proletariat and represents its consciousness. As the vanguard develops, it will consist primarily of workers; intellectuals can play a significant role (and have done so) when they break decisively from their own social interests and adopt those of the proletariat.

The SL undoubtedly believes that its position is derived from the famous passage in Lenin's *What is to be Done?*: "... The working class, exclusively by its own effort, is able to

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develop only trade-union consciousness. ... The theory of socialism, however, grew out of the philosophical, historical and economic theories elaborated by educated representatives of the propertied classes, by intellectuals." Trotsky, however, specifically states that Lenin later rejected the notion that "revolutionary class consciousness was brought to the proletariat from the outside, by Marxist intellectuals" (in his *Stalin*, p. 58). Lenin was entirely correct to point out that revolutionary leadership is independent of, and counterposed to, spontaneity and tailism. But spontaneity is not itself the class struggle; it is a backward understanding of the class struggle and a policy of tailing this backwardness.

Nothing in Lenin can justify the incredible assertion that socialist revolution "requires a leap from a vantage point outside bourgeois society altogether." This is only the petty-bourgeois' conceit that he and the state he identifies with are above the greedy appetites and selfish interests of bourgeois society. The intellectual's appetite is merely less self-recognized and more arrogantly identified with the "common good." The material aspirations of the working class and the oppressed are labeled "greed" and thereby equated with the very real greed of the bourgeoisie for surplus-value.

The struggle for socialism, as a class struggle, takes place entirely within bourgeois society and is led by those who have become aware, through the contradictions of capitalism itself, of the need to overthrow bourgeois rule. This is why Marx singled out the proletariat as the gravedigger of capitalism, not because of its size (the peasantry was larger in the Europe of Marx's day and in the world today) or its oppression (lumpen, peasants and nomads frequently suffer worse), and certainly not because of its suitability as a battering ram to be wielded by the alienated petty bourgeoisie. The SL proves only that those who do not recognize the erroneous outlook of their historical class origins will never overcome their class limitations.

Thus behold the Spartacist League — the modern philosopher-kings, the planners, gazing down upon the warring mob, the poor but deserving objects of "socialist" charity. Such is the SL's understanding of Stalinist planning. The planners' rational decisions are thwarted by the parasitical Stalinist rulers, bad plant managers, corrupt elements in general and recalcitrant workers like the victims of the Berlin Wall. But the truth is the opposite. The Stalinist planners, despite their special interest (presented typically as altruism) are part of the political apparatus of the state and are no more disinterested or objective or above contending classes than any other state officials — except in their delusions. It is this section of the Stalinist intelligentsia that the SL orients toward for the salvation it craves.

Seymour's sympathy for these lower-echelon bureaucrats shows up in his warm citation of Rudolf Hilferding, "the most talented theorist of inter-war social democracy." Hilferding, according to Seymour, wrote a "brilliant criticism of the concept of 'state capitalism' as applied to the USSR," the article "State Capitalism or Totalitarian State Economy" in Irving Howe's collection, *Essential Works of Socialism*. Seymour particularly likes Hilferding's analysis of the bureaucracy:

"He also rejected the notion that the bureaucracy was a ruling class with the sound argument that the individuals comprising the bureaucracy had no institutional means for appropriating a definite share of the surplus product, or even maintaining their positions in the social hierarchy. He correctly observed that the Soviet bureaucracy 'is in fact subor-

dinate to the government to the same extent as are the rest of the people' ..." (*Workers Vanguard*, February 4, 1977).

What Seymour presumably means by the bureaucracy's equal subordination to the government is that the bureaucrats, the planners in particular, are quashed just as the workers are and that they constitute no new class. But Hilferding was saying more: that the bureaucracy was not even a separate grouping (class or caste) that had usurped power from the proletariat (Hilferding denies that the proletariat ever held power). Here is the entire passage in which Hilferding "correctly observed" the half-sentence Seymour extracts:

"It is not the bureaucracy that rules, but he who gives orders to the bureaucracy. And it is Stalin who gives orders to the Russian bureaucracy. Lenin and Trotsky with a select group of followers who were never able to come to independent decisions as a party but always remained an instrument in the hands of the leaders (the same was true later with the Fascist and National Socialist Parties) seized power at a time when the old state apparatus was collapsing. They changed the state apparatus to suit their needs as rulers, eliminating democracy and establishing their own dictatorship which in their ideology, but by no means in practice, was identified with the 'dictatorship of the proletariat.' Thus they created the first *totalitarian state*, even before the name was invented. Stalin carried on with the job, removing his rivals through the instrument of the state apparatus and establishing an unlimited personal dictatorship.

"This is the reality which should not be obscured by construing alleged domination by a 'bureaucracy,' which is in fact subordinate to the government to the same extent as are the rest of the people." (Howe, above book, pages 514-15.)

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The "Marxism" of the Petty Bourgeoisie

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This kind of anti-Bolshevik amalgam of Lenin and Trotsky with Stalin and Hitler is to be expected from social democratic renegades, however "talented." But it is shocking to find an alleged Trotskyist calling such garbage "brilliant criticism" and a "sound argument." We do not in fact think that Seymour entirely accepts Hilferding's argument. He quarrels with Hilferding's "anarchist" notions of the state and would undoubtedly exclude Lenin and Trotsky from Hilferding's condemnation, but he likes the fact that the apparatus is deemed to be blameless. The real enemy isn't even a bureaucratic caste, much less a class; it is only the individuals at the very top. Seymour has seized a suitable social justification for the planning officials from the reformist Hilferding in order to operate as their critical left cover. The fact that he censored the quotation brands Seymour as a charlatan, but this should not be allowed to conceal his essential identity with the defense of bureaucracy provided by Hilferding, a voice of the international labor bureaucracy.

Hilferding and Seymour each defend this bureaucracy in their not-so-different ways. Both regard the bureaucratic function as the disinterested carrying out of objective, self-evident tasks in a rational manner, above the clash of the class struggle. This notion, once again, is a reflection of the bureaucratic intellectual's egocentrism. Bureaucracy is in reality a historical fungus-like growth which arises out of decaying capitalism, not simply something which produces individual incompetents and parasites. The bureaucracies of various kinds are derived from strata pressed into service by the crisis of capitalism's decay, and they provide the material basis for the viewpoints of petty-bourgeois statisticians of varying shades.

Trotsky's dialectical view that Stalin was not simply the creator of the Soviet bureaucracy but also its product is lost upon our aspiring bureaucrats. For Hilferding, the evils of Stalinism are caused by Stalin alone (and before him, Lenin and Trotsky), the individual embodiment of social greed, the "Creator" of totalitarianism — the Devil incarnate. Seymour shares Hilferding's idealist outlook; his differences stem from the fact that he finds a layer of the bureaucracy which both apologize for to be historically progressive. With such an outlook it is no wonder that the SL's solution to Stalinism and capitalism is a *deus ex machina*, a Zeus who comes to the rescue from "outside bourgeois society altogether," wielding the thunderbolt of the proletariat when necessary, to ensure the triumph of reason and good.

The attachment to socialism-as-plan, to the forms of state power denuded of the social rule by the conscious proletariat, is no accident. It reflects the nurturing of the Spartacist

League within the middle classes of the West and its refusal to break from that background. The SL's commitment to the "planning principle" grows in proportion to the fears of the middle class intelligentsia, fears of the anarchy of capitalism on the one hand and the "anarchy" of the masses on the other. (The SL typically slanders the anger of the masses as "lumpen rage.") State capitalism is an attempt by bourgeois society to survive in the face of its utter decay and mass hostility. Like every modern bourgeois nationalism, it must drape itself in the banner of socialism. The Spartacist League is one of many ideological reflectors of the bureaucracy's need to paint statism in socialist colors. The SL's "Russian position" is merely a projection of its desire for a nationalist and rationalist utopia in the U.S. The working class needs something far more scientific — international proletarian socialism. ■



Workers in struggle fashioned the vanguard Bolshevik Party and made the Russian revolution. The advanced workers fought against backward consciousness and aristocratic views in the proletariat which were fostered by condescending intellectual saviors.