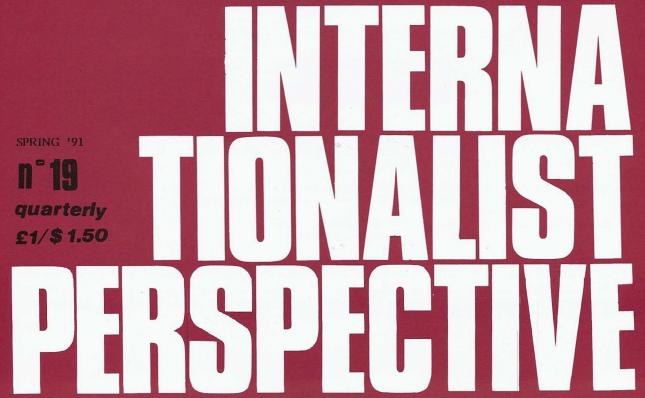


ALSO IN THIS ISSUE : the crisis of russian capitalism





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addresses

PO Box 395 IP Hontclair, NJ 07042 U.S.A.

BM BOX 8154 London WC1N 3XX Great Britain	DESTRYKER BP 1181 Centre MONNAIE 1000 Bruxelles BELGIQUE
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Internationalist Perspective appears four times a year in English and in French. A subscription (for one year/ four issues) can be obtained at one of our three addresses at the rates given below :

English Edition : \$5.00 / ±3.50 \$8.00 / ±5.00 regular mail long distance air mail

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pax americana in the gulf: PRELUDE TO NEW CONFLICTS

While George Bush, a lump in his throat, proclaimed the end of the Gulf war, Iraq began to clean up the ruins and count its dead; meanwhile, the coalition troops carried in their backpacks the memory of their comrades who had fallen in combat.

Faced with the patriotic and triumphal speeches of the American bourgeoisie, faced with the reassuring statements concerning the low number of human victims, we must not allow ourselves to be fooled, and to forget the real nature of war. War is the expression of the gory barbarism into which capitalism has delivered the world. What it entails, is the defense of imperialist interests for which the bourgeoisie of both sides is prepared to hurl innocent victims, one against the other, each told to believe that they are dying for a "just cause". The great themes utilized by the bourgeoisie have always turned around an appeal for the defense of "freedom", of one's "borders", of one's "rights", or of the "survival of the nation". It is for those "just causes" that millions of people of all nationalities died in the two World Wars, while countless others were starved, deported and wounded. The same reasons are always utilized by capital to justify its wars. But we know that behind these gigantic and shameful massacres lies hidden something other than "rights" and "freedom". Rights for whom? Freedom for whom? For us, it is clear that the "defense of a just cause" as was the case with "international law" in the Gulf war, was

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merely a screen. The capitalist class, an exploiting class, only defends one thing: the preservation of its economic and political power, of its advantages and its domination its imperialist rivals. The defense of over imperialist interests is carried out by all means necessary: economic war or military power and to destroy that of a potential competitor. The American response conflict, seeking to establish one's own a perfect illustration of this: a settling of accounts by the most bloody means. Moreover, the Gulf war further illustrates the real absurdity of the mechanisms for the defense of a capitalist state's interests, in this case those of the US: after having ravaged the region, American capital rubbed its hands in expectation of the hoped for economic windfall represented by the Kuwaiti economy which had to be reconstructed (even if we know that this potential market is only a drop in the bucket amidst the endless sea of the economic crisis), as well as the "aid" that would eventually be given to Iraq, which it had only months before starved through its embargo.

It is with a sense of outrage that we must vehemently denounce these so-called ideals of justice and international law, behind which hide the murderous regimes of capital, which adhere only to the law of death and terror. Everything else is an ideological smokescreen aimed at the world proletariat. The imperialist interests of the bourgeoisie of each state are diametrically opposed to interests of the exploited masses, whom they enroll in their armies as so much cannon fodder to be pulverized for interests not their own, suffocated in the mystificatory flag of the "motherland".

The Gulf war is a demonstration of all this, of the cynicism of capitalist barbarism. In undertaking the most large-scale military mobilization since the Second World War, the bourgeoisie has demonstrated its capacity to defend its own interests at whatever cost, without provoking an open reaction from the proletariat. This compels us to grasp the stakes involved in the present situation. Therefore, we will raise three points in this article: First, some general thoughts on the conflict itself; second, its interimperialist aspects; third, the extent to which the proletariat was mobilized by capital.

GENERAL REFLECTIONS

This war must be situated within the framework of the present balance between the two imperialist blocs; in short, the extreme weakness of the Russian bloc, having had to retreat on the imperialist plane, and the strength of the American bloc, which is imperiously advancing. It is clear that the deployment of such a large American force close to the frontiers of Russia was only possible because the American bloc was convinced that there would be no Russian military response of any kind. The moment was ripe for the US to assert its imperialist power, and to increase its global hegemony. With respect to the conflict itself, even if it is today difficult to say whether or not the whole of the American bourgeoisie was commited to a war of this amplitude from the moment that Iraq invaded Kuwait, it is clear that the conflict remained under the overall control of the US, and that it constituted a salutary move for Washington and its'allies.

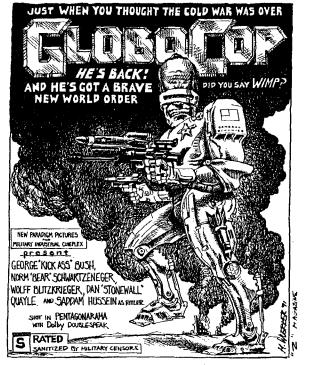
This war constituted a veritable training ground for the American bourgeoisie: in the testing of weapons systems never utilized in a combat situation, and -- having drawn the lessons of Vietnam -- in its capacity to censor information, to smoothly administer propaganda. Thus, from the very outset, the media enthusiastically presented the public with a sanitized war, a war of "technicians" in which the loss of human life no longer occurred.

By giving war a new look, so as to limit the prospect of any reaction by the proletariat, the American bourgeoisie therefore had its hands free to better defend its interests in the Middle East. When we assert that this conflict was a "salutary move", this is because it coincided with the imperialist interests -- economic and political -- of all the countries allied with the US. Since the end of the '70's, when Iran ceased to play its role as gendarme for the fine the vacant: the Middle East, that role has been 'vacant: its role as gendarme for the America bloc in coverted by several protagonists -- Iraq, Syria, Saudi Arabia -- but never filled. To grasp the cynicism of the bourgeoisie, we need only remember that to punish the Iran of Khomeini, the US had armed to the teeth Iraq in its long war with Iran. Yesterday's . Iraq in its long war with Iran. Yesterday's friends become the enemy that must be annihilated today -- such is the law of capital! Thus, for the US, the challenge represented by Iraq's invasion of Kuwait necessitated an immediate reaction to punish Baghdad, and to serve as a warning to other potentially recalcitrant regimes. On top of all this, the US, reeling from a new recession that began last July, could utilize the oil threat posed by Iraq's occupation of the oil threat posed by Iraq's occupation of Kuwait and threat to the Saudi's to camouflage the real bases of its own economic problems. At the same time, for Israel, the reduction, or better yet elimination, of Iraq's militay power, would a removal of a potential threat. would constitute the

What were the real stakes of the "diplomatic" maneuvers that preceeded the outbreak of the war? Were they aimed at a real resolution of the issues, or did they simply serve as a cover for the military operation in which Iraq would be crushed by the US? This question is important in light of the fact that a complete plan of battle had already been drawn up by the American strategists as early as August, and concretized by the dispatch of British special forces to locate and spot targets in Kuwait.

Another question raised during the conflict concerns the coherence of the allied bloc. The bourgeois press presented it as fragile

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at key moments, adhering to the propaganda of a bourgeoisie crafting its language to better hide its bellicose and imperialist aims. Alas, certain revolutionary organizations, such as the ICC, were taken in by this propaganda. Our fraction, however, insists on the real cohesion of the Western bloc, following its bloc leader -- the US -- in the defense of common interests. The evidence is overwhelming: 'Syria, the so-called weak spot. in the coalition, fought side by side with the Saudi's: Israel, despite its own bellicose talk, did not react to the Scud attacks; France, after first qualifying its commitment, played an integral role in the onslaught; finally, Turkey, after having displayed a certain "independence" at the time of the economic embargo, served as a key military base for the allies.

This war, in contrast to Vietnam, which was a purely American operation, involved a considerable military and financial contribution from the whole of the Western bloc. Even if this conflict saw real tensions between certain European countries (Britain and France opposed to Germany), these must be situated in the context of Europe and German reunification, and not some imagined "disintegration" of the Western bloc.

To conclude this first point, it is clear that this war has marked a strengthening of the position of the US. The opposite is the case for Iraq! Already exhausted following its long war with Iran, it has emerged from the present conflict in absolute chaos, and social, political and economic disorganization. The military defeat of Saddam Hussein has exposed the tensions between different factions of the Iragi bourgeoisie which had been kept under wraps by the state terror of the Baathist regime. Today, opposition factions of the ruling class in Irag seek a basis for cooperation, while the civil war between them and the Baathists completes the massacre of the population begun by American bombs.

INTER-IMPERIALIST ASPECTS OF THE WAR Even before the end of the bourgeoisle was preparing the war. the "post-war", that is to say, a reshuffling of the imperialist deck under American hegemony. One conclusion is inescapable: the Gulf war has seen a strengthening of the power of the US. Nonetheless, a real stabilization of the region is nowhere in sight. The Middle East is characterized by permanent instability and tensions between its different countries. The bourgeois press has already alerted us to the resufacing of old bugaboos, like OPEC. Other intractable issues are now on the carpet: the question of relations between the US and Tran, in light of the latter country's "neutrality" during the Gulf war; or American Iran, relations with Syria, after its military engagement at the side of the US. In addition, there are the long-term aims of Turkey and Egypt, and the position of Israel vis a vis the Arab states and with respect to the Palestinian question. Another reason to question the capacity of the US to stabilize the Middle East is the weight of the economic crisis: in Africa, we have already seen that despite the utter retreat of the Russians, and the overwhelming military and economic power of the US, Washington has not succeeded in stabilizing that region. The same scenario is likely to be played out in the Middle East.

When we speak of the inter-imperialist aspects of the Gulf war, we must examine the position of the Russian bloc too. In spite of its great weakness, and its incapacity to intervene militarily, Russia has demonstrated that it still pursues its imperialist interests and intends to defend them. This can be seen in the dual track policy pursued by Moscow: aligning itself with the UN resolutions against Iraq, while at the same time keeping its military advisors there.

What Russia could not do on the military plane to defend its imperialist interests, it did on another plane: that of diplomacy. Thus, on the ideological terrain, Russia appeared as a "dove"; the deaths ware the responsibility of the enemy ploc. responsibility of the enemy bloc. Economically, Russia has not had to spend a rouble, while it has benefited from higher oil prices and even Western aid. Gorbachev has certainly extracted some kind of price from the Americans in return for his vote in the UN to allow a conflict to unfold so close to his frontiers. More immediately, the peace plans put forward by Gorbachev on the eve of hostilities constituted a maneuver on two internally, to humour levels: the traditionally pro-Arab conservatives; externally, the initiative positioned Russia favorably vis a vis the Arab states, even if

they knew that Washington had left Russia with precious little room to maneuver. Moreover, this taking of a pro-Arab position could only help Gorbatchev, threatened as he is by agitation in the predominantly Muslim republics within the "Soviet Union". The Russian strategy has sought to make the most of a poor situation, and to position itself for a future re-entry into the Middle East cockpit, rather than pusue specific immediate goals. The weakness of the Russian bloc is the explanation of this strategy, in which Moscow cannot act on the military plane in the same way as Washington.

THE MOBILIZATION OF THE PROLETARIAT This issue is fundamental for our class. If the bourgeoisie has benefited from the war in the Gulf by testing its weapons, it has also benefited by testing its capacity to deploy a huge military force without provoking aproletarian reaction. It has thereby tested its mystificatory capacity against its class enemy.

What can we, or what must we expect in the way of a reaction of the proletariat to a war in the present period? The first component of any answer concerns the level of class struggle. We know that it is presently weak. Social conflicts continue to break out everywhere, but their breadth and scope remain limited. It is therefore not unexpected that in a context of a weak class struggle the ongoing sporadic movements will not make an explicit link with the question of war. However understandable that is, it remains alarming inasmuch as it allows a certain freedom to the bourgeoisie in its course towards war. Another element that permits us to/understand the lack of reaction on the part of the proletariat is the skill with which the bourgeoisie has utilized its weapons of propaganda. Yet, the care with which the ruling class wielded this weapon only reveals the extent of its fear of igniting a proletarian reaction to its bellicose policy. Unhappily, this fear was not -- in this instance -- met by violent reactions on the part of the working class, but instead showed the capacity of the bourgeolsie to stifle the development of class consciousness. Several means were utilized to that end. In the West, the war was presented as a "technological" conflict, aiming at the destruction of strategic objectives more than human lives. A well orchestrated campaign was launched to hide the actual number of victims of this butchery. The financial impact of the war has also been carefully hidden: while the war was enormously expensive, its impact on the standard of living and conditions of the exploited class is a taboo subject. Instead, the bourgeoisle presents us with the "good side" of the war, in terms of the markets to be created by the reconstruction of Kuwait, presented as the miraculous solution to the present recession. Specifically in the case of the American bourgeoisie, its capacity to keep the war short, and at least in appearance at a small cost in blood, could make the population forget the trauma of Vietnam. That too constitutes a victory for the American bourgeoisie in its capacity to possibly eliminate the one element that could prevent acceptance of the recourse to war: the memory of earlier conflicts, with their heaps of dead and wounded. Finally, a specific ideology also exists in the Arab countries in the form of religious fundamentalism. This state ideology is also utilized to prevent the proletariat from seeing the defense of imperialist and capitalist class interests behind the public posture of their leaders.

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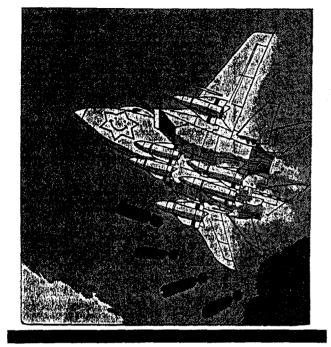
These elements are so many signs of the ideological preparation of the bourgeoisie, but also -- and above all -- of its capacity to wield these weapons <u>not</u> to actually mobilize the proletariat in an active way in favor of war, but rather to render it indifferent and to stifle its class consciousness. If we have not seen the proletariat mobilized <u>for</u> war (nor in hoursely pacifiet demonstrations) neither bourgeols pacifist demonstrations), neither have we seen any proletarian reactions have we seen any proletarian reactions against war. The working class thereby left the bourgeoisie with its hands free to carry out a military operation antally biggest mobilization of troops and equipment since the Second World War; without an overt reaction, without an understanding that the interests at stake were diametrically opposed to its own. Nevertheless, if the working to its own. Nevertheless, if the working class did not play the role of a brake on war, it is because it was not directly implicated in the war effort (which would be the case in a global conflict, in which the whole of the economy was directed to war, with its repercussions on the rate of exploitation, wages and the standard of living in general). This fact should not lead us to minimize the significance of the lessons to be drawn from the Gulf war, but it does serve to point up the fact that while the present situation is indeed alarming, it does not refute our historic perspective: social confrontations in which the proletariat will be the principal actor in a dynamic leading to the liberation of humanity from the reign of capitalist barbarism.

However, we must here and now sound the alarm, so that the working class does not leave the bourgeoisie with its hands free in its course towards war, lest we see the historic course overturned and humanity sink ever deeper into barbarism, abandoning its struggle for the establishment of a new world!

> ROSE March 1991

POSTCRIPT

The rapid victory of Western arms in the Gulf war has not -- and could not have --<u>immediately</u> brought about a real and durable Pax Americana in the region. Nonetheless, in



addition to destroying a regional power --Iraq -- that sought to challenge American interests in the Middle East, the war has created an opening for such a Pax Americana over the medium term. The weakness of the Palestinians after their ill fated alliance with Saddam Hussein, Syria's need for Western support given the weakness of her sponsor in Moscow, the heightened American influence in Kuwait, the Gulf emirates and Saudi Arabia attendant on its military victory, and the prospect of new pressure on Israel to make concessions as the price for continued support from Washington, all point to the possibility of a real political breakthrough in the future.

Yet quite apart from the prospects of a solution to the Arab-Israeli conflict, the key to a durable Pax Americana in the Middle East, the war has already answered one vital question that has preoccupied Washington since the fall of the Shah in Iran: who will play the role of gendarme for the West in the region? The void created first by the fall of the Shah, and now by the need to crush Saddam Hussein, will henceforth be filled by American (and NATO) troops and bases. Secretary of State Baker may not have brought back a deal on direct Arab-Israeli negotiations, but he did secure an agreement on the basing of American troops (not just equipment) in Kuwait, the Gulf states and Saudi Arabia! In addition, the presence of American and NATO troops in northern Iraq, which Baghdad is powerless to prevent, attests to the new rapport de force brought about by Western arms.

While Washington may indeed be determined to remove Saddam Hussein himself from power, that objective has always been superceded by the determination of the US not to permit the disintegration of Iraq, its partition into Kurdish, Shiite and Sunni statelets, each exposed to the designs of its avaricious neighbors: Iran, Turkey and Syria. When it became apparent in the days immediately following the cease fire that the Baath party and the army were not yet prepared to overthrow Saddam Hussein, and that such an outcome would instead result from Kurdish and Shiite rebellions, the US cynically allowed the slaughter of the rebels before finally stepping in, and putting an end to Saddam's reign of terror -- though only after making certain that the integrity of the Baghdad regime would be preserved, even if that entailed assuring the political survival of Saddam Hussein himself. As a result, the US satisfied two of its objectives: the preservation of Iraq as a counterweight to Iran, and to prevent the emergence of a new "Lebanon" in the region; the ideological coup of making the occupation of Iraqi territory by American and NATO troops seem like a humanitarian gesture, a cover for the use of military force that in the long run may be even more important than the battlefield victory so easily achieved by the US against a second rate power.

The World Economy after the Gulf War From War Euphoria to Crisis Reality

Will the Gulf war and the reconstruction which it makes possible stimulate the moribund world economy ? Or will it make all its problems even worse ? The answer is yes, to both questions.

There is nothing magical nor surprising about the economic stimulus that this war provides. The need to replace the weaponry consumed in The need to replace the weaponry consumed in the war creates a substantial demand for the military industry and the skilfully managed advertising campaign for America's high tech arsenal will undoubtedly fatten the order books of General Dynamics, Raytheon etc. even more. The vast destruction wrought upon Kuwait and Iraq creates a huge market for all sorts of commodities for years to come, especially for the US, for whom Kuwait has set aside 75 % of the reconstruction contracts. Whether this will be enough to pull the US-economy out of recession remains to be seen, but it certainly will make the current downturn less severe.

But the recession is only a symptom -not the disease itself. (The real problem facing world capitalism is its incapacity to generate enough profit for its very survival. Since the cause of this problem is rooted in its own basic structure, it cannot solve it; it can only deprive an increasing part of the world economy of the capital (i.e. surplus value) needed to continue its accumulation and push the problem in front of it by borrowing from the future. But debt creation does not come without a price. The more capitalism lets its debt burden grow to keep accumulation going, the more its profits are eroded by the interest payments that have to be made on this debt. During the eighties, the increase of the debt. During the eighties, the increase of the debt burden reached unprecedented levels, especially in the US. During those 10 years, the total outstanding debt of the US economy rose from \$ 4.2 trillion to \$ 12.1 trillion.(Source: US Trust company) With tax breaks for the rich and colossal military spending, the US-locomotive pulled the puffing world economy along, providing an essential export market for Europe, Japan and the rest of the world. This in turn was made possible by a massive influx of capital from possible by a massive influx of capital from

all over the world, which helped to finance

the US' debt-driven demand. But despite this influx, capital investment stagnated during most of the 80's, reflecting a lack of long term perspective for profits in

the productive process itself. In meantime, speculative investment boomed. In the The end of such a speculative cycle, particularly in real estate, helped trigger the recession. It exposed how vulnerable the entire financial structure has become as a result of all this debt creation. The complete savings &loans bank sector collapsed under the weight of unpaid and uncollectable debts, leaving the state a bill of \$ 160 billion (which was conveniently put "off budget", to make the deficit look lower). It was paid with more long term debt obligations, which in interest alone will cost more than \$300 billion. A similar grave situation threatens the commercial bank sector. 1000 of the 12,400 American banks are reported to be in serious trouble, 180 are expected to go bankrupt this year. The Banks' Deposit Insurance Funds is nearing bankrupcy too, making it likely that the state will once again be forced into a multibillion bailout which will further multibillion bailout w increase the debt burden. At the same time, the capital influx that kept the US locomotive going, ran out of steam: from a net-inflow of \$ 88 billion in '89, the

US suffered a net-outflow of \$ 27 billion in '90. The exchange value of the dollar sunk to A dangerously low level, forcing the Federal Reserve Board to restrict the money supply, pushing scores of companies over the edge.(from jan. to nov. '90 55 000 companies in the US went under, leaving \$ 64,1 billion of uncollectable debt equalling 1 1 % of the of uncollectable debt, equalling 1,1 % of the GNP)

In other words, the mechanism upon which capitalism had relied in the 80's ran into major problems in the early 90's. How do war and reconstruction in the Gulf relate to this problem?

The war itself swallowed roughly \$ 70 to 110 billion (depending on the estimates) excluding Iraq's expenditures. The US has bullied its allies into carrying most (according to some, even all) of these costs. How the burden will be divided is important to judge losses and profits of the different capitals concerned. But to evaluate the implications for the world

whole, it makes little economy as a difference. The important thing is that these costs must be paid and that the world economy gets nothing in return. The governments which must pay these expenses have to get the money from somewhere: either by increasing their debt or by cutting their spending or by raising taxes. The net-result therefore is: - More austerity for the working class (cuts

in social programs, increase of sales taxes, etc.)

- Less surplus value returning into the production process (cuts in spending on infrastructure, education, etc, to offset military spending)

- Less capital available for export (for countries like Japan and Saudi-Arabia, which last year already had a budget deficit of \$80 billion)

An increase of the global debt burden.



Randy Jones

The same can be said about the boom in weapon sales following the war: this is obviously a profitable byproduct of the war for UScapital and others, but for the world economy as a whole it means that even more surplus value is stolen from the production process for unproductive ends.

Are the Gulf war-expeditures big enough to have a serious impact on the world economy? After all, the wars in Korea and Vietnam swallowed yearly 8 to 15 % of the US' Gross National Product, while this war was so short that it consumed less than 2 % of the GNP (even excluding the payments by its allies). But the big difference is that the level of indebtness today is incomparably higher than during those previous wars. To illustrate this, it's enough to recall how the USadministration and Congress had to struggle all summer and fall of last year to reduce the budget deficit by some \$ 40 billion. This result was hailed as a major breakthrough, the last chance to avoid a disaster, not only for the US but for the entire world economy. Now, double this amount was spent in a few months on the war.

Indeed, the level of indebtness changes the whole picture. That's why capitalist economists are so scared of inflation- and interest rate-figures which seem low compared with those at the end of the 70's. They know that the same double digit-figures could not reoccur today without plunging the world economy into a cataclysmic depression. That's why it's deceiving to look at the figures without taking into account the changes in the global context.

How about the reconstruction of the Gulf region ? Will that help the world economy ? The demand it creates can be considerable : the reconstruction of Kuwait alone could cost up to \$ 100 billion ; the reconstruction of Iraq and Iran, depending on their capacity to pay, could amount from \$ 200 to 500 billion. And it is obviously different in nature from the demand fueled by war and weaponry sales, which is simply a destruction of value and a net-loss for the world economy. The value produced for the reconstruction of the region does return to the production process. How ? Almost exclusively through oil-exports. But oil is hardly a commodity which the world economy is lacking. Just look at oil price at this moment ; despite the fact that no oil from Irag or Kuwait is reaching the market, the oil price has sunk to the same level as before the invasion of Kuwait. This testifies how glutted the oil market has become. Cut 20 % of the world production off and the rest simply closes the gap. And now that Kuwait and Iraq will start to reclaim their market share, the glut will increase. The oil price will sink lower, wrecking the economies of major producers such as Mexico and Venezuela. Oil-importing countries will see their importbills somewhat aleviated but even for them, the news is not entirely good. The Middle-Eastern oil-countries, which played an important role as capital-exporters to Europe and the US during the 80's, will now become ravenous capital-importers.

And they won't be the only ones. The US, whose budget-deficit will once again set a new record this fiscal year and almost certainly will exceed the current projection of \$ 318 billion, will continue to need to attract foreign capital. Germany, a major exporter of capital during the 80's, now needs at least \$ 300 billion to integrate the former DDR. Eastern Europe, according to the European Bank for Reconstruction and Development, needs \$ 2 trillion to rebuild. The "Soviet" Union's needs for imported capital are expected to quadruple in 3 years, from \$ 28 billion last

year to \$ 115 billion in 1993. Latin America is forced to continue to seek new foreign loans, if only to be able to pay interests on it previous debts. And Japan, the leading capital-exporter of the 80's, will "severely limit its future lending" because of declining profits, according to Taizo Hashida, chairman of Japan's leading Bankers Association.

According to a study of the investment firm Morgan Stanley, the combined demand for capital will exceed the world's supply by more than \$ 200 billion a year in the coming period.

If this imbalance were merely a technical problem, it could be solved by simply raising the supply of dollars, the international currency, to meet the demand.

But the shortage of capital is really a shortage of profit which cannot be covered by the printing presses.

the printing presses. Any attempt to do so would be punighed by a flare up of inflation, which, as we argued before, is much more dangerous today because of the increased level of indebtness and therefore decreased ability to withstand shocks.

And it would endanger the position of the dollar as the international currency, a risk which the US obviously is not willing to take. The very need to attract capital (and to prevent it from leaving the country) limits the capacity of the US-or any other government- to ease credit by pushing interest rates down.

This is yet another instrument of economic policy, one that was so important in the '80's, which is escaping more and more from capitalism's control. We see already now how the Federal Reserve Board's efforts to ease credit in the US, have no perceptable influence on long term interest rates.

Therefore, the coming years will be characterized by a worldwide trend of increasing interest rates. Germany's expenditure of \$ 85,5 billion on Eastern Germany, is said to have already pushed up interest rates worldwide by 0,5 %.

On the surface, this trend is just a reflexion of the law of supply and demand. But it means more than that : it expresses the growing incapacity of capitalism to postpone its problems into the future by piling debts upon debts.

The general rise of interest rates is disastrous for world capitalism, because interest is in a direct conflict with profits, with the capacity to return enough surplus value into the next cycle of production. In the 50's and 60's, it took 17 cents of every \$1 of pre-interest earnings of US-corporations to service debt. In the 70's the figure rose to 35 cents, and in 1990 it reached 61 cents.

This conflict underlines the limit of debt creation. This limit is not a fixed turning point but a gradual process. The rise of interest rates, as well as the collapse of companies and countries which can no longer meet their interest obligations, are the manifestations of that process.

The rise of interest rates will make it even more difficult for the weakest capitals to attract capital. The gap between the weaker and the stronger capitals will widen further. But in the strongest countries too, the higher interest rates will shrink the economy and push governments to more severe austerity policies.

In fact, this shrinkage of the economy limits the demand for capital and is therefore the only major brake on the trend of rising interest rates.

One last note. If the war and reconstruction in the Gulf further aggravate capitalism's crisis, as this article has tried to show, how do we square this with the fact that previous wars in this century, in particular the second world war, have temporarily "solved" the capitalist crisis ? What's the fundamental difference ? This is a serious issue, directly related to the causes of capitalist decadence and its way of operating during this period. Too often, the revolutionary milieu has dealt with this question with slogans rather than solid arguments. We don't want to do this here, lacking the space to delve into this problem. But we do want to point out, in regard to the different arguments that have been advanced to explain how war can give a new breathing space for capitalist accumulation in the period of decadence, --a massive devaluation of capital, a destruction of overproduction, a steep increase of exploitation through the increase of exploitation through the militarisation of labor-- that none of these has been accomplished by the short Gulf War. A reexamination of the question of crisis, war and reconstruction will be the subject of another article in a later issue of IP. Sander

The Revolutionary Milieu and the Gulf War

The revolutionary groups discussed in this article (1) all reacted immediately to the outbreak of the Gulf War by distributing leaflets, as we did. After all, that's what we're there for. The only real hope for the working class lies in the destruction of capitalism, but the ruling class takes every opportunity to prevent this consciousness' from developing. The working class needs political organizations' that keep stressing the ultimate goals of the struggle, that show the links between experiences of workers in different places and different times and reveal the manipulations of the capitalist class for what they really are.

So it was with good reason that all the groups of the revolutionary milieu denounced the slogans of the leftists seeking to defend one camp (in this case, Iraq) against the other (U.S. imperialism). They also denounced the slogans of the pacifists who advocate a never-never-land capitalism without war; a dangerous mirage the working class has already paid too dearly for.

Revolutionary groups denounced this imperialist war where the working class

had nothing to gain and they all called on workers to fight against the war and for their own class interests as workers.

But an event of this magnitude requires more than just these essential but general statements. A framework for analysis is needed, taking into account not only inter-imperialist tensions but the economic crisis and class struggle in the world today. If we look at things with these needs in mind, the reaction of the milieu leaves something to be desired. While all the organizations affirmed that capitalism is pushed by its own inner workings to see war as a solution to its economic crisis, we find little analysis on what role the current circumstances of the crisis actually played. Although all groups denounced this war as an imperialist one, there was not much in depth analysis of the state of imperialist antagonisms today. And while all groups took sides for the working class, they didn't much bother to analyse class struggle today or the balance of forces between the classes. But these aspects must be taken into account in any analysis of the events in the Gulf. When the capitalist class prepares for war, it tests its weapons, of course, but it also tests its capacity to control and mobilize the working class. It also tries to make some economic profit and its different factions seek to gain some strategic ground. If any of these aspects are neglected or ignored, a fragmented and partial view is the inevitable result.

FOCUSING ONLY ON THE CRISIS

The CWO states that "this is a war over the control of the supply and thus the price of oil....The war aim is not to liberate Kuwait but to destroy Iraq's armed forces and re-establish U.S. control over the region and its vital oil supplies". (leaflet) This exclusive focus on one aspect leaves the CWO to claim that "an increase in oil prices would be in the interests of the three main protagonists in the Gulf : the U.S., Iraq and Britain." (<u>Workers'</u> <u>Ypice</u>, Jan/Feb 1991) Iraq openly claimed this as an objective and the U.S. and Britain would profit because of their oil fields in Texas and the North Sea. But why, then, would the U.S. want to defeat a country like Iraq which favors high oil prices and help Kuwait, a counwould the rest of the recession-plagued U.S. economy and the rest of the U.S. bloc be helped by higher oil costs? A relatively cheap and dependable oil flow is of vital importance for the U.S. Its intervention has the effect, and not coincidentally, of a downward pressure on oil prices.

There are other groups which tocus exclusively on the economy to explain the war. "Mouvement Communiste" sees

this war as "an aspect of the permanent economic war of all against all which is inherent in a system of production based on exploitation". And "Aube Internationaliste" claims that "the British government and its elites are behind this economic and demographic war". Obviously all wars have an economic foundation but is it enough to simply repeat this platitude? "Mouvement Communiste" offers no opinion on the balance of forces in the imperialist arena today or on the evolution of class struggle and how these factors relate to the Gulf conflict.

FOCUSING ONLY ON THE INTER-IMPERIALIST ASPECT

"Mouvement Communiste's" lack of opinions on the balance of forces between imperialist powers does not prevent it from launching counter-revolutionary slogans such as : "against all oppression of nationalities" and "against all annexations" (leaflet, Sept. 1990) This boils down to defending the weaker imperialism against the stronger one in what "Mouvement Communiste" calls part of "a permanent economic war of all against all" in its leaflet of Feb.1991.

Other groups merely repeat their trademark schemas even if they have been disproven by reality. "Aube Internationaliste" sees a worldwide superimperial-ism : "To the capitalist world market corresponds a world State of capitalists to perpetuate exploitation, private property, class property and class States.. ..It's always interesting to examine the rivalries of the different capitalist gangs. But we must always show that their rivalries (even wars) don't go against the capitalist system but confirm it in a barbarous way." We all agree that capitalism is the only system which exists in the world today and that the rivalries between capitalists don't threaten the system as a whole. But this system is not only based on exploitation but also on competition which forces the capitalists to increase the rate of exploitation. This economic and commercial competition takes a military and imperialist form. The existence of these antagonisms and their repercussions on the development of proletarian class consciousness cannot be explained away by attributing to the bourgeoisie some sort of machiavellianism on a planetary scale that would lead it to "demographic war" in order to "avoid any social explosion from within".

The ICC and the CWO strike a similar note. The idea of some kind of superimperialism is not very far from the conceptions of these groups for whom the Russian imperialist pole has ceased to exist. For the ICC, the USSR has become a second-rate power: for the CWO, an appendix of another imperialism -- the U.S. for the moment.

We do not deny that the Russian bloc. has suffered immense setbacks in the last decade but that does not mean it no longer exists, as our simplifiers of history with a taste for neat little patterns would have it. (2) The. USSR, with limited resources at its disposal, has played the diplomatic card as frequent visits of delegations to Mostow attest. It still has an economic and military impact on events.

Schematism is even more pronounced in the ICC's theory of decomposition (3) which has not been treated kindly by reality. While the ICC pretends that not only the Russian bloc but the American bloc no longer exists, the latter demonstrated an impressive coherence during this international crisis, lining up the main European and Arab bourgeosies behind Washington and scoring points against the USSR which wasn't even able to save face by engineering a last-minute peace. This raises questions about the ICC's appeals for class struggle because they no longer correspond to an appreciation of the course of history (is society moving towards war or class confrontations?) given that according to the ICC, the whole of society has plunged into a state of social decomposition.

A FOCUS ON CLASS STRUGGLE

In its leaflet entitled, "The Bourgeoisie Declares War on US, Let's Declare War on Them", the ICC states that "beyond their wars for pillage, and much more important for them, is the absolute necessity to mark a step forward in the war against the proletariat." In this leaflet, there's no more mention of inter-imperialist conflicts; it's as if imperialist tensions are no longer a part of capitalism, as if the nature of war had all of a sudden changed. But the ICC offers no explanation for this change in warfare or any analysis of the balance of class forces.

The F.O.R. asserts that "this war was also an occasion to get rid of a surplus of proletarians." They seem to add fuel to "Aube Internationaliste's" idea of "a demographic war". This view of a machiavellian bourgeoisie always acting with full consciousness contradicts the reality of a bourgeoisie pushed towards war by the logic of the system, a war that destroys a surplus of productive forces, workers included. The role of ideology is to hide this reality from all, even including the bourgeoisie itself. And while it has not made any effort to analyze the balance of forces among the main capitalist powers, or between the classes, "Mouvement Communiste" declares, "Although the only correct attitude is to call for revolutionary defeatism on all sides, a long war paid dearly in lives and money followed by a defeat of the strongest capitalist camp (led by the U.S.), could be in the longer term interests of the international working class and the oppressed because it would favor the development of class struggle." (leaflet of Sept. 1990) Revolutionary thinking has become such a luxury for some groups that they can adopt a position that the massacre of a great number of workers would be a wonderful thing for the development of revolutionary class consciousness!

* * * None of the groups mentioned in this article has made a global assessment of all the different aspects of reality. The ICC, which produced a good leaflet in January 1991 denouncing the lies of the bourgeoisie and recalling the experiences of the proletariat against the bourgeoisie and against war, does not flatly state that revolutionary thinking has become a too costly luxury but it cuts short any real discussion by hiding behind its theory of decomposition.

The revolutionary milieu is deeply divided and linked to this division, it suffers from the pressure of bourgeois ideology which always has the effect of heightening separations and divisions. At a time when workers, disgusted with austerity measures and lay-offs brought on by the recession, are able to take up the struggle again, (there is no social peace, not even in the USSR or in Eastern Europe), revolutionaries must take up again the marxist analysis of reality.

Johan

(1) - CWO (Communist Workers' Organization); publishes "Workers' Voice"
- ICC (International Communist Current); publishes "The International Review", "RI" in France; "World Revolution"in the UK, "Internationalisme" in Belgium and "Internationalism" in the US.

- MC (Mouvement Communiste)

- AI (Aube Internationaliste)

- GCI (Groupe Communiste Internationaliste); publishes "Communisme" - FOR (Fomento Obrero Revolucionario);

- FOR (Fomento Obrero Revolucionario); publishes "Alarme"

(2) See our analysis of the Eastern bloc and the USSR in I.P. #14, 15, 16, 17, 18.

(3) See our critique of this theory in I.P. #17 and 18.

OPENING UP A DEBATE what 's at stake in the gulf

The last two years have witnessed a series of events of major historical importance : the fall of Stalinist regimes in Eastern Europe, the victories of the American bloc against its Soviet rival and the incorporation of East Germany into the West, the Persian Gulf War. All this has given rise to an ideological media offensive of unprecedented proportions. The bourgeoisie hopes to use this to disorient class struggle and eventually mobilize the working class behind the banner of a third world war.

This reality raises the question of the historical balance of forces between the two antagonistic classes in capitalist society : the capitalist class and the working class. Events have provoked a reaction in the revolutionary milieu not only among regularly constituted groups but also among isolated, less organized elements of the milieu. Events led us to organize a special meeting in Paris (in March 1991) where our group, the ICC and several other members of the revolutionary milieu got the chance to express their analyses of the present situation. /

The spirit of the meeting was posi-tive in that many comrades who have been disgusted with the sectarianism and petty minded nastiness of the milieu for many years, were able to make a contribution because the debate was placed in the context of meaningful revolutionary confrontation. It should not be forgotten that all through the 20th century, whether it was before 1914, during the first world war, in the 30's or during the second world war and its aftermath, revolutionaries always tried to understand the perspective facing the working class : generalized war or the possibility of revolution. In the 30's, the method of the Italian left in exile, regrouped around the revue "Bilan", was to respond to the critical situation by calling for the most open debate possible : opening the pages of its press to contributions from others, calling public meetings to debate issues, etc.) Despite the different circumstances of today's world, this method inspired the holding of the Paris meeting and also our desire to publish in our press contributions from different comrades analyzing present events. We are beginning

with the contribution of the comrade who first suggested to us the idea of holding a Paris discussion meeting.

A second special discussion meeting will take place in June to continue this effort. We reiterate here our appeal to the rest of the revolutionary milieu to participate in this work and our commitment to publish contributions of comrades who wish to be part of this effort.

THE STAKES IN THE GULF WAR

"Right is merely regulated violence, with this distinction: the conqueror attributes the violence -- the privilege of which he arrogates to himself -- to a spurious 'equity'" (Clemenceau)

In December 1989, while the Western media was busy saturating the public with accounts of the so-called Romanian revolution, American troops intervened in Panama -- under a media blackout -- chalking up 3,000 dead among the desperate civilian population of the shanty towns. At the time, the upheavals in the East were all anyone talked about, and the aid of TV images (the symbol -- with Berlin wall coming down) -- the "free" world celebrated the collaboration celebrated the collapse of what it called the "communist" world. That was the time when official discourse played up the idea of the beginning of an era of peace for the capitalist system, presented as a certainty thanks to the triumph of its ideological values; democracy, freedom and the rights of man. The Panamanian massacre -- a bloody stain on this idyllique picture -- could be seen as a regrettable, but necessary, departure from this "new course" since it was a simple "police action" aimed at removing a dictator -- Noriega -- who, after having been groomed by the CIA (under a director named George Bush), had obstructed the policy of the US in one of its own preserves: Central America.

Since then, the vaunted era of peace has not lasted very long. More than ever, despite its attempts at manipulation, capitalism appears synonomous with catastrophe for the human race. On the one hand, its Eastern form -what remains of Russian state capitalism -has clearly indicated, by among other things the use of force in the Baltic states, that Perestroika must not be seen as a capitulation to a market economy so much as an attempt to establish a rampart behind which the territorial integrity of the "USSR" can be maintained, and the interests of the ruling class -- whose power depends on the maintanance of this empire -- safeguarded. (1) On the other hand, its Western form -under the military domination of what remains of American imperialism (it is Germany and Japan who are paying the bills for the gigantic expedition entitled, according to the vagaries of the hour, "desert shield" or "desert storm") has not hesitated to unleash a massive war to re-establish order in а region considered vital to the defense of its strategic-economic objectives. This time -unlike Panama -- the media covered the event; but, under military and political control, they cynically picked the screen images to accord with an ideology which presented the war as "just", carried out for the "liberation of Kuwait", against the madness of a dictator -- Saddam Hussein --diabolized for the needs of a "just cause". Need we add that this was the same Saddam Hussein who before August 2, 1990 had been the object of flattery from the chancelleries of every European state? Lauded as a rampart against the expansionism of the Shiite Islam of the Iranian mullahs, Saddam Hussein, who was not yet a "modern Saladin", was permitted to amass a veritable arsenal of weapons, even if most of them were not yet paid for (thus, Iraq's debt to France had reached 29 billion Francs with interest).

Impelled by an exacerbation of the economic war on the world market, capitalism unleashes its inter-imperialist rivalries, which animate even the smallest states. The crisis reveals what the East/West division into blocs as a result of the Second World War had covered up: the dissipation of the ideological smokescreen reveals one and the same system which -- under different modes of administration ("private" property or state property), but more and more complimentary (mixed economy) -- is leading the world to disaster. The absolute bankruptcy of this system is patently this system is patently en by insurmountable bankruptcy of patently obvious. Riven contradictions, capitalism can resolve none of the basic problems facing the human in these waning years of the species twentieth century. On the contrary, it can only worsen the conditions of existence on planet: famines, poverty, massive ployment, pollution, etc. The worst is to come if the mass of the exploited the unemployment, vet population does not rediscover the path of radical struggle to eliminate capitalism. The logic of capitalism is the pursuit of profit; its accumulation process need only satisfy the laws inherent in commodity production, and its functionaries only shed crocodile tears for the human damage they have wrought. From its beginnings, periodic restructurations of capital have entailed social upheavals, while now these reconstructions are accomplished at the price of a growing barbarism into which ever greater masses of people are thrust. This process means that each war contains the seeds of the next, which is already being prepared, and will take place if the communist revolution does not first break out. What, therefore, have been the stakes in the Gulf war?

THE CAPITALIST STAKES

It is clear that the Middle East remains an "open sore" (2), given the many interests (oil, border disputes, geographic situation, etc.) which pit the regional powers against one another, and which the big imperialist powers stir up in order to establish their domination, thereby stimulating racial and religious conflicts. From the collapse of the and Ottoman empire after World War One, the English (who had organized the Arab revolt against the Turks through the intrigues of Lawrence of Arabia), the French and the Americans -- the same three powers who are presently the core of the anti-Iraq coalition -- have innumerable times demonstrated their mastery of the art of divide and conquer. With the creation of the state of Israel after the Second World War, American imperialism sought to expand its influence at the expense of the declining powers, Britain and France, as could be seen at the time of the Suez crisis of 1956 and the six days war in 1967. The first oil crisis, a consequence of the deepening of the world economic crisis and of the fourth Arab-Israeli conflict (1973), led to chronic instability in the Middle East (the partition of Cyprus in 1974, above all, the Lebanese civil war and. beginning in 1976) which served American interests. However, the second oil crisis -new avatar of the world crisis -- was accompanied by the fall of the Shah of Iran and the growth of Islamic fundamentalism, with the coming to power of Khomeini. All that interfered with American plans for control of the region. Linked to this was the eight year war between Iraq and Iran, in which the Baath party and its leader, Saddam Hussein (3) was favored (and armed) by the West, and paid by the Gulf emirates -- and in the first place by Kuwait -- and Saudi Arabia to block the "Persian and Shiite threat"

At the end of that war without a winner, Iraq, exhausted but heavily armed with well tested weapons, and disposing of a relatively modern arsenal in technological terms (missiles, tanks), believed that it could resolve its financial and economic problems (debt and the need for a higher price for oil) and accomplish its imperialist goal of assuming the leadership of the Arab world, through the invasion of Kuwait. Without falling into the thesis of an organized plot (which entails a conspiratorial vision of history), it would seem that the US had allowed the invasion to take place so as to be able to deploy its war machine and test its effectiveness.

The will to establish "a New Order that will last for a hundred years" (dixit George Bush) is the real aim of the "pax americana" whose first step was the

destruction of the Iraqi arsenal. After counting on a steady rise in oil prices in the 70's and 80's to make Europe and Japan carry the burden of the effects of the crisis, American imperialism now needs direct control over the oil supply vital to its allies (who are also its trade rivals). It is the sign of a considerable weakening of the U.S. on the economic level. Facing the growing competitiveness of European, especially German, goods in all markets, suffering from competition from Japanese goods and increasing takeovers by Japanese firms that have eaten up whole sectors of the American productive apparatus, the U.S. finds it more and more difficult to finance their growing commercial deficit with the usual monetary manipulations based on the dollar as the global standard. With its immense energy reserves and its unequaled military infrastruc-ture, the U.S. is still the unchallenged leader of the Western bloc but the moment will come when it will be no more than the armed servant of economic powers like Germany and Japan who al-ready claim a greater political role in the Ú.N. :

"Two powers will have to bear greater responsibilities in the world, Germany and Japan, because of their economic weight. Germany must pressure for a change in the representation of Europe in the Security Council. With all the respect that I hold for our neighbors, France and Britain, there is no reason why they should have a permanent veto in that body." (Willy Brandt, interview in Der Spiegel, Feb. 1991)

This is quite a plausible scenario of restructuration and it may well be played out behind the the scene of the present conflict. The Gulf War is thus part of a new phase in the erosion of the blocs. Although the U.S. appears as a colossus whose sophisticated military arsenal is unrivaled, its feet of clay are clear when it cannot even use its own credit card! Of course, as in the case of Russia, an erosion or splintering of the bloc is not a collapse of the bloc : Bush, Gorbachev and their successors still possess a certain margin of manoeuvre based on a balance. of forces that have historically developed in their favor and which they intend to hold on to for as long as they can. They will fight anyone who tries to take their place, that is, anyone who wants to take a turn at trying to make economic power into political-military power. In the history of capitalism (as in pre-vious modes of production : slavery and feudalism), the creation of great em-pires is a tendency that tends to win out, especially in periods of decadence, over free exchange that does not take strategic considerations into account.

The world is full of the potential for a third world war, or at least for a new and much more serious conflict incubat-ing right now in the Persian Gulf, in the land of the Tigris and Euphrates, around the Mediterranean rim, because the peace emerging today is a very precarious one. It rests on an extremely fragile status quo, undermined by the inevitable exacerbations of the world economic crisis. The peace will break apart under the combined pressure of new regional alliances and new blocs being created internationally. The charming fascade of unanimity in the coalition will go up in smoke; the horrors to come (with tactical nuclear weapons and the like) risk being much worse than the so-called "surgical" bombing of Baghdad and the butchery of Basra during the Iraqi retreat from Kuwait.

THE STAKES FOR THE PROLETARIAT

Unlike the War in Vietnam that marked the end of the prosperous reconstruction period after the second World War, the Bulf War takes place at a time when ca-pitalism has been at the mercy of an economic crisis for the past 20 years. Given such a situation, that a weakened system could embark on a military operation of such proportions with no fear of social unrest, especially in the industrial heartlands of capitalism, is worrying in a revolutionary perspective. How could such an enormous war effort (from the point of view of the number of sorties flown, bombs launched and ground forces engaged in the conflict) take place without provoking a reaction among wage earners who are facing the brunt of the economic crisis every day? The pas-sivity of the great majority of workers is a bad omen for the future and we have reason to fear that capitalism could see its way clear to mobilizing the population for a third World War. At the very least, events confirm the decline in combativity that has been obvious in the ranks of the workers for some time. It is unfortunately in this sense that the 80's seem to have been "the years of truth". Despite the catechism of the ICC ("The working class has not been physically defeated"; "We are now in the 2nd phase (!) of the 3rd wave (!) of struggles", etc.), we have to open our eyes to reality, step away from denial and recognize the clear decline in the class struggle.

The power of bourgeois mystification and the incessant media campaigns cannot explain everything. We have to look elsewhere for the profound causes of this tragic inertia of the proletariat.

Disoriented by the crisis and ravaged by unemployment, many sectors of the working class are on the defensive (in

steel, automobiles, etc.) and with their backs to the wall, they confine their struggles to the purely economic terrain, fragmented into corporatist strikes. In addition, the introduction of new technologies into the productive process has led to a great reduction in the numbers of workers in industry. Automation has meant a considerable reduction in living labor for all firms. In the industrial sectors on the cutting edge of new technologies, the compression of variable capital has almost reached a maximum. There is an unprecedented transformation going on that stands in the way of the reproduction of capitalist relations of production. Through all these different kinds of restructurations, the system tries to adapt in order to resist the insurmountable contradictions undermining the inner workings of the economic sphere; it creates a veritable crisis in the proletariat by destroying its major industrial component :factory workers.

But capital cannot exist without the extraction of surplus value, later realized by transforming it into money through the sale of products on the market. It recreates new and more sublle forms of exploitation but always in relation to human labor. Although the evolution of technology has severely diminished the role of brute force, it has emphasized the need for the brain's gray, matter.

"In fact, looking at things on the purely theoretical level, the changes can be summarized as the growth of the abstraction and complexity of labor. More 'abstract' in that work becomes more 'indirect', more a question of correctly analyzing data from the automated control mechanisms and more 'complex' in that purely mental labor has increased a great deal, encompassing a constant effort to regulate and analyze circuits and connections between machines.

Abstraction and complexity can be treated very differently, and, in practice, they are. The many different company traditions and customs, their different markets and products lead to a great variety of solutions. Where the constraints of technology, quality control and organization meet, we find a new kind of worker and behavior in automated shops. It is by following this double thread of the reading and interpretation of the phenomena of abstraction asnd complexity, that one arrives at a typology of a new kind of worker for the post-Taylorist age." (Benjamin Coriat: "L'atelier et le robot" (The Workshop and the Robot), Christian Bourgeois 1990)

In order to hope that the working class would be able to link up again, not only with its combativity but even more with the perspective of communism -the only way to prevent the barbarism of a third world warwe must now analyze the social changes taking place in the mode of production.(4) It is indeed thanks to a recomposition of the class, forcibly brought about by the convulsions of the movements of capital, that radical struggle will regain its full, new meaning. But time is passing, the race is on, because capitalism is a system of exploitation which carries its own contradictions to an ever more explosive level. Will the "new" working class have time to emerge? To forge its links of selfrecognition at the worksite and outside of it? To develop its consciousness to launch an assault on the old world before capitalism engulfs mankind in a flood of deadly destruction?

At the moment the Gulf War was ending, the riots at St. Denis on the island of Reunion showed that social revolt is a reality among the "dispossessed"... but they brought no answers to the fundamental questions.

THE STAKES FOR REVOLUTIONARIES

The reflux of the struggles and the difficulties of a working class in transition explain the isolation of revolutionaries who are dispersed in small groups and seperated into atomized individuals. Worse: in a protective reflex against the ever-increasing pressure of the system, certain organized elements have a tendency to take refuge in sectarianism and its ideological corrolaries: dogmatism and schematism.

The current situation sets at least 2 objectives for those who can still see reality as it is and who try to trace perspectives:

1) To help break the isolation and atomisation by pushing revolutionaries to meet each other, to come together to discuss seriously, to exchange their analyses and, if possible, to consider joint interventions;

2) To go beyond individualistic or little group-sectarianism, by aiming for a theoretical reflection which, when the balance sheet must be drawn, does not shrink before the need for a radical critique of positions or analyses which are (in part or whole) mistaken, and whose bankrupcy is clear and weighs as "dead ideas on the brains of the living".(!)

In order to understand the crucial stakes which the Gulf War allows us to percieve, it is vital that revolutionaries are up to the tasks demanded by the urgency of the present and future situation. The preparation of an international encounter will be indispensable in order to offer, in the short term, a proper framework for centralizing diverse meetings and theoretical reflections on a local level.

Marxism, when taken in its literal sense, has

been shown to have many limitations. But its method of critical analysis, developed by Marx amongst others, still allows us to grasp in depth the reality fashioned by capital, and to unmask its contradictions as well as its traps.

G.S. March '91

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NOTES

1) The Russian empire itself. The recent disolution of the Warsaw-pact has concretized the considerable retreat it suffered with its loss of control over Eastern Europe and its acceptance of the reunification of Germany.

2) According to the title of a pamphlet published in 1976 by the group PIC ("For a Communist Intervention"), which analyzed the "Pax Americana" which the US sought to impose. The theory of the splintering of the blocs was also defended in that publication, in an article entitled: "Secondary imperialism and the era of the warlords".

3) Perceived at that time as secular, close to Western values and with a desire to modernize their country as Mustapha Kemal had done in Turkey.

4) This question of the evolution of the structure of social classes, in the first place of the working class (which can no longer be identified, as in the Communist Manifest of 1848, with an industrial working class in expansion) must be the object of a thorough going debate, which started with the publication of a letter in IP #15.

The Crisis of Russian Capitalism: A NEW TURN OF THE SCREW

past several months have seen The an assailing the Russian capitalist entity. Russian capital has had to meekly accept the destruction of its closest ally in the Middle East, Iraq, at the hands of its American rival. Indeed, the dictates of the polling Perestroika, based on the hopes for massive Western credits for its run-down industries, have virtually reduced Moscow to passivity in the face of Washington's project for Pax Americana in the Middle East. Meanwhile the Russian economy is in chaos, as economic output, which fell 4% in 1990, is expected to drop another 5% in 1991. The result has been a drastic fall in the standard of living of the mass of the population, with the working class particularly hard hit by a combination of unemployment and rising prices. With increased misery on the horizon no matter what economic policy the government adopts, the spectre of a new strike wave haunts Russian ruling class (its beginning perhaps announced by the strikes in the coalfields this March). Politically, the very existence of the Russian capitalist entity in its present frontiers is now in question, as nationalist factions of the local ruling class in several republics (Estonia, Latvia, Lithuania, Moldavia, Armenia, and Georgia) seek outright independence from Moscow. In addition, the question of which faction of the ruling class will be master of the Kremlin, the structure of the power bloc that will direct Russian capitalism, and the policies it will pursue, are now being decided.

The center of gravity of the power bloc 'that

rules the Russian capitalist entity has been rules the Russian capitalist entity has been further shifted in favor of the military-security apparat over the past few months. The resignation of Eduard Shevardnadze as foreign minister amid a hail of criticism from spokesmen for the military recoiling from the "loss" of Eastern Europe, and Gorbachev's decision to definitively scrap the Shatalin plan, with its commitment to a free market and "privatization", and to pass. over its architect as his choice to replace Nikolai Ryzhkov as prime minister, constituted a sharp move to the right. In the past few months, the "reformist" team that had surrounded Gorbachev has been politically emasculated: Shevardnadze, Shatalin, Yakovlev (the real co-architect of Perestroika), and Vadim Bakatin (the man who sought to reform the Interior Ministry), have been stripped of their power. In this process it was the technical and managerial intelligentsia, which had supported the Shatalin plan as the only posible way out of the crisis which threatened the very existence of the Russian that was displaced to the capitalist entity, benefit of the military-security apparat and the bureaucracy of the Stalinist party. Behind Gorbachev, armed with the dictatorial powers granted him by the parliament, stand figures such as General Vladimir Kryuchkov, Akhromeev (Gorbachev's advisor on military affairs), whose power has never been greater. This shift in the center of gravity of the ruling power bloc is reflected in the institution of parliament, where the "democrats" of the Interregional Deputies Group are now in dissaray, while the hardline Soyuz group is increasingly vocal.

Last year, we speculated that the failure of Perestroika to produce results could well lead the military-security apparat, as the decisive faction of the power bloc, to take power in its own name ("The Gorbachevian Constitution: The Political Reconsolidation of the Russian Capitalist Class", Internationalist Perspective, No 17). In the event, it is possible to see the demise of the reformists and the ascendancy of the Generals and Marshals, as a coup d'etat in which Gorbachev has been retained as a screen behind which the military-security apparat can direct the Russian state without hindrance. Nonetheless, while the axis of the power bloc has decidedly shifted to the right. it would be a mistake to think that the military had already assumed complete power. Despite the absence of Shevardnadze, and in the teeth of open criticism from Marshal Akhromeev and the military, Gorbachev chose not to break with Washington when the ground war began in the Gulf region in February, even as he had restrained the military in the Baltic region in January when events moved towards a military coup in Vilnius. Thus, while the military has Vilnius. Thus, while the military has dramatically increased its power over the past months, a real tension still exists between the several factions within the ruling power bloc as it turns its attention to the urgent questions raised by the rapidly escalating economic and political crises of Russian capitalism.

No major industrial power has experienced the kind of drastic decline in economic output faced by Russia today -- outside of defeat in a war -- since the Great depression of the 1930's. In addition to a projected decline in output of 5% this year, Russia will see unemployment jump from 1.5% to 4% (around six million workers) in 1991. Moreover, these figures, arrived at by Western economic experts, underestimate the real level of unemployment in Russia by many millions. The response of the ruling class to such an impending and unprecedented collapse was the removal of Ryzhkov as prime minister and his replacement by Valentin Pavlov. The Pavlovian response to economic catastrophe was to put



A strike in Byelorussia resumed at factories in Minsk, where workers staged a march for higher wages.

the blame on a cabal of Western banks ostensibly seeking the overthrow of the regime, and on black marketeers. As a result, Pavlov ordered the immediate withdrawal of all 50 and 100 ruble notes in circulation (approximately 33% of the currency in circulation), the stated alm of which was to expropriate black marketeers, speculators and "hoarders". In fact, such entrepreneurial types habitually keep their funds in hard currencies, and thus emerged from the "reform" unscathed; it was the savings of the working classes that were really expropriated by this move. In an economy characterized by a paucity of consummer goods, and the high cost of consumer durables and housing (often requiring the expenditure of the equivalent of several years wages), an important fraction of the abysmal wages of the Russian worker has traditionally been "saved"; it is these funds that the Pavlov government has expropriated with the stroke of a pen.

Beyond his dramatic moves on the monetary (and propaganda fronts), Pavlov has announced a series of long term economic moves. These include price rises of 100% to 300% accross the board, with much smaller rises in wages, and a drastic shift in investment from consumer goods industries to heavy industry such as steel and energy. The net effect of the Pavlovian program will be both an an intensification of the attack on the working class (which would also have been the main thrust of the projected Shatalin plan -- on that, all factions of Russian capital are in agreement), and a renewed reliance on central planning and heavy industry, the veritable mainstay of Stalinism, and the abiding interest of the military-security apparat. Whether an economic program that rejects the Shatalin plan and does not include drastic budget cuts, particularly in the bloated military sector, can win the support of Western investors is highly doubtful. Yet without massive Western credits, it difficult to see how Russia can hope modernize its industry. it is its industry, and eventually compete with the West, even on the military front, as it did under Stalin, Khrushchev and Brzezhnev. In short, the Pavlov plan looks to be the same dismal failure as the Ryzhkov plan was in its day, which will leave Gorbachev scrambling for a new economic program in very short order.

The difficulties of the Nomenklatura will be all the greater if the Pavlov plan and the deepening economic crisis, provoke massive upheavals within the working class. In such a situation, the ruling class will be faced not with the need to adopt a coherent program to deal with its insoluble economic crisis, but with the necessity to contain the proletariat, to <u>ideologically</u> divert it from its class terrain. Faced with such a necessity, the basic option of Russian capital would be to play the "democratic" card, to draw the workers off their class terrain with promises of direct elections, decentralization, local autonomy, "worker's control", etc. -- in other words, the program of the left, of Yeltsin, Gavril Popov (the mayor of Moscow), and yes the socialist (sic.) Boris Kagarlitsky (so beloved in Trotskyist circles). The efforts of Boris Yeltsin to mediate the rapidly escalating coalminers strike, his appeal to transfer the mines to the jurisdiction of his own Russian republic, constitute so many moves in that direction. The coalminers already understand that a corporatist struggle cannot succeed.

It is the task of Yeltsin, the "democrats" and the left to assure that the politicization of this struggle not occur on the class terrain of the proletariat, that it be diverted into the deadend of a struggle to "democratize" the state apparatus of Russian capital. However, if capital were to be successful in diverting the worker's struggle "democratize" from their own class terrain, if the elan of the proletariat were to be broken by the left, capital would have a second option in dealing with the "social question": to promise security, an end to chaos through a return to law and order, under the wing of a strong state, etc. -- in other words, the program of the right, of Soyuz and Pamylat, of a man on a white horse like Boris Gromov, the "hero" of the Afghan war. The conditions for a "Chilean" solution to the crisis of Russian capital does not now exist, because of the mounting tide of class struggle; nonetheless, important factions of the ruling class are even now preparing themselves for the moment when the left will have completed its work, and their time will have arrived,

While a massive strike wave could provoke important changes in the direction of Russian capital, so too may the political challenges that Gorbachev faces in the form of the centrifugal tendencies that now threaten the very territorial integrity of the Russian capitalist entity. In six of the republics of the USSR (sic.), the local ruling classes are seeking immediate independence. Esthonia, Latvia, Lithuania, Armenia and Georgia seek outright independence, and the hopes of some kind of the to Europe; Moldavia seeks a confederation with Romania (from which it was severed in 1940). The Kremlin faces the choice of acceding to these demands (and perhaps inflaming nationalist passions still under control in the Ukraine, Belorussia, and the Muslim republics) or using military force to prevent secession. While the militarysecurity apparat seems determined to follow the latter course rather than permit the breakup of the "Union", such a move would almost certainly put an end to any hopes for Western credits, and the eventual ability to once again challenge the West militarily which depends on just such an inflow of capital and technology. The existence of pro-Russian groups such as Yedinstvo (Unity) in Lithuania, and the appearance of a National Salvation Committee in Vilnius in January which claimed all power in Lithuania, are indicative of the steps by which Russian capital and its military might impose order



Striking miners rallying under a banner that read "Power to the People's Soviets."

in recalcitrant republics. Yet, Gorbachev drew back from the brink in Lithuania: the army's seizure of the T.V.station in Vilnius and the appearance of the National Salvation Committee, was not followed by the overthrow of the Landsbergis government. Nor has the Kremlin yet acted to Impose its authority in Georgia, where open civil war prevails.

The military may still impose its own solution in the Baltic and Transcaucasus, but at least certain elements of the ruling power bloc seem prepared to accept the secession of these six republics. This is the case with a part of the technical and managerial intelligentsia represented by the president of the Russian republic, Boris Yeltsin, who in January called for recognition of Lithuanian independence and the conclusion of a mutual defense treaty with its government. What Yeltsin (and that faction of the 'ruling Class for which he speaks) understands is that each of these six republics is economically dependent on the Russian market for its survival; the existence of large Russian minorities in the Baltic states further insures close ties with Russia (even as it will give Moscow enormous leverage over any government); the weakness of these states almost certainly means that military pacts can be signed with these countries which would bind them to Moscow, and, for example, grant Russia the military bases it wants on the Baltic sea. While these six republics account for an infinitesmal share of the net material product of the union (less than 8%), and while independence would not free them from economic dependence on Moscow, the effort to keep them within the union by force could be economically very expensive (directly and indirectly), in addition to the could great political costs. It is this fact that Yeltsin understands.

Ultimately, the adoption of a coherent economic program by Russian capital is integrally linked to finding a solution to the political problem, to a new juridical framework for Russian capital, one adapted to the realities of the end of the twentieth century. However, both of these problems pale in comparison to the task of controlling the working class in the midst of an ever

deepening economic crisis that has brought the capitalist system in Russia to a virtual standstill. It is the need to confront these three facets of its historic crisis -- the economic, the political-juridical and the class struggle -- that guarantee that 1991 will be a difficult year for the masters of the Kremlin, will see a new turn of the screw in the crisis of capitalism in Russia.

MAC INTOSH

DEBATE with L'AUBE INTERNATIONALISTE

In this issue, we would like to open up to the milieu our correspondence with the group "Aube Internationaliste".

These comrades used to be "marxistleninists" but began to question "Chinese communism" during Nixon's visit to Beijing in 1971. Nixon's visit was part of an American offensive that culminated in the admission of China, that champion of all sorts of "anti-imperialist struggles" into the "lair of the imperialist brigands", the United Nations. From this point on, the comrades accentuated their critique and began to work on fundamental theoretical questions: the class nature of "socialism in one country", the role of the unions, the mystificatory function of parliamentarism, etc. But their break with maoism was to be a late one, occurring only in 1983.

Since then, these elements coming from a counter-revolutionary organization find themselves defending class positions developed and deepened by the left communist factions of the degenerating Third International. It would seem, then, that l'Aube Internationaliste represents a legitimate component of the revolutionary milieu with whom we are in discussion on certain fundamental points where significant differences exist between us.

In addition to publishing its own bulletin thirteen times a year, "Aube" participated in publishing a magazine with "Communisme ou Civilisation" in order "to contribute to the regroupment of today's small and weak revolutionary forces". This collaboration was ended when "Aube" withdrew after differences developed over the functioning of the magazine and its distribution and sales. (1)

Rather long periods of time passed between letters in our correspondence.

We regret this and feel that it shows how hard it is for the miliqu in crisis to understand its function and carry out regular polemics. But the polemic was carried out with a view to militant clarification and not petty spite. We think this should always be the case among revolutionaries who want to avoid rotting in the self-imposed isolation that leads to militant apathy and theoretical ossification. The milieu has not over come from crisis that has rayaged it for many years; far from it. Others may dis-agree with our analysis of the causes of this crisis but for our part, we know no other way to help but to continue the discussion and avoid sectarian isolation.

It is our conviction that revolutionary groups must seek common cause for political discussion. We cannot find the concrete way to get our milieu cut of its extreme weakness without a struggle of ideas, without a fierce but positive polemic. Whatever the violence of this debate, we intend to continue it and to maintain enough open mindedness to admit the truth of criticisms leveled at us as well.

In one of our letters to "Aube" we wrongly interpreted their positions to be those of the bordigist analysis of October as a double revolution. Taking their clarification to heart, we have no wish to use oversimplification as a way of deforming a position we don't agree with. Today as in the past, we reaffirm our desire to continue the debate within the proletarian milieu on the questions encountered by revolutionaries.

(1) Without false modesty, we feel we weren't far wrong in pointing out that setting up this "technical coordination structure" without the necessary politi-

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cal debate between militants defending divergent political positions, was a wrong move. See our position on the "RIMC" in IP #7.

"Aube Internationaliste" to "Internationalist Perspective"

Dear Comrades,

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First, we would like to thank you for sending us your magazine on a regular basis and also, for the invitations to your public meetings. We are writing to you today to express where we stand in relation to your group and to clarify our position on the definition of the working class, state capitalism and decadence.

On the Froductivist Definition of the Proletariat

We agree with you in saying that a part of the revolutionary milieu refuses to see any change in the working class and continues to identify this class today with the productive industrial proletariat existing in the time of Marx.

On this point, we disagree with "Communisme ou Civilisation" and also with "Communismo" and "Union Proletarienne" on the dubious theory of the aristocracy of labor.

First of all, for us, and we have stated this in our magazines, a proletarian is someone who has nothing but his labor power to sell (this is in relation to the economic definition, the class for capital, the reserve army and the masses of the third world). In addition, we must also consider the political definition, not of the individual selling his labor power (the domain of circulation, of exchange, of the citizen and, thus, of democracy) but the social (political and economic) character of the question. When Marx spoke of the productive worker, he did it in the context of his study of Capital, his critique of the economy and his study of the origins of value. He was not, in that context, seeking to develop a definition of the revolutionary proletariat as such.

Our friends, the defenders of the productivist proletariat, start having problems when they want to define the social nature of the unemployed or the masses in the third world. They want to call them potential proletarians or semi-proletarians or something.

We find ourselves facing a particularly absurd definition of the proletariat somewhat. along these lines : the semi-proletarians (peasant masses without work) become agricultural laborers and unskilled, severely exploited, workers. The zone for this exploitation is the underdeveloped countries and the manufacturing and clandestine industries of the developed countries. The proletariat (the real one) is the creator of relative surplus value because it has sufficient technical knowledge to make use of sophisticated machinery (in steel, mines, auto, etc.) The aristocracy of labor does not create value and is paid from the relative surplus value taken from the proletariat. But where is its sphere of existence? (This is the "Communismo" version). This version is original in the sense that it seeks to distance itself from the purely Leninist version of the labor aristocracy theory which is too linked to the defense of national liberation struggles. So our friends have made a slight involution and gone on to a new definition of imperialism.

Imperialism is the phase of the real domination of capital, of the extraction of relative surplus value. We see that the "purity" of our little proletariat is always threatened by two demons : the tendency to return to the army of reserve (the unemployed) or to the ranks of the starving (uninsured workers) on the one hand, or the tendency to become an aristocracy of labor through seniority or other considerations.

This separation between absolute and relative surplus value is very changeable as far as we are concerned. It depends on the productive cycles, on the nature of the production itself, its expansion or regression, and therefore, on the different moments of the crisis. Let us note that the tendency towards the domination of fixed capital and dead labor grows stronger and stronger.

You are right to point out (as you do on page 20 of your article), with the help of a quote from Marx, that the capitalist mode of production is the real subordination of labor to capital, "socially coordinated labor that becomes the real agent of the work process as a whole". This explains a modern characteristic of capital today : the proletariat's ability to rapidly pass from one industry to another, the well-known mobility of labor.

However, we think it important not to confuse "productive labor" with the productiwe worker or proletarian and the salaried management or other agents of capital.

It is true that Marxism defines classes by their historic place in the process of production and thus, in economic terms. Marx speaks of three major classes :

- those who own only their labor power:

- those who own capital;
- those who own land.

This economic analysis of the three major classes needs to be completed by a more rounded class picture.

We speak of the productive industrial proletariat, the creator of surplus value, as the key element of social antagonisms. In addition, there are different kinds of wage laborers (nurses, tax assessors who have been on strike, etc.) who extend the notion of the proletariat through their struggles. We reaffirmy that a proletarian is someone who has only his labor power to sell and who struggles for the end of his conditions of slavery by fighting for the abolition of wage labor. If you want, we could prepare a more detailed article for your magazine.

We'd like to point out that all the arguments of "Communisme ou Civilisation" on the "new classes" (see CouC, #7, 5th year, Nov. 80) come from the 1969 publication, "INVARI-ANCE" published by Camatte, with the difference that Camatte wrote :

"To counter the attacks of the proletariat, capital tends to negate the classes and to submerge the proletariat in the new middle classes. This happens with the generalisation of wage labor and the generalisation of the condition of proletarian to the majority of men." (p 13 Sept 69).

Here, at least, Cammatte recognizes the proletarianization of what he paradoxically calls "the new middle classes". For us, the middle classes are essentially the professions (doctors, lawyers, etc.). In fact, it is not the proletariat that is submerged in the new classes (a theory that parallels the notion of the "labor aristocracy"). On the contrary, it is these new wage laborers, because of their struggles and the exploitation they suffer, who attach themselves historically to the productive proletariat. The mechanism resembles on an economic level the way Marx recognized that the sphere of circulation is essential to the process of the valorisation of capital -- that although this sphere is separate, it is still included in the total process of capital.

<u>On State Capitalism and the Russian Revolution</u>

We think that total capital is unique, and as the GCI indicates, there is no fundamental difference between the juridical aspects of the same capitalist relations. But, unlike the GCI, we do not deny any significance to juridical forms with one sweep of the pen. Nor do we refuse to see the influence of the juridical forms of the State on the development of capital and the class struggle (See the recent events in the Eastern bloc). Therefore, we do recognize the existence of state capitalism but with this one reservation : we reject the theory of the "new bourgeoisie", of the bureaucratisation of the world, and other ideas related to the notion of ultra-imperialism defended by Kautsky.

When you write that state capitalism has developed on the basis of the real domination of capital over labor, we say stop. Capitalism in Russia developed on the basis of the extraction of absolute surplus value (the period of formal domination) but with the particularity that its structure and management had attained an advanced degree of centralisation and thus, we agree, of real domination. It was only in the 1960s that this contradiction between the productive forces of one era and the relations of production of another era burst forth into the daylight with Khruschev's policies. This contradiction explains the reason for "totalitarianism" and constant control over the movement or men, ideas and goods, the reason for the eternal struggles against the "black market", the "parallel economy", etc. which always seem to re-emerge because they have never really been destroyed by the capacity of relative surplus value to regulate this problem. Only a democratisation of the State, in other words, a concordance of the infrastructure with the superstructure, can allow the resolution of this contradiction in the accumulation of this contradiction in the accumulation of point of view that we are developing in private, but we ask you to think about this).

We think that we can understand each other on the Russian Revolution because we consider it to be a revolution with a political soul, in other words, a radical Jacobin revolution, during which the proletariat became the agent of the development of capitalism in the sense that this sort of revolution emancipates the worker in order to make him a bourgeois. For us the Russian question remains open because we feel its meaning will not really be understood until after the genuine proletarian revolution takes place. It was only once the bourgeois economy appeared that we could really understand previous economic systems. It is the anatomy of man that gives the key to the anatomy of the apes.

On Decadence-ism

As good dialecticians, we do not reject the notion of the "decadence of the system" because we know that things are born, develop and die. But we also know that behind decadence-ism hides "the most vulgar evolutionism", "the narrowest moralism". History advances by leaps and bounds in a non-linear fashion. Evolution in history is simply the historical succession of these leaps forward. For the moment, we do not wish to lock ourselves into this debate between decadence-ism and its antithesis.

On Democracy

We wish you would make your position on this question clearer. For us, this question represents an essential demarcation between revolutionaries and social democrats.

INTERNATIONALIST PERSPECTIVE to Awbe Internationaliste

Dear Comrades,

What has captured our attention is the fact that you suggest writing a text for our

magazine on the question of a contemporary definition of the proletariat, taking into account all the changes that have occurred since Marx's definition last century. This is certainly a positive step in developing a living Marxism and we are glad to see that for you the Program is not an unvarying dogma. We can only express our support for this work. We are ready to open the columns of "Internationalist Perspective" to you and we will write our reactions to your text. We think this initiative on your part is a step in the right direction for our relations and for theoretical development as a whole.

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We too would like to clarify our agreements and disagreements with you and by doing this, shed some light on debates going on today in the revolutionary milieu. We regret not seeing you at our open meetings in Paris. It's important that revolutionaries take advantage of opportunities to confront ideas and perspectives and we look forward to seeing you at future meetings.

On state capitalism : you are aware that we consider state capitalism a universal tendency in all of capitalism since 1914, an expression of the decline of the system caught in a historical impasse. The economic role of the state has grown with every manifestation of the permanent crisis of the realisation of surplus value in the market. The State is, no longer the classic political superstructure; it has become the economic basis of the nationalisation of capitalist interests into a common lifeline. At this stage of the all-controlling State apparatus personifies capital. Science and technology, the churches and social organizations, unions and employer groups are all integrated into the State. Capitalism shows its totalitarian character and, with war, its murderous nature.

We do not see why you say that behind our vision of decadence "hides the most vulgar evolutionism", "the narrowest moralism". These are the accusations of the GCI and others of mainly bordigist and modernist origins. Many of our texts show an effort to deepen 'the understanding of decadence, in line with the crisis, through a reappropriation of the notion of the real domination of capital. We do not agree with the idea, (tainted with a mechanistic positivism), that the maturation of the objective conditions "automatically" engenders a class struggle proceeding in a linear fashion, with no retreats, right up to the revolution. In the last analysis, what counts is the class consciousness of the proletariat, its revolutionary Will, its initiatives, its combativity. To the extent that you say that you do not reject the idea of a decadence of the system, we are particularly anxious to hear what you have to say about this.

About the Russian Revolution : I.P. has

written quite clearly on this question. First of all, we recognize October as a proletarian of all, we recognize occose as a product in revolution, produced by pressure from the crisis of capitalism, and occurring in an imperialist country ripe for revolution. We see the Bolshevik Party as a Marxist organization originally dedicated to trying to create communism all over the world. Second, the Russian Revolution, taking place in the context of a world war, is far from being a model or even an ideal for a revolution today. A future revolution will not occur during a world war where the mutinies of soldiers will be its spark. It will be the result of the effects of the economic crisis, and initiated by movements of mass strikes of workers and the unemployed. Our refusal to deify the Russian Revolution also goes for the Bolshevik Party which rapidly degenerated as it became one with the State. It ended by becoming an instrument of the counter-revolution, a bourgeois party, an agent of Russian state capital and defender of the imperialist interests of Russia from the time of the Treaty of Rapallo (1921). The positive #=+-forts of the early days of the Russian Revolution can be a help to us as long as we don't turn them into a fetish. Lenin and Trotsky themselves did not want to make this first effort of the revolution a model for all to follow. They affirmed even then that the workers of the advanced capitalist centers would probably take a better shot at revolution.

When you say that you think it should be possible for our two groups to come to an understanding on the Russian Revolution, you say that this is because you "consider the Russian revolution a revolution with a political soul, that is, a radical Jacobin revolution where the proletariat was the agent of the development of capital in the sense that this sort of revolution emancipates the proletariat so it can become bourgeois". We can only express our profound disagreement with this point of view. It is difficult to follow your reasoning which leaves us with two general impressions. First, that your reading of our texts is incorrect and second, that you defend a thesis dear to the now defunct IN-VARIANCE, namely, that the Russian Revolution was a double revolution, both socialist and capitalist, where a category of capital tri-umphed. It is true that capitalism was never destroyed in Russia and couldn't be in one country. But it is the Stalinist counterrevolution that assumed this role of of managing capitalist relations of production and made the country into a prison for its workers. Contrary to what you seem to be saying, the workers did not undergo some metaphysical transformation into bourgeois, did not become masters of the means of production and the levers of power.

You can see that there seems to be a real divergence between us on the Russian Revolution and we don't want to pass over it in silence. Perhaps you could reread some of our

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texts and those of the early ICC. We think these can be helpful in coming to a more coherent position on this question.

We also think that the recent events in Eastern Europe merit closer attention. Aside from Battaglia Comunista, the ICC and I.P., the groups taking a clear public position on these events can be counted on the finders of one hand. Many other groups are conspicuous by their absence, showing the extent of the crisis in the revolutionary milieu today. We felt that it was essential to use whatever limited means we had at our disposal (leaflets, magazine, public meetings) to take a clear position. It is in continuity with the work of the Italian Fraction and the German KAPD of the left communist movement of the 20s who began to wonder "whither Russia" and the work of "Bilan" in the 30s that we situate our efforts. In the past it was necessary to denounce the theories of Bukarin and Stalin on the possibility of socialism in one country; today, we should be able to denounce this "anti-communist" charade.

If we claim to defend the idea of a worldwide communist revolution, it is our responsibility to take positions clearly and quickly. We have to be able to give a Marxist analysis of the meaning of "perestroika" and the changes in the East. Reality itself calls out to us and raises the question of the role of revolutionary minorities within the working class today.

While the forces of the Western capitalist class are directing a barrage of media fire against "communism" in the East, they hide the fact the system in the West has only increasing poverty and social bankrupcy to offer the workers, along with greater and greater exploitation. It is time that revolutionaries clearly defended the real meaning of the principles of communism. In spite of our limited resources, we will continue to denounce the ideological campaign that seeks to, identify all possibility of proletarian revolution with a police state, marxism with stalinism, so as to better anesthetize the proletariat under the sway of the democratic bourgeoisie.

This sort of work seems more important to us than any possible denunciation of the anniverary of the French Revolution. Even though the bourgeoisie used this occasion to justify and mystify its rule, we cannot compare the ideological exploitation of the taking of the Bastille by the "sans-culottes" in 1789 with the ideological exploitation of the dismantling of the Berlin Wall today. The burning questions of the balance of class forces in today's world is much more important than the undoubtedly laudatory effort to restore Baboeuf to his historical perspective, as you did in the latest issue of "Revue Communiste".

Finally, we come to the last question

raised in your letter : democracy. This will lead us to a fairly long discussion in order to clarify things between us. Although it is true, as you say, that the question of democracy constitutes an important barrier separating revolutionaries from social-democracy; it is far from enough. "Anti-democracy" in itself hardly expresses the riches of communism. We want no part of this narrowing of theoretical concerns, nor do we want to fall into the "anti-democratic" cretinism of groups like the GCI which have nothing else to sustain them and use this concept as a catch-all for everything and everywhere.

Communism is not just negations; it is also affirmations. It is the conquest of freedom for the human species and the realisation of a whole and total mankind, nonalienated and freed from reification. Only by understanding the need for this realisation can we really grasp the means and ends of the proletarian struggle for its emancipation and eventual elimination as a class.

Your call for us to denounce "democracy" is rather puerile. Of course, we attack bourgeois democracy as a method of containing workers' struggles and subordinating the working class to the State. There is probably not one article on our magazine where democratic ideology has not been denounced in the strongest possible terms. We have always expressed our intransigent opposition to any struggles that seek the victory of democratic "rights"; the purpose of these kinds of struggles is only to mystify the workers and get them onto a bourgeois terrain. On this point, we do not hesitate to point out that the so-called super "anti-democrats", the bordigists, supported the struggles for i m--migrant workers to get the vote, the rights of "those without papers", the right to divorce (in Italy), the right to an abortion, contraceptives, the rights of black people in South Africa and the U.S., the rights of the Canacks and Palestinians to set up their own national State, and so on.

We are no more democratic on the economic terrain than on the political one. In the context of the decadence of capitalism, of the real domination of capital, struggles for partial reforms have become devastating traps. Of course we are totally in solidarity with the bread and butter struggles workers undertake in order to defend themselves from the attacks of capital. We are always favorable to struggles that tend towards selforganization, that attempt to break up the ideological prejudices that weigh heavy on the heads of the working class.

These struggles will be lost one way or another on the purely economic level, but they will help build the only perspective that can free us : the idea of the need for the abolition of the capitalist system of exploitation. The only clear perspective for today's world is the abolition of wage labor because this is the only demand in keeping with the totality of the situation facing the world today. This requires the proletariat to take political power through its workers' councils which unify and strengthen the majority of the working class above and beyond all national, religious and professional differences.

We reject the bordigist view that the working class is divided into a revolutionary minority and a reactionary majority unable to ever rise above trade-union consciousness and therefore condemned to the dictatorship of the all-knowing Party. We believe in and defend proletarian democracy. Contrary to the bordigists and others even more outrageous in their negative portrayal of the revolutionary class, we state that without proletarian democracy, the dictatorship of the working class as a revolutionary class is impossible. The examples of the Russian and German revolutions show that during a proletarian revolution, proletarian democracy becomes the fundamental organizing principle of all organisms of the working class.

In specifically political emanations of the working class (political groups) or in class-wide unitary organizations (workers' councils, soviets), proletarian democracy was the indispensable internal organization. Without internal democracy, the very sources of theoretical elaboration, political confrontation, criticism and experimentation dry up and the revolution is doomed. It was just this type of proletarian democracy and energy that characterized the Communist International and the Communist Parties for a brief moment at the beginning of the revolutionary wave before being destroyed by monolithism and bolshevisation. An entire generation of revolutionaries was silenced and destroyed in

the name of "anti-democracy" and total cen-

tralism.

Although we remain convinced that centralism and the discipline it implies are necessary for unity in action, we are clear that centralism is not a uniquely proletarian idea; it can also be used by the class enemy against revolutionaries. We agree with Bordiga when he defended the principle of free discussion and criticism in the Communist International against the climate of repression that was building up in the 20's. He wanted the most frequent and widespread consultations between the Party and its militants in the hopes of defeating the rise of what he called "the new opportunism". (Letter to Korsch, 1927).

Although you have not brought it up, the question of violence within the working class is related to this issue. Our rejection of any notion of violence within the organized working class is categoric and absolute. Violence of worker against worker in the revolutionary process destroys class consciousness with gun barrels and police decrees. With this violence, the new Russian State justified its massacre of the workers at Kronstadt in 1920 who were accused of "playing into the hands of the reaction" and its suppression of the striking Petrograd workers who were accused in the same year of sabotaging the "socialisation" of their own economy. In fact, it was the nationalization of the economy by the Bolshevik State that the workers opposed. Violence within the class can never build class consciousness; on the contrary, it is the destroyer of the revolutionary activity of the working class. That is why we completely oppose its use.

We are with the German and Dutch left communists in firmly opposing the actions of Lenin, Zinoviev and Trotsky (see "Terror and Communism") in the early 20's in curtailing and destroying proletarian democracy. Their bureaucratic dictatorship prepared the way for Stalin because it stifled and destroyed any hope of further development of class consciousness. Of course, no mechanistic application of proletarian democracy or curealls like those put forward by Kollontai or Sliapnikov would have been enough to save the Russian revolution from isolation and degeneration. But along with a greater understanding of the meaning of socialism, the role of the party, the context of the revolutionary wave of 1917-23, proletarian democracy is a principle emerging from the bitter experience of the past.

We hope to have at least directed your attention to the danger we see of using "anti-democratism" as a general category, a deus ex machina that can protect us like a talisman against the complexities of a revolutionary situation. We must get used to the idea that the dictatorship of the proletariat is impossible and meaningless without proletarian democracy. Lenin wrote much to this effect in "State and Revolution" in 1917 when he was theoretically very close to Fannekoek and the left communists. Trotsky also espoused these views in "Our Folitical Tasks" and "Speech to the Siberian Delegation" (directed against Lenin's 1905 pamphlet "What Is To Be Done").

The proletarian revolution cannot be the arbitrary act of a self-proclaimed revolutionary political party. The real process of its coming into being cannot be identified with the voluntaristic and minority actions of any party. It is a process of self-organization, of self-education, through which the working class sometimes slowly, sometimes by great leaps ahead, finds the strength to defeat its enemy and the way to create the basis for a new world. With the proletarian revolution, a class that has always been subject to the confines of the dominant ideology of capitalism frees itself and realizes its historic program through the efforts of its own praxis. The working class must consciously direct the total transformation of society towards the eventual withering away of the State and the disappearance of classes. The workers need all their strength, all their collective consciousness for this battle and not the pseudo-mediation of a party that can supposedly do it all for them. There is no other way for the proletariat to destroy the law of value and the market and create a new system of production; there is no other way for the working class to create a united human community.

With our fraternal communist greetings, Internationalist Perspective

WHAT M.C. BROUGHT TO THE REVOLUTIONARY MOVEMENT

We can neithér overrate nor measure what the revolutionary cause owes to comrade M.C.; his historical role was that important. For more than half a century, he participated in the action of the International Communist Left, formed on clear positions and a solid program. M.C. was among the first. Very early on, he became a central figure in the communist movement which was then confronted with the horrors of Stalinism. His first struggles were aimed against this total negation of all socialist aspirations, against the insuperable obstacle that the first "Workers' State" had become for any development of the world revolution, against the parties of the "Bolchevised" Third International which had become pillars of the bourgeois imperialist, order.

At no time in/ his life did he lose sight of his initial goal : world revolution, communism. All the struggles he waged for this great historic project - the only one which made sense for him- were under the banner of internationalism, in the spirit of the most authentic Marxism. His whole life was devoted to this cause. MC always saw the raison d'etre for his struggles : the working class, carrier of humanity's future. The struggle was his natural element and he struggle was his perseverance rarely seen. This activity was never interupted, from his exclusion from the French Communist Party in 1931, his adherence to the Communist Opposition Group of Bagnolet, his enthousiastic efforts to build and reinforce the current "ICC", to which he dedicated all his strength. His life was devoted to only one task : the struggle for communist world revolution. In a period so dark that many militants lost hope and joined forces with different forms of capitalist exploitation, surrendering to "their" bourgeoisie or to the general secretary of the "communist" party in Moscow,

MC remained true to his cause. He was one of that handfull of determined comrades who reestablished the red thread of the continuity of the struggle for communism, cut off by Stalinist terror and the ideological poison of social democratic counter revolution. Thanks to people like him, who couldn't be derailed, the night of the century wasn't pitch dark. In their long journey through the desert, they put up sign posts, they continued the Marxist tradition, they kept our principles alive. With his own contributions, he helped to

rejuvenate Marxist thinking, preventing it from degenerating into sterile dogmatism, into empty scholasticism. He kept on questioning false orthodoxy, and threw out long established slogans which had lost their meaning. He demanded that new historic events be analysed without any schematism. He opposed looking in the books for ready made recepees. He recognized that Marxism needs rethinking. He deepened the concepts of the decadence of the capitalist mode of production and of state capitalism. He pushed forward the critical investigation of social phenomena, including the proletariats revolutionary experience. He shone a light on the problems of the state in the period of transition and reexamined, without taboos, the relationship of Party to class. He explained how the change in the historical period profoundly altered the role of revolutionaries. He was an implacable enemy of Vercesi's revisionism on the meaning of the war economy and of the modernist claims that the proletariat had been integrated into capitalist society and had lost its capitalist society and had lost its revolutionary capacity. He brought together the insights of the Italian left and those of the German/Dutch left into a coherent whole. During his difficult years in Venezuela and France he reestablished a revolutionary nucleus with different study-bulletins and Marxist publications.

It was "Internationalismo" in Venezuela which predicted that the period of post-war prosperity would give way to a catastrophic crisis of capitalism. It predicted that economic competition would intensify, and that the proletariat would reemerge on the historic scene. It saw in the events of May 1968 in France the rebirth of international working class struggle. So MC took off for France, stopping first in the US where he made fruitfull political contacts. In France, strenghtened by his experience, he participated in an international regroupment of revolutionaries, pushing for a platform that synthesized the fundamental acquisitions of Marxism. He spelled out, to the new generation, which May '68 had brought to the fore, what tasks they had to take on to become a pole for regroupment of the dispersed revolutionary energies. He warned them that the job would be long and difficult. He fought to eradicate localist and federalist tendencies. All this efforts went into the reconstruction of the international centralized and disciplined organism, which the working class needs to make its revolution.

At the end of the 70's, MC was particularly active in the conferences of the groups of the international communist left. which he pushed to take position on the decisive questions facing the proletariat. At the same time. he analysed the meaning of the mass strike which shook "socialist" Poland. Revolutionary theory and practice were indivisible for him. Above all, Marxism despises the cult of leadership which has caused so many ravages in the working class, offering it a "superhero" to lift it from its misery. If we wanted to do justice to MC's theoretical and militant contributions, it was not to make him into another saint of the workers movement. The communist movement shatters idols. 'It will be interested in the real MC and his historical significance, not his post-mortem legend. To commemorate him has only meaning when it expresses the will to continue his work and to learn from his mistakes. It would be indecent if we would gloss over the serious divergencies which separated us. These political collisions took a bitter turn, leading to a total break. We disagreed with him on may points, as readers of IP will know. understood the post-war MC never really understood the post-war expansion of capitalism. During his polemic with the Tendency (which was formed in january 1985 and expelled at the ICC-Congress in november of the same year), MC developed a seperation between "class consciousness" and "consciousness of the class" which led him to regress spectacularly on this key question, returning to concepts close to those of Lenin and Kautsky. Now he suddenly saw councilism as "the greates danger for the working class" and recommended that this "permanent sickness of the workers movement" should be attacked with the miracle cure of all out intervention. This led the ICC to many concessions on activism and substitutionism. MC gave his blessing to ICC-participation in "days of action" and other trade union-demonstrations, to "transform" them into workers'demonstrations. other to And he dug up the concept of "centrism", which he applied on organisations which had crossed over to the enemy camp (like the German USPD, the Italian "maximalists", the "Austro-Marxists, etc) as well as on political hesitations within the proletariat. Like Trotsky in the '30's, he didn't use any Marxist criteria to define "centrism" but psychological ones, negating the revolutionary experience of the 20's and 30's.

Such revisions could only have a negative influence on the course of the ICC and reinforce its original weaknesses.

MC's concept on the functioning of revolutionary organisations had too much in common with those which led to Bolchevik monolithism. The ICC inherited this and applied it without serious criticism, out of routine and ideological conformism. With this came a dread of divergences. MC exluded well meaning comrades, closed in an autoritarian way important political debates before the discussions were exhausted and blocked positive dynamics. Regretfully we must say that in the last years of his life, MC broke with principles which used to be dear to him ; that he allowed a personality cult which mortally damaged the ICC.

The barbaric face of our times fully confirms the most pessimistic forecasts which made MC an heretic in the eyes of certain Marxists believing in the inevitability of communism. Like Luxemburg, MC knew the revolution would fail if at the final crisis of capitalism, the working class is not ready.

His hope was the future of a society liberated of the chains of wage slavery. He believed in the realisation of a free human community in which people live in solidarity instead of competition, in which man will be the first need of man. Until the end, the passion for communism burned in him.

As Marx's heir, he has, with all his limitations and errors, anticipated a new, universal human. Like Marx, whose vision and universalist spirit he embraced, he was a revolutionary for whom nothing human was strange. For us, he symbolised the burning flame of communist struggle against a society of capitalist exploitation, the implacable fight against chauvinism, against all forms of "sacred union"; the inconditional refusal of imperialist war, to which he opposed "revolutionary defeatism". He did so not just in words but in courageous interventions which placed his life in danger from the goons of the Stalinist resistance.

At the beginning of the last decade of a century soaked with the blood of imperialist wars and working class uprisings, a voice which for so long represented the honor and consciousness of communism, is now silent. Revolutionaries will never forget his life of hard and courageous battles, in which the hope for revolution never faded. RC

PUBLIC MEETING Internationalist Perspective holds regular public meetings in London, Paris, Brussels and New York. They are part of our effort to contribute to real discussion and debate around vital questions facing revolutionaries and the whole working class today. For information on coming public meetings, please write to our local QUICESCS.

OUR POSITIONS

The external Fraction of the International Communist Current claims a continuity with the programmatic framework developed by the ICC before its degeneration. This programmatic framework is itself based on the successive historical contribution of the Communist League, of the I, II and III Internationals and of the Left Fractions which detached themselves from the latter, in particular the German, Dutch and Italian Left Communists. After being de facto excluded from the ICC following the struggle that it waged against the political and organizational degeneration of that Current, the Fraction now continues its work of developing revolutionary consciousness outside the organizational framework of the ICC.

The Fraction defends the following basic principles, fundamental lessons of the class struggle : Since World War I, capitalism has been

Since World War I, capitalism has been a decadent social system which has nothing to offer the working class and humanity as a whole except cycles of crises, war and reconstruction. Its irreversible historical decay poses a single choice for humanity : either socialism or barbarism.

The working class is the only class able to carry out the communist revolution against capitalism.

The revolutionary struggle of the proletariat must lead to a general confrontation with the capitalist state. Its class violence is carried out in the mass action of revolutionary transformation. The practice of terror and terrorism, which expresses the blind violence of the state and of the desperate petty-bourgeoisie respectively, is alien to the proletariat. In destroying the capitalist state, the

In destroying the capitalist state, the working class must establish the dictatorship of the proletariat on a world scale, as a transition to communist society. The form that this dictatorship will take is the international power of the Workers' Councils.

Communism or socialism means neither "self-management" nor "nationalization". It requires the conscious abolition by the proletariat of capitalist social relations and institutions such as wage-labor, commodity production, national frontiers, class divisions and the state apparatus, and is based on a unified world human community.

The so-called "socialist countries" (Russia, the Eastern bloc, China, Cuba, etc.) are a particular expression of the universal tendency to state capitalism, itself an expression of the decay of capitalism. There are no "socialist countries" these are just so many capitalist bastions that the proletariat must destroy like any other capitalist state.

In this epoch, the trade unions everywhere are organs of capitalist discipline within the proletariat. Any policy based on working in the unions, whether to preserve or "transform" them, only serves to subject the working class to the capitalist state and to divert it from its own necessary self-organization.

In decadent capitalism, parliaments and elections are nothing but sources of bourgeois mystification. Any participation in the electoral circus can only strengthen this mystification in the eyes of the workers.

The so-called "workers" parties, "Socialist" and "Communist", as well as their extreme left appendages, are the left face of the political apparatus of capital. Today all factions of the bourgeoisie

Today all factions of the bourgeoisie are equally reactionary. Any tactics calling for"Popular Fronts", "Anti-Fascist Fronts" or "United Fronts" between the proletariat and any faction of the bourgeoisie can only serve to derail the struggle of the proletariat and disarm it in the face of the class enemy. So-called "national liberation strug-

So-called "national liberation struggles" are moments in the deadly struggle between imperialist powers large and small to gain control over the world market. The slogan of "support for people in struggle" amounts, in fact, to defending one imperialist power against another under nationalist or "socialist" verbiage.

The victory of the revolution requires the organization of revolutionaries into a party. The role of a party is neither to "organize the working class" nor to "take power in the name of the workers", but through its active intervention to develop the class consciousness of the proletariat.

ACTIVITY OF THE FRACTION

In the present period characterized by a general rise in the class struggle and at the same time by a weakness on the part of revolutionary organizations and the degeneration of the pole of regroupment represented by the ICC, the Fraction has as its task to conscientiously take on the two functions which are basic to revolutionary organizations:

 The development of revolutionary theory on the basis of the historic acquisitions and experiences of the proletariat, so as to transcend the contradictions of the Communist Lefts and of the present revolutionary milieu, in particular on the questions of class consciousness, the role of the party and the conditions imposed by state capitalism.
 2) Intervention in the class struggle

2) Intervention in the class struggle on an international scale, so as to be a catalyst in the process which develops in workers' struggles towards consciousness, organization and the generalized revolutionary action of the proletariat.

The capacity to form a real class party in the future depends on the accomplishment of these tasks by the present revolutionary forces. This requires, on their part, the will to undertake a real clarification and open confrontation of communist positions by rejecting all monolithism and sectarianism.