

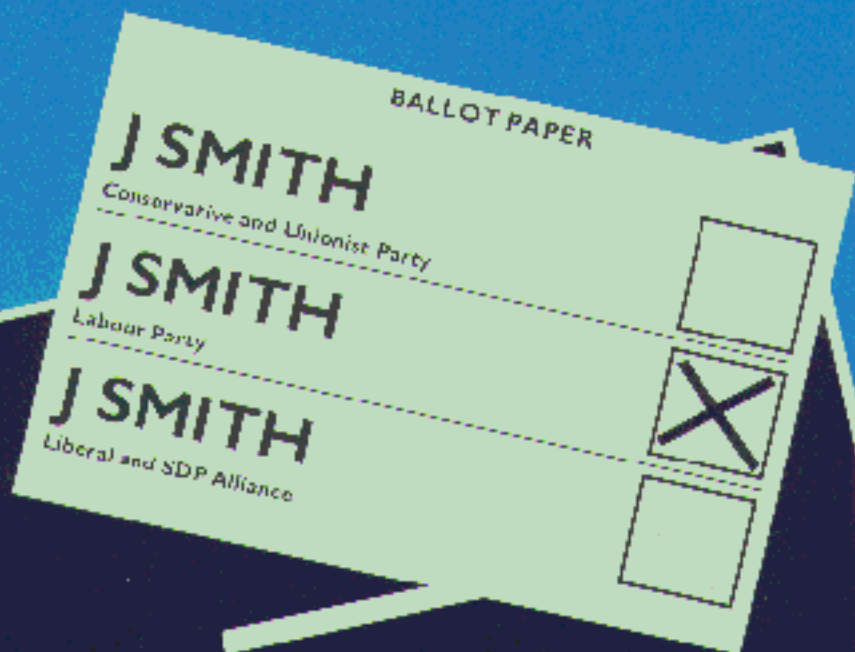
socialist
REVIEW

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After the election?

**plus Parish soviets;
Land of the rising profit;
Mitterrand's economic failure.**

Some crimes do pay

Over the last couple of years Lloyds of London has been rocked by a series of scandals concerning the business practices of some of its members. Chris Dransfield explains.

Money Management magazine of December '82, in an article on the huge scandal at Lloyds of London commented that the left press, *Socialist Worker* included had virtually nothing to say on the issue. In one sense this is understandable; socialists have more pressing concerns than stories of one set of capitalists ripping off another.

But, if you want an insight into the dishonesty, hypocrisy and contempt for the law of the ruling class, you could not do better than look at Lloyds.

Lloyds is one of the most respected institutions in the City of London. Its members are not only extremely rich, they are also extremely respectable. So respectable, in fact, that Lloyds was always allowed to regulate its own affairs, without any outside interference. After all, it has 60 Tory MPs amongst its members. If they can be trusted to govern the country, then surely they can run Lloyds.

However, embarrassing scandals kept emerging; after three such scandals Lloyds was forced to publish an internal report.

One of the report's recommendations was to form a council to assume powers of regulation and discipline. But the price extracted for this was high. A new Act of Par-

liament which would give the council immunity from prosecution. The Tory members of Lloyds voted for the legislation at the same time as they were voting to take away the immunity of the trade unions. A more blatant example of the class prejudice and self interest of our elected representatives is hard to imagine.

Another recommendation concerned 'divestment' — the separation of broking and underwriting interests. Over the years a practice had built up whereby brokers, whose job was supposed to be finding the best insurance cover and price for a client, had developed controlling interests in the underwriting syndicates who take on the insurance risk.

This meant that the broker could compel a syndicate he controlled to accept business at a low rate (thereby getting himself a commission). Members of the syndicate would lose

out, but the broker (as manager only) would not. He could also (when acting for a customer) place business with a syndicate at a higher price than necessary, thereby earning himself even more commission.

Most of the customers who lost out in this shady dealing were big businesses, so we needn't shed any tears over them. But at a time when the ruling class are screaming about the lack of profitability of companies on one hand, we can see them ripping those same companies off when they hope no-one is looking.

An earlier report on Lloyds, in 1969 had recommended divestment, but such a suggestion was swiftly swept under the carpet. The 1981 Act introduced divestment but allowed the brokers five years' grace. One imagines that five years will be long enough for the brokers to consult their lawyers about ways around the legislation.

By 1982 it became obvious that some members of Lloyds were not only involved in grubby dealings, but were actually committing fraud. The 'Insurance Scandal of the Century' hit the press. The worst frauds arose in the re-insurance market.

A syndicate will use some of the insurance premium they have been paid, to insure themselves against any possible claims. They do this by placing money with another syndicate or an overseas company. This way they can justify their huge profits, by saying they are taking the risk, when in fact they are not taking any risk at all.

Go bust

There are no rules governing the fitness of overseas companies to accept insurance from UK companies, so re-insurance is an ideal way to make a quick profit. It has reached such proportions that some financial commentators reckon that a major insurance claim (say a jumbo jet crashing onto a city) could not be met, as reinsurance companies would just go bust.

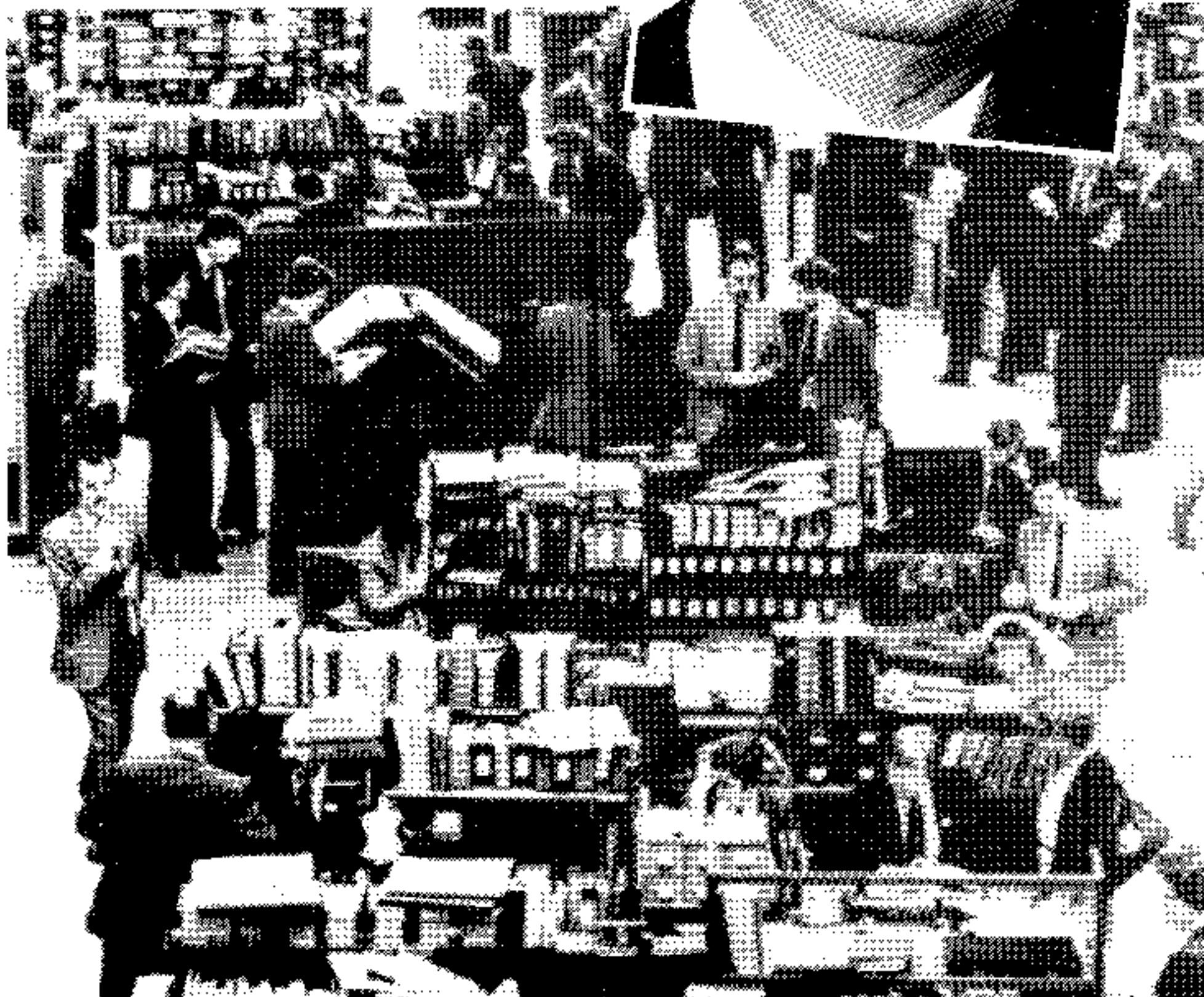
A public company, Alexander Howden, controlled no less than 17 underwriting syndicates, managed the affairs of 25 per-cent of Lloyds' members, and owned several insurance companies. They would accept an insurance risk at Lloyds, re-insure through a Howden agency, the risk would then go to one of Howden's insurance companies, and, through these, further re-insurance would take place. Over £30 million thus ended up in a Panama company secretly owned by Howden.

Off these untaxed profits the chairman Ken Grob, and the top underwriter Ian Posgate lived in luxury. Meanwhile the government was saying that it did not have enough money to pay the health workers.

The law in this country allows people and companies to farm off profits through overseas shell companies, known as offshore tax havens. They avoid paying any tax at all.

Most of the grubby profiteering of the likes of Posgate and Grob is not even illegal. Even when they have broken the law the police are unwilling to press charges on the grounds that the cases are too difficult for jurors to understand!

Meanwhile if you get caught fiddling your dole money you will probably end up in jail.



Underwriters at Lloyds with (above) Grob — one of the many parasites there



Get the Tories out

In this election we are for getting rid of Thatcher and her crew. We are for a Labour vote and we are for a Labour government. We are the most determined fighters against the Tories. So much is clear and must be stated very firmly.

In saying this we do not start from the same position as the Labour Party, right or left. We do not believe that a Labour government will usher in socialism and we are certainly not interested in saving British capitalism.

We start from the class struggle. The actual struggles of workers are the decisive events which shape the history of modern capitalism. In this perspective elections are simply a tactical question. What we say and do is determined by the results it will have for the class struggle.

For example, the question of whether to run revolutionary candidates for parliament is not a matter of unchanging principle. If it is possible to use the platform provided by an election campaign or a seat in parliament to help workers win their struggles and understand more fully the need to overthrow society, then it is quite correct to participate in elections. If, on the other hand, it is clear that no such gains are possible, then a

revolutionary organisation can better spend its time and energy in finding other ways to carry the class struggle forward.

In Britain in 1983, of course, such a question is a completely abstract one. It is quite obvious that the Socialist Workers' Party is too small to be able to use a general election as a platform for carrying forward the class struggle. Therefore there can be no question of us standing.

Other strands of socialist thought start from a radically different position. For them elections are the decisive factor. Victory or defeat in an election is the central moment in changing society. The class struggle is important in so far as it helps or hinders the winning of votes.

Within that general position there are nuances. Some people will say that the best way to win votes is to win strikes. Others will say that strikes lose votes. But both extremes will agree on the central importance of winning votes and will merely disagree on

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the best way to get them.

For the vast majority of the politically active members of the working class movement in Britain today winning votes means winning Labour votes. For left and right alike the most important question is getting the largest number of people to put their crosses beside the name of the local Labour candidate.

This cretinism is most definitely not confined to the right of the Labour Party. A particularly ludicrous example was visible on the front page of the left-wing Labour paper *Socialist Action* this May Day. In a week that saw the defeat of the Cowley workers and other important developments in the class struggle, this paper carried a front page headline running: 'Vote Labour on 5 May'. Their judgement was that not a general election, mind you, but a local election was the most important event of the week.

It is the belief in the importance of elections that explains the extra-ordinary contortions of the whole Labour left over the last few months. We have charted their sharp move to the right at some length in the pages of *Socialist Review* and all of the evidence is that it is continuing apace.

Some of the left appear to be rather embarrassed by the speed of their shift and

argue in justification that Thatcher and the Tory party are on the road to fascism. This development, they argue, makes it vital to win the next election because the alternative is so dreadful that everything else must come second.

If it were true that Thatcher was developing towards fascism this would be very serious. Fortunately, any such suggestion is arrant nonsense.

No doubt there are many Tories, and perhaps even Thatcher herself, who dream of the day when they can outlaw the TUC, seize all union funds, pack everybody from Frank Chapple to the most left wing shop steward into the same cattle car, and force the working class at gunpoint into state run police unions. But that will not be the outcome of the next general election.

Tory party not fascist

It is, however, exactly what Hitler did within four months of becoming Chancellor of Germany. People who talk of Thatcher as a fascist are simply ignoring the nature of the beast.

What is more, Hitler was able to commit these crimes despite the fact that he did not win a general election. When Hitler came to power he was the leader of the largest single

party in parliament, but it was still a minority. What enabled him to smash the unions was that he could command a fighting force of 400,000 men which was strong enough to smash working class opposition.

No doubt the Tory party today contains many who long for the day when they will be able to put on jackboots and beat up strikers. What is certainly true, however, is that such a force does not today exist. The Tory party is a right-wing *parliamentary* party not a fascist fighting force.

A glance at the class struggle today confirms that fact to any serious observer. The Cowley workers were beaten. They were not beaten by a gang of stockbrokers, estate agents and lawyers in brown shirts. They were beaten by the trade union leadership.

Even if Thatcher were a fascist and had at her command the sort of organisation which could carry through a fascist programme, then it would still not be the case that the general election was the decisive point in the battle against her.

As Goebbels put it: 'Whoever controls the streets, controls the state.' If we did face the imminent danger of fascism then the central task would be mobilising against their activities—smashing their marches and rallies—rather than canvassing for votes.

The fact is that all the talk of Thatcher being a fascist is just a cover-up. It provides a neat little justification for the left's spineless capitulation to the right-wing of the Labour Party.

Certainly, the Tories are very nasty indeed and no doubt the Labour Party, in all its shades of opinion, will spend a lot of time telling us exactly how nasty they are. However, there is no doubt that their attacks will be designed to show how much better the Labour Party can run British capitalism.

So we will hear a great deal about how the Tories are attacking 'our industry', how they are starving 'our seedcorn of investment', how they are 'ruining the country' and so on.

The Tories are doing no such thing. Looked at over time what they have done and what they propose to do form one perfectly understandable strategy for British capitalism. It may or may not be the best and it may or may not be workable, but it is a coherent capitalist strategy.

Important limits

The starting point of all of their major policies is to help British capitalism survive a world crisis. As we have seen, just because they are a parliamentary party and not a fascist gang there are important limits to what they can do.

All of the talk about 'Victorian values' should be taken just about as seriously as their talk of tax cuts. The Tories have raised taxes for all but the very rich, and they are not going to dismantle every last brick of the welfare state.

The provision of some sort of welfare benefit is a necessity for any developed capitalist economy. In its earlier phases capital can simply afford to use up living labour—it can kill off workers faster than they breed because it can suck into itself huge



THE NEW HOPE FOR BRITAIN



quantities of labour from the reserve army—from the land for example. This is what British capitalism did in the nineteenth century and, as Sue Cockerill shows later in this issue, what Japanese capitalism was able to do up until very recently. Consequently it can get away with very low levels of welfare spending.

As capitalism matures, it starts to need a better fed, better clothed, better educated, healthier workforce. It needs such people not to buy off social unrest but primarily because such people are able to work harder than starving ignorant wretches and thus can be exploited more intensely. British capitalism started to realise that around about the turn of the century. Japanese capitalism has only recently reached the point where the state has to step in to maintain the workforce.

The Tories plans will not alter that basic situation. What they are banking on is the following: that for a short period of time they can divert resources from these essential services into boosting profits and thus make at least key sections of British capitalism more effective on the international market.

The welfare state of the fifties and sixties developed in a boom period when the problems of international competition were not so intense. It developed features which were not really vital to reproducing the

labour force. Take the health service as an example: though inadequate it provided a general health care. Faced with the short term exigencies of the crisis capitalism can do without such frills. Thus the NHS is being restructured to get people back to work quickly and leave the rest to rot.

Capitalist strategies

Neither have the Tories 'forgotten' about the unemployed. On the contrary they have them constantly in mind. Much unemployment is the result of the 'natural' working of the capitalist crisis. Only a fraction is the result of Tory policy. But Tory policy can use the unemployed. They reason, quite rightly, that large scale unemployment makes workers ready to accept wages and conditions that they would otherwise resist. Even if they have not got the sort of organisation which can turn unemployed workers into an army of organised scabs as a fascist party might hope to do they have still done quite well out of the negative threat of the dole.

Looked at in this light, stripping away the rhetoric, Tory policies appear as one of the options open to British capitalism. And in exactly the same light Labour policies appear as just another of those options.

Neither are going to work in the sense of magically returning us to the days of the boom, but they are both capitalist strategies.

The result of the general election will not seriously alter the balance of class forces in Britain. The only possible reason for getting very excited about it is that you believe that winning votes is more important than winning strikes.

Unfortunately, this is what has happened to the whole of the Labour Party, from the entrust groupings through to the right wing. The search for unity at any price is the dominant note coming out of every speech and every newspaper over the last few months.

Now there is a nasty logic to this sort of thinking. Once you give in to the Healys of this world on the *Manifesto*, by pretending that, for example, a document which quite plainly states that there is going to be an incomes policy if Labour gets elected, is a fine piece of socialist thinking which everybody should be proud to fight for, then you will be forced to follow the consequences.

Voting Labour

The right wing have pushed the re-vamped incomes policy into the *Manifesto* for good reasons. They believe not simply that the class struggle is a bad thing, but that it is *positively harmful* to their plans in office. And they also believe that it is positively harmful to their plans to *get* into office. They object not only to rocking the boat inside the Labour Party but also to strikes which they think will damage their electoral chances; that is, all strikes.

True, there are those in the Labour Party and the trade unions who do not agree with them. But they do agree that winning an election is the most important thing and they have surrendered the fight inside the party to help win that election. Pretty soon, if not already, the right in the Labour Party and the union bureaucracy will start leaning on people to avoid strikes which might damage the chance of winning votes.

No doubt the left will privately protest, and no doubt they will drag their feet, but it is difficult to see how they will avoid agreeing with the right. At best they will shut up and play dead, but in a thousand union offices around the country the thought will be running through the heads of minor bureaucrats that they had better try to damp this one down because, after all, the election is just around the corner.

It is considerations like these which mean that we cannot simply ignore elections. Even if it is clear to us that the election will not make any fundamental changes in the balance of class forces the fact remains that many people in the labour movement believe that they will. Therefore we have to say something about what to do in the election.

There can be no doubt that part of what we have to say is 'vote Labour'.

We will not say this because we believe that a Labour government will be better than a Tory government. As the example of Mitterrand has shown only too clearly, the

room for manoeuvre for a left parliamentary government in the crisis is very small indeed. Even a Labour government led by Tony Benn, or for that matter Peter Taaffe, would find itself forced sooner or later to try to cut workers' living standards in an effort to restore the profitability of capitalism.

The certainty is that should the Labour Party win the general election it will not be led by Benn or Taaffe but by Foot, Healy and Shore. Therefore it will start to cut living standards right from day one. There will not even be that short period of grace while a left government finds out that it can't do much in the way of tinkering with the system and had therefore better get on with running it in an efficient and profitable fashion.

The reason for calling for a Labour vote is that the result of the election will have a small, indirect, but nevertheless significant effect on the class struggle itself. We want a Labour government in power.

The choice in any election is not between capitalism and socialism but between two or three political parties. For us it is not a particularly significant choice and certainly not one which will effect very much. But we are not the mass of workers.

For most workers the choice looks quite different. It is whether to vote for a party openly committed to attacking trade union organisation—the Tories; or a party which wants to do it rather more subtly—the SDP/Liberal Alliance; or a party some of whose members, some of the time, say that they do not like the way the world is run.

From that point of view a Labour vote is at least the glimmering of opposition to the system. It is not so much that a Labour vote will change anything as that it is a signal that workers are thinking about changing the system.

It is one of the iron laws of British politics that the Labour Party in opposition develops a left wing. We have seen a perfect example of that process during the last four years. Free of the responsibility of office all sorts of people who either kept quiet while Labour was in government, or who positively justified its anti-working class policies, crawl out from under their stones.

Because they have the room to engage in left rhetoric they can attract towards them a number of militants. Some they can recruit. And when they move to the right in order to win an election they drag people behind them. Opposition gives the reformist left an undeserved lease of life.

If the Labour Party loses the general election it is probable that this process will be repeated. Undoubtedly it will be on a much smaller scale this time. Neither the parliamentary right nor the trade union leaders will let them get away with as much as they did between 1979 and 1982, but there will be stirrings.

A secondary issue

If the Labour Party *wins* the next general election, then they will not have that space. Everybody will be able to see just what all the left talk has led to in practice. The terms of debate will no longer be about what the Labour Party says it will do but about what it is actually doing. That will make the task of revolutionaries just a little bit easier.

The other consideration is the attitude of those militants who want to fight the system but still look upon the Labour Party as more or less their party. If the Tories win the general election then their morale will suffer a dent. They will see it as a much bigger defeat than it actually is and will feel even more isolated and less inclined to stick their necks out and argue for a fight.

If the Labour Party wins the next election then their morale will take something of a boost. And they will find that leading strikes with Labour in office quickly brings them up against bureaucrats whose main motivation is not to embarrass their parliamentary cousins. The climate will be *slightly* more favourable for revolutionary ideas.

Those are the reasons why we will have to grit our teeth and say: 'vote Labour.' But it is important to recognise that they are secondary factors in the situation. The central factor is that the election is not that important to the balance of class forces. It is certainly less important than a large and successful strike would be.

Therefore we cannot just say 'vote Labour'. Indeed that will be a minor part of our propaganda. Given the ballyhoo that will surround the election the main points we will have to argue for will be quite different.

We will have to argue that whoever wins the votes workers will only get what they are prepared to fight for themselves. We will have to argue that a Labour government will not solve any fundamental problems. We will have to show that what this Labour leadership says it will do will not benefit workers, and that in fact no Labour government, under whatever pure and resolute leadership, would do any better.

It is likely that the audience for those ideas will be small. Many militants will grasp at the straw of a Labour government just because they lack confidence in their ability to lead a real struggle. The last thing they will want to hear is the message that only the hard slog of rebuilding in the workplaces will really alter the situation.

Take the left in CND for example. For them the only real hope of stopping the bomb is to elect a Labour government. They have no other strategy for winning. The last thing they will want to hear is that a Labour government is not going to ban the bomb. No matter that the *Manifesto* is quite clear about staying in NATO. No matter that all of the evidence of previous Labour governments points to them keeping the bomb. If you have no alternative then you close your eyes to these inconvenient little realities and hope for a miracle.

Of course, there is an alternative, but it does not offer a nice easy solution. What we have to argue for is a long hard slog in very adverse conditions. That will only appeal to a small minority of people. Whatever we say we will be marginal to the election campaign.

It follows, therefore, that we have to argue very clearly and very patiently for revolutionary politics. There are a small number of people who will listen to the argument that the election is a secondary issue and no substitute for building from the bottom up. It is to them that we need to bend our efforts.



Real democracy in action

Learning from the new strikes

The last six weeks have seen a number of disputes: Cowley, the Tilbury dockers, Timex, Greenings and the steel craftsmen are the best known. **Colin Sparks** looks at the background.

Taken together these disputes do not amount to much. They form a small hill on the otherwise depressing plain of the class struggle. They were not directly linked together by either common causes or a common consciousness of what they were doing. Neither did they result in resounding victories. Cowley was beaten. The docks and the steel craftsmen ended in messy compromises that were far less than victory. Greenings and Timex seem to be steered into a long and bitter slog.

Nevertheless, when looked at a bit more closely we can see some very important features of the disputes which are pointers to the current strengths and weaknesses of the working class movement.

Cowley is the clearest example. The workforce there has suffered as much as any other part of BI. over the past few years. The future of the company has been in doubt, the models produced did not sell well, the threat of closure was permanently in the air. The management were able to use this as a constant stick to drive the workforce at will. Jobs were lost, militants were sacked, the shop stewards' organisation was eroded.

The introduction of the Maestro changed the situation. The investment required at Cowley—round about £250 million—was substantial by Leyland standards. Over a thousand new workers were taken on, many straight from a long and bitter time on the dole. The old stick of threatened closure became much less of a management weapon.

In those circumstances the anger and frustration which had been built up over the years of defeat could find an outlet. The pattern has repeated the experience of the launch of Metro at Longbridge, where a 'hand-picked' workforce showed itself ready to fight once production was reasonably secure.



This sort of bitter resistance surprised the management. They believed that what they had won through terror of the sack they had consolidated into a permanent gain through ideological victory.

There are indications that the British economy, along with parts of the world economy, is experiencing a small growth. It is much too slight to call a boom—even the Treasury estimate is for a growth of around two percent but it is a slight shift from the round of closures, empty order books and falling production which have marked the last few years.

Stewards' organisation

The extent of the upturn in the economy is too slight to mean that the whole of the industrial working class will feel a new surge of confidence. Closures and sacking will continue to be the experience of large numbers of workers. But the overall growth will be reflected in quite sharp expansions for particular factories.

That means that there will be the possibility of a number of sharp disputes as workers try

to make sure that expanded production at least results in them getting a few crumbs here and there.

There are, however, important limits to how far such disputes can win. The first is that the years of the downturn have weakened shop floor organisation considerably. At both Cowley and in the docks stewards organisation has continued to exist, but it is in a very poor state.

At Tilbury the stewards were so isolated from the rank and file that even in the middle of the dispute they recommended a compromise formula only to see it overwhelmingly rejected by the mass meeting. At Cowley the stewards did not feel confident enough to defy their officials and argue strongly for rejection of a deal cooked up between the union leaders and the management.

Even where the rank and file are very determined, this isolation carries very severe dangers. Active involvement in a strike—large scale picketing, delegations, collections, etc.—are essential in any dispute, but they do not organise themselves. It is the job of the activists, and that usually means the stewards, to make sure they take place. When

the stewards are cut off from their members, the danger is that the strike becomes very passive and in the long run the morale of the rank and file gets worn down. That is what happened at both Cowley and the docks.

Even more serious is the fact that if the stewards do not have a close relationship with the rank and file then they will be forced to lean on the full-time convenor and the officials. This dependence means that in a dispute the officials can cash in on the loyalty of the stewards by browbeating them into recommending a deal which fits the bureaucrats' estimate of the situation. That is what happened at both Cowley and Tilbury.

Outside the factory, too, this dependence on the bureaucracy is the road to disaster. Any protracted strike depends for victory on solidarity action by other workers, either in the form of direct assistance like blacking or through financial collections. This is never easy to win and is very difficult in a period when *most* workers are worried about their jobs. And what might be possible with a popular group of workers like the health workers is very very difficult for less 'deserving' workers like dockers or carworkers.

Reliance on the trade union bureaucracy is a sure recipe for not getting support. The only way to ensure that the blacking is effective and that money is raised is to go and argue with workers who you are asking for support. That means acting independently of the trade union machine who will, at best, send a circular and make a couple of phone calls to their opposite numbers down the line. A stewards' organisation which relies heavily on the official apparatus is likely to be very unwilling to take that sort of action.

That is exactly what happened at the docks. In the struggles of the early 1970s, the stewards went out and organised support from other dockers. This time around they left it to the officials. The result was that ships diverted from Tilbury were unloaded elsewhere.

Glaring weaknesses

These weaknesses are not the result of the shortcomings of individual stewards. They are a reflection of the general downturn. Now, when that period is starting to break up—very slowly and very unevenly it must be stressed—slight adaptations become glaring weaknesses.

In an environment where the mass of workers still feel cowed by the threat of sackings but some sections have a new consciousness of strength, it is very difficult to make the political generalisation needed for effective solidarity action. That can mean that even those workers who do go into action become isolated, demoralised and eventually defeated.

Just because the political consciousness needed to generalise in the present period is very high indeed, the task falling on the shoulders of revolutionaries is immense. Only if you start from the self-activity of workers does the fact that a steward has no regular contact with his or her members, is forced to rely on a full-time convenor even in minor matters, and that that convenor in turn

is forced to rely more and more on full-time officials to sort things out, seem the glaring weakness that it really is.

Again, in a strike, only if you start from the self activity of workers will it seem important to go beyond the occasional mass meeting to tell the members what is going on and to think of ways of involving them actively in the dispute by picketing rotas, factory visits etc.

Only if you start from a clear understanding that the trade union bureaucracy is a layer with interests different from the mass of the workers, whose whole position depends upon an orderly bargaining process will you recognise that even the most left-talking of them is not to be relied on, and if solidarity action is going to be won then it will have to be won by strikers themselves.

Only if you start from the interests of the

NEWS & ANALYSIS: Cowley strike

Bitter but passive

The Cowley strike has shown that the bitterness of workers can suddenly erupt. It has also shown the urgent need to re-establish shop stewards' organisation. **Marta Wohrle** looks at the lessons of the strike.

Five thousand workers at British Leyland's Cowley plant voted to end their four week old strike over 'washing up' time on 26 April. Although it ended in defeat the action has given a lift to the workers inside the plant who for some months now appeared to be beaten by management strong arm tactics. Despite pessimistic predictions that it could not last more than a few days, the strike at Cowley was undeniably solid.

The strength of feeling and coherence took both the left and the right by surprise. It was a rank and file rebellion that happened spontaneously without any lead from the shop stewards or official coordination and planning. It appeared to ride on the back of a crushed steward's organisation spurred only by a demoralised and sickened workforce.

Against this unfavourable backdrop there were a number of reasons that gave the strike its initial impetus. The men at Cowley had quite simply had enough. They were sick of 'being treated like robots'. As the men explained time and again, 'it's not just a question of three minutes, it's the management's attitude', and 'people have just had about enough of being screwed around'. The strikers talked about the erosion of hard won working conditions and practices, of the undermining of basic union rights like being able to see stewards, of the acceptance of huge numbers of redundancies and speeded up production lines.

But at the same time the introduction of the

working class as a whole will you see beyond what is happening in your own little patch and make the effort to face all the flak about 'lazy dockers' or 'greedy carworkers' and organise a workplace collection for them.

Because the number of people who agree with all or even some of those ideas is still very small, the job of rebuilding serious workplace organisation is going to be long and uneven.

The central lesson from the recent round of disputes is that that task cannot be fudged. Even remarkably determined strikes like Cowley and Tilbury can be lost if the workplace organisation is not up to scratch.

The little details have never been more important. The grandiose world of revolutionary socialism has never been less relevant. The gains made in rebuilding workplace organisation are likely to be cruelly tested in the next twelve months.

new Maestro line meant more jobs, increased investment and a feeling of hope and stability that has been long absent from Cowley. Maestro gave the workers a new confidence because along with job security goes a belief in your own bargaining power.

Of the 1300 new jobs created by the Maestro launch many were filled by unemployed youngsters, new blood that had not been battered over the years by Cowley management's strong arm tactics. But for the first time in some years the older workers inside the plant also responded to the strike call, spurred by bitterness and resentment, and taking both management and union officials by surprise.

The unexpectedness and spontaneity of the strike can in part be accounted for by the breakdown of the sectional base of the shop stewards—a breakdown that had been taking place over a number of years. Management had been adopting a deliberate policy that has systematically undermined the power and organisational potential of the shop stewards. According to many militants inside the plant it was the introduction of managed day work that marked the first crack of the whip.

As an SWP member inside the plant explained:

'Originally stewards bargained for the rate for a particular job on top of the agreed national minimum. This established their strength—a real power to control bread and butter issues. That system was then replaced by measured day work which meant that the rate could no longer be negotiated. From then on it has been downhill for the stewards. They have been constantly beaten back.'

The effect of this has meant a bit more than a decline in bargaining power. The actual number of shop stewards has fallen off dramatically since 1978. The workers at Cowley talk of the difficulty of getting people



to stand for election as stewards and tell of stewards who are alone on an assembly line that is one third of a mile long. The role of the shop stewards has changed from a key position with real bargaining power to merely sitting in offices removed from the rank and file. Even the militant shop stewards are utterly demoralised and most of the remaining stewards are time-servers.

Once shop stewards in key areas could be relied on to accurately reflect the mood of the workforce in their section. Now with enforced mobility and declining numbers their base has broken down along with their relationship with the workforce. No longer able to judge stewards as barometers of rank and file mood, management and union officials were unprepared for the strike over what was expected to be a peripheral issue—the three minutes 'washing up' time.

But this, of course, had crucial consequences for the organisation of the strike.

'There was no mention of action or attempts to build up support for a strike until one week before the first mass meeting was called. For the first three weeks there were no official leaflets, no placards or pickets organised. The stewards argued that if we organised pickets it would imply that we were weak in areas. As a result we just lived from one mass meeting to the next.'

The result as a passive strike in which the shop stewards took a back seat. At mass meetings it was the convenors who were the most articulate while the stewards stepped to one side to make room for Buckle. And with characteristic opportunism Buckle moved to the left to take advantage of the void left by the crushed shop steward's organisation. It

was his big chance to turn the tables and reinstate himself as the champion of the rank and file. Sadly, there was little resistance from the stewards.

'Buckle never really spelt out the fact that British Leyland won't really lose money from lost production due to washing up time. He didn't make it clear to the press that they have been compensating by speeding up the lines so that men have to run to keep up. Buckle's analysis has only been on an emotional and propagandist level.'

Socialist Worker strike bulletins were distributed around the plant about twice a week. Over and over again they stressed that the shop stewards should have been organising delegations to other BL plants. Such activity, the bulletins said, 'would enable shop stewards to play a central and independent role in this dispute, and thus reassert the prestige and relevance of shop stewards' organisation in this factory in practice before the eyes of the members.'

The bulletins also argued that there should have been a strike fund established on the first day and that collecting money, standing on picket lines and taking part in delegations would mean members taking an active rather than passive role.

In retrospect it still seems paradoxical that such a solid strike was without the most basic organisational methods or a centralised strike headquarters. And that a strike committee was only established in the third week and then lacked the muscle that would force management to recognise it anyway.

However, the strike has ignited a spark of hope. Like the water workers dispute, al-

though not as conclusively, Cowley has shown that there is some resistance to the government and that Thatcher is not invincible. Workers at British Leyland have long seen Cowley as a test case for trying out Tebbit's law. The unions there had, up until the beginning of the washing up time dispute, seemed at crisis point and militants were prepared for more attacks at the hands of Tebbit.

A steward at Longbridge (a plant which unlike Cowley had maintained its number of stewards) said:

'The Cowley dispute has given me some hope about the situation at BL. We are often too pessimistic and cynical, forgetting just how the actions of management can galvanise people into action. The main problems have been caused by the management policy of moving stewards and militants around so that they lose their base and become atomised. If nothing else, strike action has helped to rebuild some of the links between the militants.'

Although the strike has shown that Cowley workers are not defeated it has demonstrated that they have their backs to the wall and much work needs to be done to re-establish the organisational links amongst the rank and file. The strike has provided the foundation on which mutuality—a reciprocal relationship of cooperation between stewards and rank and file—can be rebuilt. Now the task at Cowley is to bring the stewards back on to the shop floor, to resist management policy of moving stewards around, to bring back consultation with members. The strike may not have ended in a rank and file victory but it has shown the urgent need to reinstate the crucial role of stewards and build on the ground.

Negotiating defeats

The long strike by Tilbury dockers has been almost ignored by the press but important lessons can be learnt. **Christine Kenny** talked to dockers **Bob Light** and **Eddie Prevost** about the dispute.

We came to Tilbury from the Royal Group, which had been running down for years. Because there has been so much investment at Tilbury it has a sense of permanence about it. The constant redundancies have changed the work-force. We have lost so many jobs in such a short space of time that you now have a small group of men who really see themselves as dockers and want to stay dockers for the indefinite future. So they are prepared to fight to protect their jobs.

We were all dumped in one department at Tilbury, which was already enjoying quite a reasonable standard of living. All of a sudden we descend on them, and they've got to share the bonus, and share the overtime. For a time that was OK because the blokes from the Royals had their £1500. But after a while, all the little day to day strike actions carried on, actually in a much sharper form with arguments about bonuses, because they found out that there was work to be done and money to be earned out of it. There were also the usual shop floor things.

Being a steward at Tilbury is qualitatively different to what it was like being a steward at the Royals. In 1980 we were at all time low, the shop stewards' movement was effectively defunct, we had a terribly depressed workforce. But now at Tilbury there's so much it's enough to drive you mad sometimes.

Stewards' weakness

As far as the state of the shop stewards' movement is concerned, since 1978 the National Ports Shop Stewards Committee has achieved virtually nothing. There have been a number of major issues in which they've been unable to make any interventions. And certainly there is a sense of frustration on the committee with people's inability to change events. They're now looking to committees and this and that, for other people to do things for them.

Shop stewards are by and large activists, and if they can't find enough of one kind of activity they'll turn to another kind, sitting on committees and passing resolutions. The problem is that they don't always have the discipline and the politics to tell them when to get out.

The shop stewards' movement has been so depressed that if you're an individual militant shop steward in the docks, without a deep political commitment, you accommo-

date to that feeling. And the only realistic way that you can see of carrying on is to use the official machine. It's what brings results. You can get involved in it and the process of achieving things in the docks becomes one of negotiations, of levering things out of the employers. That's what trade unionism becomes. You get a much narrower focus, because there's no alternative.

The new left face of the trade union officials is the most difficult thing to cope with. You've only got to look at the way workers at Halewood and Cowley have been stiched up, and in our strike you can see appalling dangers of that. The relationship between the men and the union officials, with the shop stewards in the middle, is the crucial thing that needs to be analysed.

Shop floor feeling

At Cowley, before the strike, the shop stewards were frightened to hold mass meetings. It was really the feeling of the men on the shop floor that forced the thing in the end. Our strike fitted more or less into that pattern. Although it was more passive, there were a mass of men who were really determined. All the mass meetings told us that.

The strike was an experiment in trusting officers, an experiment that was very useful from our point of view. We actually did all the things that were possible within the union structure. The lessons were there, but it's a question of whether people are prepared to learn them. This was by far the most frustrating side to this dispute.

The simple elementary things that we were arguing, the need to enforce blacking, not to rely on the full-time officials—even in 1975, that would have been second nature. If you think of 1972, there would have been coaches organised going to the ports, mass pickets would have been the simple reflex action.

And the people who are in the leadership of the strike today were all around in 1972 but at that time they were the youngest people in the industry. They didn't have the experience of working on the Liaison Committee, they didn't have the experience of being in opposition to the union leadership which the rest of us older stewards had. The very fact that stewards came into existence in the docks and that Communist Party members were allowed to hold union offices was something we had to fight the T&G officials for. In 1972, it was easy for us to assume that the officials were going to try and do us over and to try and avoid it. The younger stewards haven't been through all that.

But even so, they've shifted their ground. Ten months ago, some of them were arguing that the officials were useless, yet we've had to spend the weeks on strike arguing with these same people about whether you can rely on officials now. They've made dangerous moves towards being trapped in the tiny little world of union negotiators.

It's a reflection of the generally depressed state of the whole trade union movement. Up to now, they've looked round at the general industrial and political situation and wanted to do something about it. But in the end it's been straight into the official channels because with the present set-up we're too weak to handle it.

While the negotiating committee didn't give in to the officials at once and go to ACAS, they *did* actually recommend the first, useless, settlement. And they were genuinely shocked at the underlying frustration among the men when they rejected it.

The friction that there's been on the negotiating committee and among the stewards, and our difficulty in establishing our political relationship with the other more militant shop stewards is all a reflection of the changes in the shop stewards' movement, and more widely, of the whole downturn.

If you look back over the dispute, you can see the weaknesses very clearly. Out of the 26 or so stewards at Tilbury, about eight just disappeared for the duration. Some of the stewards who were most prepared to fight were the people from the 'three shifts' who have traditionally been very apolitical and non-militant. They felt that the PLA had forced them into a fight and they wanted to win it quickly.

The closed docks committee, on the other hand, contained people who were in the pocket of the T&G officials. That meant there was a heavy reliance on the official machine. The T&G sent out telexes to other ports listing ships to be blacked. In the better organised ports they got stopped but in smaller places with weak organisation it was a different matter. We made our first visit to stewards at Liverpool after two weeks and did not get round to seeing the stewards at the smaller ports until the fifth and sixth week.

Independent organisation

Back in the early seventies the stewards would have organised independently and we would have had coach loads out in the first week.

The fact that leading stewards were so much under the influence of the T&G full-timers meant that they saw their role as negotiators rather than fighters. And the T&G were piling on the pressure from very early on because they were terrified that if the PLA was declared bankrupt they would be involved in a very big strike indeed.

Although the men overturned the first offer the fact is that there comes a point in a long strike where if you are not going forward you are going to lose. The T&G knew that, the PLA knew that, and so did some of the leading stewards. In the end they were able to force though a deal which is a long way short of what we went out for.

The real test will come now the strike is over. We have to make sure that the lessons are learnt. We have seen what happens if you rely on the officials and see your role as negotiators.

One of the arguments that Labour leftists have used against revolutionaries over the last couple of years is that if you join the Labour Party you can get things done. ANN ROGERS looks at some examples of what this really means.

The labours of the local lefts

Getting things done, for a reformist, means getting your hands on the levers of power. But since the Tories have kept them out of Westminster, they have had to settle for local councils. Nowhere has this been more true than in London. Here both the GLC and a number of inner London boroughs have fallen into the hands of very 'left wing' Labour councils.

Here, if anywhere, we should be able to see in practice the great advances which left control of the Labour Party means for workers.

In fact, none of these councils has made a single serious difference to the miserable lives which the bulk of workers in London have to face. In none of these areas has there been a significant improvement in housing, in services, in transport or any of the other decaying aspects of London life.

Instead, we have had a series of empty gestures which involve a few well-paid jobs for middle class lefties, some small grants for minorities—and no substantial changes.

Even worse, we have seen backtracking on election promises without even the glimmer of a fight. Islington Council, elected on a pledge not to raise rates, has done just that. And we are starting to hear an ugly new rhetoric—attacks on council workers from these same socialists as they seek to excuse their own failings.

The price that has been paid for all this is popular disillusion and even hatred. Far from helping to build support for social change these councils have gone some way towards playing into the hands of the most reactionary elements in London.

Why has this happened? One popular explanation, pushed by the Tories and the *Evening Standard*, is that they are 'bananas'. Certainly, some of their actions are pretty loony, but this is no real explanation. The real reason for their disastrous failure lies in their politics.

The industrial downturn led to a strata of



Comrade Livingstone of the Greater London Council.

erstwhile socialists flooding into the Labour Party, creating the phenomenon which we have analysed at length in this *Review*, the phenomenon of Bennism.

This has also affected several local councils, and the Greater London Council.

As well as cushioning quite a few people from the realities of political life, it also cushioned them from the realities of unemployment. There were jobs to be had in radical politics. Look at the trendy left press any week and you'll find a rapidly expanding job market in convincing the masses that socialism is good for them.

Judy Watson, ex-women's organiser of the dead but not lamented International Marxist Group, has popped up in Camden. She is now 'Public Information Officer' for the women's unit. She tells us that 'reforms won't achieve women's liberation'—I assume the reformists are paying her a nice fat salary to convince the women of Camden of this startling fact.

Take advertisements in April's *Spare Rib* as an example. Lambeth want two 'women employment workers' at £9,792 pa. Islington want two workers to run a 'women's bus' at £9,700 pa. and a Women's Employment Officer at £11,697 pa.

All the adverts assure us that they operate non-discriminatory employment policies, blacks and women are positively welcome to apply. But one cannot help feeling that the salary scales might cut out your average black school leaver. In fact they are just about the salaries which a white, middle class, university educated person of about 30 would expect. Just the sort of people who make up the 'new left' in the Labour Party, in fact.

Radical statements but no real support

Of course there is a perfectly rational explanation for all this apparent careerism. As Louise Pankhurst (head of the GLC Women's Unit at £18,000 pa) tells us: 'The GLC is so highly "grade conscious" you always hear them saying, "what grade is so and so?"' In other words, in order to deal with overpaid bureaucrats you have to be one.

The Labour GLC came into office almost exactly two years ago, and the local elections last year saw the return of several Labour councils committed to introduce radical left wing policies. This 'new Labour left' was characterised by radical statements about being accountable to the community and looking after the interests of minority groups.

This fine talk was largely aimed into a vacuum. There was no massive groundswell of socialist feeling which swept the Labour Party into local office. In fact just the opposite; many of the activists had drifted into the Labour Party because it felt like a haven compared to the cold world outside. Very few of these people came from a tradition of workplace politics, most came from campaigns—the women's and gay movements, anti-racist groups and the like.

People working in campaigns felt the chill winds of the downturn even harder than those rooted in factories and offices.

Although workplace activists had to adapt to a situation in which they were isolated they did still have a regular contact with their workmates, although they could only build on a small scale there were usually at least a couple of people around them who they could start to win to socialist politics.

But campaign activists found that their periphery had simply melted away around them as people became increasingly demoralised. They needed the cover of a large party machine—and they found it in the Labour Party.

The Labour Party also suited their growing reformism and tendency to direct their politics to a petty bourgeois audience. It gave them some justification for directing their energies towards the semi-radical young professional classes, and away from organised workers. They could maintain a left veneer and not get their hands dirty with organising a working class base.

The councillors spearheading this strategy were largely new to local government. They tended to reflect the drift of the left towards the Labour Party. Many were ex-revolutionaries who'd worked their way through various short cuts to socialism (student politics, Third Worldism, the women's movement) and finally decided to give the council chamber a whirl.

Once in office they tried to re-launch campaign politics from within the council chamber, with results which go from the pointless to the ridiculous as we shall see later. Instead of analysing why the political milieu in which they had grown up had collapsed, they tried to use the Labour Party to pretend that there wasn't really a problem at all.

This political tradition has always tried, by whatever means at hand, to avoid the reality—that socialism will require the mass involvement of working class people. This was partly because rough and grubby workers offended their highly developed petty bourgeois sensibilities. But more importantly it was because they did not want to surrender their central place within their political organisations. A mass organisation of workers, to have any chance of success, needs to be led by workers, an unpalatable truth for those who have been brought up to believe that they are a cut above workers.

The student movement of the late '60s and early '70s, and later the women's and gay movement provided one way of avoiding this dilemma. But the Labour Party provided an even better one. The whole reformist tradition of doing things for people, and the fact that you could do this without building any base, suited a superficially radical, but basically anti-working class politics perfectly.

The major feature which characterised this new Labour left was a lack of base. Indeed it could not exist *except* in a politically stagnant period, for it is only in such periods that the Labour Party appears at all relevant. The membership of the Labour Party actually *declined* during the upturn of 1970-1974.

They did not even mobilise at an electoral

level. Ken Livingstone became leader of the GLC the day *after* the Labour group had won a majority.

In Islington the new radical councillors were there purely because the previous lot had defected en masse to the SDP. Islington had always been the most corrupt and reactionary Labour council in London. But the new left council did not take on this local corruption and beat it, they were merely the only people around who could take on the job after O'Halloran and his cronies had decided that the future looked brighter in the SDP.

The increasing idiocy of their actions, and the endless consultative meetings which lead absolutely nowhere are both symptoms of this lack of any working class base.

So, lacking a base, they are forced to make ever more ridiculous gestures in the tiny areas where they have power. As they have no money and no base this is almost always at the level of ideas. So the councillors in Hackney merrily declare it a 'porn free zone' and ban sexist language in council minutes. Islington issue orders banning the picking of rare flowers in municipal parks. Camden's Women's Unit witters on about 'building a link between the feminist and labour movements', but regrets that the relationship between councillors and those who elected them is 'consultative, not truly democratic'.

They cannot affect the material realities of people's lives from within the council chamber, and they are unwilling to help build the sort of movement which could. So they are forced further and further into isolation. The problem becomes more acute, and their politics even worse. It is a vicious circle. The results of which can be seen in their increasingly right wing practice.

Mask of radicalism slipping badly

On the one or two occasions where there has been some mass support for their policies they have sabotaged any campaign because they feared they could not control it.

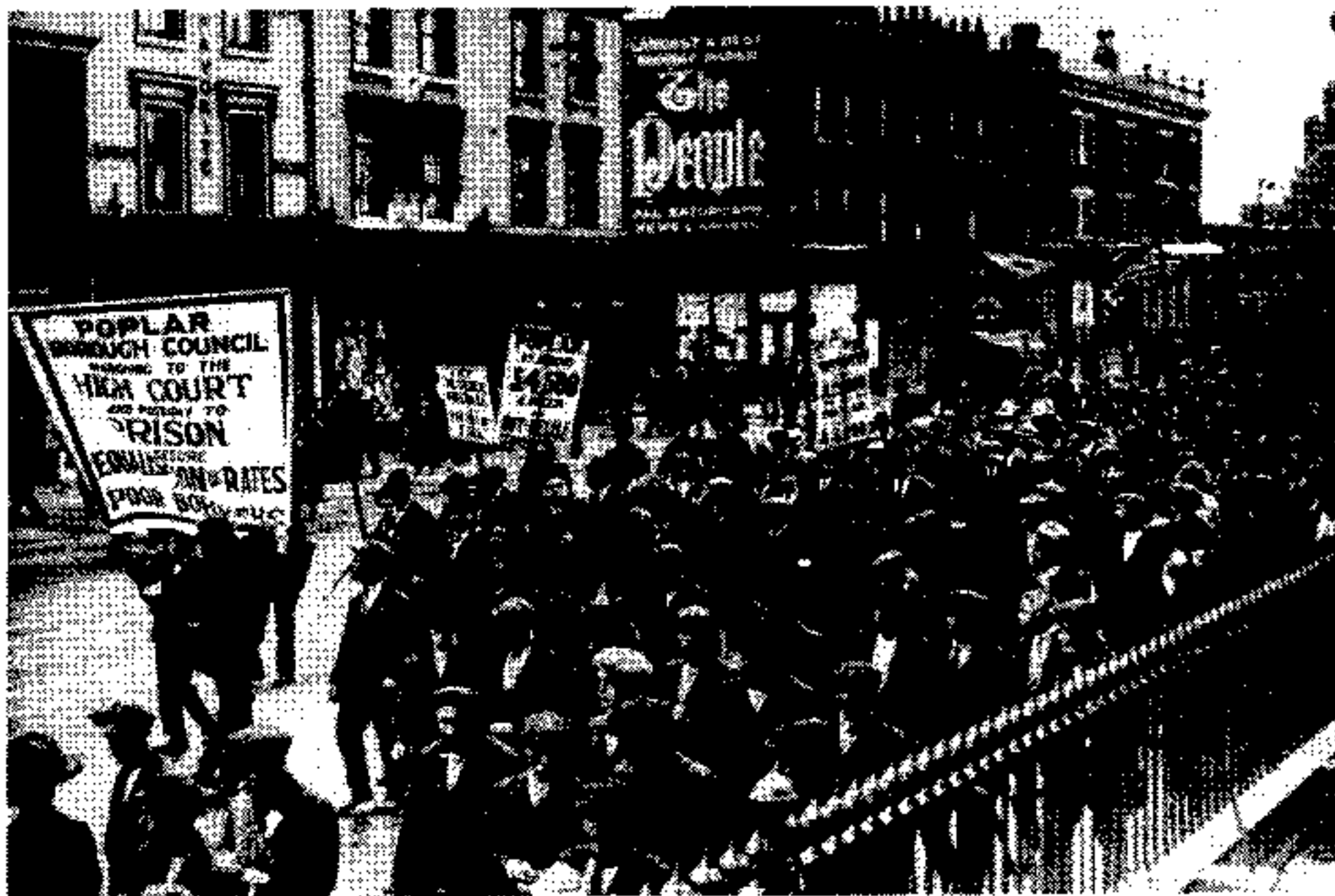
Then, the mask of radicalism slipped badly. The trouble with mass campaigns is that they can easily overstep the mark and become illegal, and this must, of course, be stopped at all costs.

The fate of the 'Can't Pay, Won't Pay' campaign to defend the GLC's cheap fares policy is perhaps the best example of this.

The GLC had been elected on the promise that it would cut London Transport fares by 25 percent. Being sensible people, they did not try to sell this to the voters as a socialist policy. Instead they pointed out that they were trying to introduce a policy which was so sensible that even the right wing administrations of Paris and New York had something similar.

For the year that the policy was in operation it was very successful, more passengers used public transport, so the roads were less crowded, and 600 staff were recruited. Then the Law Lords decided the policy was illegal.

There was a good deal of anger in London about this blatantly political decision. But instead of organising this feeling, the GLC



The Poplar councillors had mass support

was happy to let it peter out in a series of individual and tokenistic gestures.

Transport workers in the capital came out on strike for a day, not a tube or a bus ran. But the emphasis was firmly on the consumers, not the workers. Because the council would not admit that it was the transport workers, not the passengers who had power and the campaign ended in failure.

But 'Red' Ken Livingstone was not even prepared to countenance mass consumer action. He would not support the campaign for fares refusal, and had the phones in the campaign offices cut off.

The whole sorry affair ended in farce rather than tragedy. Dave Wetzel, the Transport committee chairman, who had staked his hopes on the consumer campaign, saying it was not up to him to tell the transport workers to strike, was voted off a bus by the rest of the passengers when he refused to pay his fare.

Perhaps he meditated upon the nature of power under capitalism while he waited for the next bus. I doubt it though—he's still on the GLC.

Left councillors often blame their inability to have any effect on the real world on lack of money. This is undoubtedly a factor, but bleating that a Tory government won't supply the funds for socialist policies is hardly likely to get you anywhere.

They are reacting to their lack of funds in the same way as any managers of capitalism. Screw more out of the workers. This takes two forms, cut the workforce and reduce its wages, and put up rates. None of the councils have taken a principled stand on these issues, rather they flounder about between the two, changing from one to the other according to how much they can get away with.

So Islington recently retracted a wage offer they had made to council building workers, because they dared not further increase the rates. As they lack any power to change the situation in which they are operating, they have to adapt to it. And the most common way they do this is by trying to balance their books by further exploiting their workforce.

But this 'lack of money' argument is frequently just a smokescreen. The GLC Women's Unit drastically underspent its £9 million budget last year.

The reason for this is quite simple. There is no large feminist movement outside of the GLC to spend the money on offer. This is why there is a plethora of meetings to discuss what projects need funding, and how local groups can spend all this money. Scratch the veneer of 'extending local democracy' and 'giving the women of London what they want' and you'll find an attempt to buy credibility.

But women's liberation will require rather more than a women's centre in the High Street and a couple of women's buses. And even the most mildly progressive policy will involve taking on the government. But to do this the Labour lefts would need a mass popular base which they just do not have.

Worse as employers than previous councils

Instead they engage in something which is more akin to social work than politics. All the chatter about 'serving the local community' doesn't mean supporting fights against central government or strengthening workers' organisations. At best it means tiny improvements in their lives (if you could call things like a local women's centre or a new black theatre group an improvement). Usually it means providing a better social life for the young radicals around the Labour left. People who could afford to pay for a night at the radical theatre or the local art cinema are suddenly in the happy situation of having their leisure pursuits paid for by the working class.

The vast bulk of the policies of the new Labour left councils have been directed towards this end. The creation of cosy networks of professionals is the link between the plethora of women's centres springing up all over the place, the endless, and usually unsuccessful attempts to set up co-operatives, the agonised talk pouring out of

ethnic minorities units and all the rest.

One London council's ethnic minorities unit has recently revealed the problems of not having a base in a rather startling way. Pleased to receive their first grant application from the Turkish community, they quickly began the process of making a grant for £29,000. Only later did they discover that the mosque they were proposing to fund was a front for the fascist organisation, the Grey Wolves.

Any Turk in the locality, and a good few socialists and anti-racists besides, could have told them this. So we must assume that *no-one* in the ethnic minorities unit had any contact with the fairly large Turkish community in the borough, or with anyone who had been engaged in anti-fascist activity over the past few years.

Reformism can have a certain superficial plausibility within the community. Because the community can be defined however you want, so the fact that any community is made up of people from different classes can be disguised to some extent.

But reformism is really seen in its true colours in the workplace. And the new Labour left councils are very big employers.

The consensus among the trade union militants in Hackney, Camden and Islington appears to be that the new Labour councils are worse, as employers, than previous councils.

They are even unable or unwilling to defend workers' interests within the council units they have set up. So, at the GLC where there is a women's unit employing 15 staff, salaries range from around £6,000 to over £18,000. Louise Pankhurst, head of the unit, still claims that they work co-operatively and non-hierarchically.

I would imagine that it's very easy to 'work co-operatively' on £18,000 pa. But I doubt if the £6,000 pa clerk enjoys doing the same job as someone who is getting paid three times as much.

One worker for the GLC described the situation there as being 'socialism on one floor'. I doubt that it's even that. But it's worth noticing that most of the low paid jobs are still filled by women or blacks, notwithstanding the Women's and Ethnic Minorities Committees. The dominant union is still the right wing 'professional' Staff Association, notwithstanding Ken Livingstone's constant assertions that the people of London want socialism.

Livingstone has found a very neat response to the conservatism of his white collar staff—he's decided they are not really workers at all. He says they are 'on the other side of the class barrier' to blue collar workers, and they must stop trying to 'defend the indefensible' (by this he means save their jobs).

What he is completely unwilling to face is the fact that they have put themselves in a position where they are having to manage a chunk of capitalism. Their constant focus on a mythical entity called 'the community' has meant that they often clash head on with council workers.

The public statements of various left councillors make it clear they regard workers as a nuisance because they get in the way of their plans.

Workers are seen as an obstacle to be got round, either by co-opting them into the schemes, or failing this by plain, old-fashioned attacks on workers' organisation.

The best example of this is decentralisation. This is the jewel in the crown of all the left councils, although it is doubtful whether such plans will ever be implemented.

Essentially it means closing large central offices and moving services to small 'neighbourhood offices'. By this they hope to increase efficiency and create mass political involvement in council affairs. They argue that by taking council services into 'the community' they will be able to respond much more quickly and flexibly to people's needs. But even the councillors admit that neighbourhood offices will not mean that such mundane things as housing repairs will get done any more quickly.

The justification for the importance of decentralisation is very odd. It goes something like this. The welfare state was Labour's finest achievement and wedded workers to the Labour Party. Discontent with the level and type of service provided has allowed Thatcher to attack the Welfare State, and people are not willing to defend it because of their dissatisfaction with its provisions.

The Labour left are assuming that somehow a significant number of workers have made an ideological break with state-provided services (presumably in favour of private services). But in reality this sort of choice is just not open to workers.

It is obvious to anyone who cares to look that the reason the Tories have been able to launch an attack on the Welfare State is because workers' organisations are too weak to defend it at the moment.

Decentralisation leads to job losses

The Labour left are not willing to admit this, because to do so would be to admit that organised workers are the key to change. And to do this undermines their own reasons for existence which is electoral politics. So they fall back on vague talk about 'the community' without ever saying who 'the community' is.

In the name of this mythical entity they are putting their own workers under a potentially very serious threat. Neighbourhood offices would mean a change from large to very small workplaces. A massive deterioration in working conditions (many neighbourhood offices would be in temporary accommodation), and the breaking down of job demarcation.

But where unions have put a stop to the 'onward march of socialism' by refusing to have anything to do with these plans, the councillors have been furious.

In Islington, which has the most extensive decentralisation scheme, the councillors called the council workers 'a privileged elite', 'a reactionary bureaucracy', and 'privileged people with well paid jobs'. Perhaps they think that anyone who still has a job is 'privileged'—but they've done very little to extend that privilege to the unemployed of



Will left councils do anything for these kids?

Islington. Unfilled job vacancies under the new council rose from 7 percent when they took office to 11 percent currently. Even when they do advertise a job, the working classes of Islington will probably not hear about it—as the council refuse to advertise in the local paper. Instead they advertise in journals whose political line is more to their taste, such as the widely read *Spare Rib* and *City Limits*.

This has meant that the council committed to local involvement has found itself in a rather embarrassing position. Its workforce is rapidly shifting from a largely local one, to one where the majority of workers come from outside the borough.

We know defenders of socialism (such as Bromley council who, readers will remember, ended Ken Livingstone's Fares Fair policy) have expressed interest in decentralisation. Computer companies like it as well. International Computers Limited, who have received £300,000 research and development costs from Islington, describe them as 'wonderful customers'.

Added to this, decentralisation plans have the potential to decimate that workforce. Decentralisation needs computers (all the boroughs who want to introduce decentralisation have had to embark on incredibly expensive computer systems) because it's the only way a large number of scattered offices can have ready access to information. This means massive reduction in the clerical workforce.

But it seems that the only effect of this expensive exercise will be loss of jobs. Councillors admit that the main effect of decentralisation will be cosier offices, not mundane things such as quicker repairs.

We are beginning to see council workers taking industrial action against their 'socialist' employers. Building workers in Islington have been on strike after a

promised wage offer was withdrawn to enable Islington council to keep down rates.

The workers in Camden's housing department (who have 'plush offices' according to one councillor) are faced with an ever increasing workload as housing in the borough deteriorates. The councillors do not like having to tell the homeless members of 'the community' that there is no chance of them getting a house. So they pack them off to the housing department so the council workers can tell them instead, and take the resulting anger and abuse.

The problem with tail-ending 'it's what the community wants' is that everyone is reduced to the same level. If you approach 'the community' you are more likely to end up surrounded by a group of law and order freaks as by people who are socialists.

So we've seen police committees being dragged onto a law and order bandwagon. In Islington the Police Committee have advised the police to step up routine policing, and to stop sudden raids. To assist the police in this aim they have tried to introduce a training course for estate caretakers in crime prevention. One caretaker described it as 'a course in how to be a coppers' nark'. The caretakers have refused to have anything to do with it, and so another route for 'bringing about socialism' has been blocked.

Many left councillors will admit that they have got problems with police committees. The main one being that the police ignore them and continue to harass and murder people just as they always have. What they do not do is draw the logical conclusions from this—that to try to reform the police is a nonsense.

Socialist rhetoric but no real fight

They are terrified of workers' organisations and even of real community based politics. The reason is that such organisations create a political milieu in which the radicalised petty bourgeoisie will be no more than of marginal importance. As it's this layer that make up the new Labour left councils, this layer for whom they find employment, and this layer for whom they provide services, the last thing they want is a lot of grubby workers coming along and demanding some of the goodies for themselves.

Even now, in the midst of the worst climate for workers' struggle since the war, we can see this fear. If they can't take NALGO members trying to defend their jobs, or building workers asking for a wage rise, imagine how they would behave in a general strike, let alone a revolution!

The general election has shown what the efforts of these Labour lefts have achieved.

Without mass working class support the lefts have been easy meat for the right wing of the Labour Party.

Healey has used the left's lack of a base as an argument for making sure that the election campaign is firmly in his hands. The attempt to achieve socialism behind the backs of the workers has come to a full stop.

Youth training

David Beecham's article (SR 52) on the new Youth Training Scheme was informative, but it excluded some crucial information.

David stated that 450,000 young people would participate in YTS this year, that the bulk of these will be on employers' premises and in larger numbers than YOP. Also, employers will be using Further Education colleges for the thirteen weeks off the job training, therefore giving socialists and trade unionists greater opportunities in organising.

The reality is quite different.

The government's figures were: 70 percent of trainees on employers' premises, 20 percent in ex YOP schemes (training workshop and community projects) and 10 percent in colleges. In fact the figures are as follows: 30-45 percent of trainees on employers' premises; 30-45 percent on ex YOP courses and 10-40 percent in colleges, (depending on the city and the area).

So only a small percentage of trainees will be going into traditional unionised workplaces. The bulk will be sponsored by private training organisations or employer associations. They will provide the 13 weeks off the job training probably staggered throughout the year and then replaced with smaller employers for 39 weeks. This means isolated trainees in small workplaces, which are hard to organise. In fact it holds all the problems for us that YOP schemes had.

Where larger employers do decide to sponsor YTS it produces problems such as Talbots' who plan to recruit 30 trainees to be scattered around two plants in different occupational groups. Also these larger employers which David mentioned (GEC, British Rail, Rolls Royce etc) are those where the workers have suffered major defeats.

Last year GEC in Coventry announced 800 redundancies at the same time as approaching the trade unions to support a 100 place YTS course. The trade unions refused, not because they opposed the scheme, but as a way to fight redun-

dancies. Redundancies are still occurring this year and again GEC want 144 YTS places, this time the unions plan to support it without any consultation with the workers. It is unlikely that any attempts will be made to recruit the trainees to the unions; they did not with WEEP.

It's even more unlikely that the workers will be called on to take action over the reduction of apprentices' wages or training conditions.

Both employers and trade unions will be putting pressure on workers to accept the course as better than nothing. Also there will be pressures on the young people to prove themselves and to compete for a job at the end of the year.

Unless there is some fight-back by unions and workers all young people going into these industries will be paid £25 for the first year training. Employers are not even waiting until next year to get it all set up, and there is no opposition from the unions.

Under YOP the employer, even though it did not work, had to 'prove' the youngster did not fill a vacancy; under YTS the government practically advocates it.

Also the reduction in the young people's wages does not only apply to apprentices. Employers in distribution and commerce will have a field day with the YTS. There has never been a strong tradition of training in these areas but they are a large employer of young people, especially girls. USDAW the main union for retail will be very tempted to accept YTS as it will give a training structure that they have never been able to achieve.

With the introduction of YTS these employers will jump at the chance of paying £25 per week for all 16-17 year olds, even their own employees. And the likelihood of any fightback by the unions is minimal.

Another major change from YOP is that written trade union agreement must be given to all schemes. Under YTS employers need only consult with trade unions.

The TUC think they can monitor these schemes by having five trade union reps on the area manpower boards! But the MSC staff are working under extreme pressures with a lack of staff and training so the majority of reports put to the boards are just a cosmetic exercise.

David also said that there would be greater potential in FE colleges and techs where YTS courses will be run. These youngsters will average a day a week at the college, some may be there on a 2-3 weeks block. For there to be opportunities you need a strong student organisation which most FE colleges don't have, mainly due to courses being part-time or day release.

The most we will be doing is selling the paper outside colleges. With no SWSO inside it poses all the problems selling outside an office does and the likelihood of us making any gains are minimal.

We need to be realistic in the present situation with mass demoralisation and lack of confidence both from workers and trainees.

Comrades within the workplace need to raise the arguments about YTS and how their employers will use it in their workplace. In all probability the trade union will support the scheme and will not encourage any activity by workers to maintain trainee wage rates or conditions. Comrades need to take up the arguments that trade unions should recruit and educate the trainees in trade unionism. And that trade unions should fight to keep the youngsters employed at the end of the year.

This could result in the isolated struggle taking place and by taking up the argument comrades may draw one or two workers or trainees towards the SWP but that is all in the present climate.

Sue Pinkham



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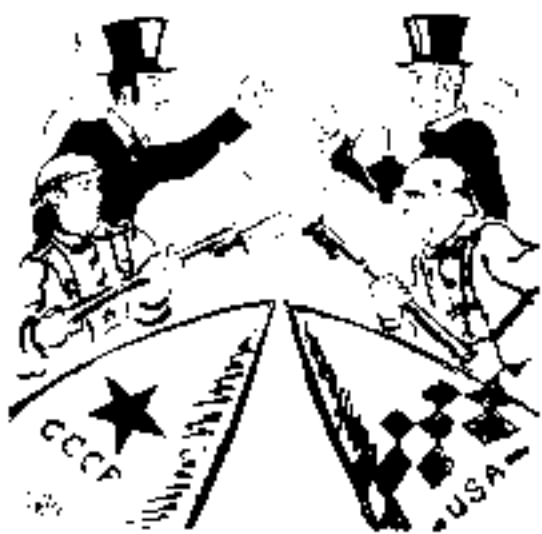
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Our rulers constantly tell us that Japan is a society which has achieved economic prosperity through bosses and workers cooperation. Trade union bureaucrats tell us that Japan 'cheats' and urge import controls. **Sue Cockerill** looks at the reality behind the myths.

One of the most powerful weapons in the ideological armoury of the ruling class is nationalism—the setting of its own working class against the workers of other countries.

In the case of Japan this is particularly easy: Japan is a long way away and Japanese people can be made to appear 'alien' to the West. Tales of Samurai, the Pacific War and kamikaze pilots mingle well with the idea of an army of robotised workers churning out cheap cars to flood 'our' markets: the new Yellow Peril.

Myths about Japan have served different purposes at different times. A few years ago the dominant myth dished out by the media was of happy workers doing physical exercises and singing the company song before going productively to work. The emphasis was on the lack of strikes, the identification of workers with their company, the (class) harmony prevailing in Japan.

Now this picture has become more sinister as the recession has deepened and competition sharpens. There is now something menacing about all this production: especially as, we are told, the Japanese do not 'play fair' in the game of international trade.

The British trade union bureaucracy has gone along with all this chauvinistic nonsense, ostentatiously refusing to drive Japanese cars; unwilling to see Japanese TV factories established on 'British' soil. Their enthusiastic endorsement of import controls as a way to avoid leading a real fight to save jobs makes it even more important that we explode some of the myths about Japan.

The economy

Japan's economic growth since the 1950s has often been described as miraculous. Defeated in the Pacific war, two of its cities devastated by nuclear weapons, Japan has now emerged as the third largest economy in

The Japanese

the world. In 1960 a third of its exports still consisted of that mainstay of 'developing' countries, textiles. Twenty years later their share had dropped to less than five percent. Over half of Japan's exports in 1980 were classified as 'machinery'. Japan leads in many advanced, high technology industries.

In all but two years since 1962, real growth rates in Japan have outstripped the OECD average, recording averages twice as high in several of those years. Even as the rest of the world has plunged into crisis, Japan has appeared virtually immune.

These facts need explanations. The ones which are available from media pundits and the majority of 'experts' start from the idea that there is something unique about Japan, something special about the Japanese 'national character'.

As such they are not explanations but mystifications, like the Dunkirk spirit and the legendary hard working Germans. If Confucianism doesn't explain the Japanese economy, what does?

The long world boom was based on the stabilisation of world profit rates due to the massive level of arms spending by the USA in particular. This is the context and the basis of the Japanese 'miracle'. In the case of Japan, at certain stages, US military spending boosted the economy *directly* as well as ensuring the generally steady growth of world markets.

Japan occupied the 'frontline' of US intervention in Asia, but at the same time it has spent only one per cent or less of its GNP annually on armaments. It has been pointed out that given very high rates of growth, this figure can give a misleading impression. This is true as far as judging the extent of Japan's 'defence' capability is concerned. But what is important from the point of view of international competitiveness is the proportion of surplus spent, that is, *wasted*, on arms. Japan has been able to gain *most* from the long boom as it has wasted *least* on arms expenditure compared to its rivals.

The first Japanese post-war boom came in 1950, a direct consequence of the Korean War as demand for goods, equipment and ammunition for the 'United Nations' forces

in Korea boosted Japanese output. As late as 1959, 'special procurements' for US forces were sufficient to pay for about 14 percent of Japanese imports. Sustained growth in the sixties coincided with heavy US military spending in Vietnam.

This by itself would not have created Japan's economic success. Britain's poor competitive record is not solely due to higher defence spending (though that undoubtedly has been very important). But it is something which Japan's competitors have taken increasingly seriously over the last decade.

The State

Foreign writers and politicians have repeatedly drawn attention to the closeness of the state and private capital in Japan.

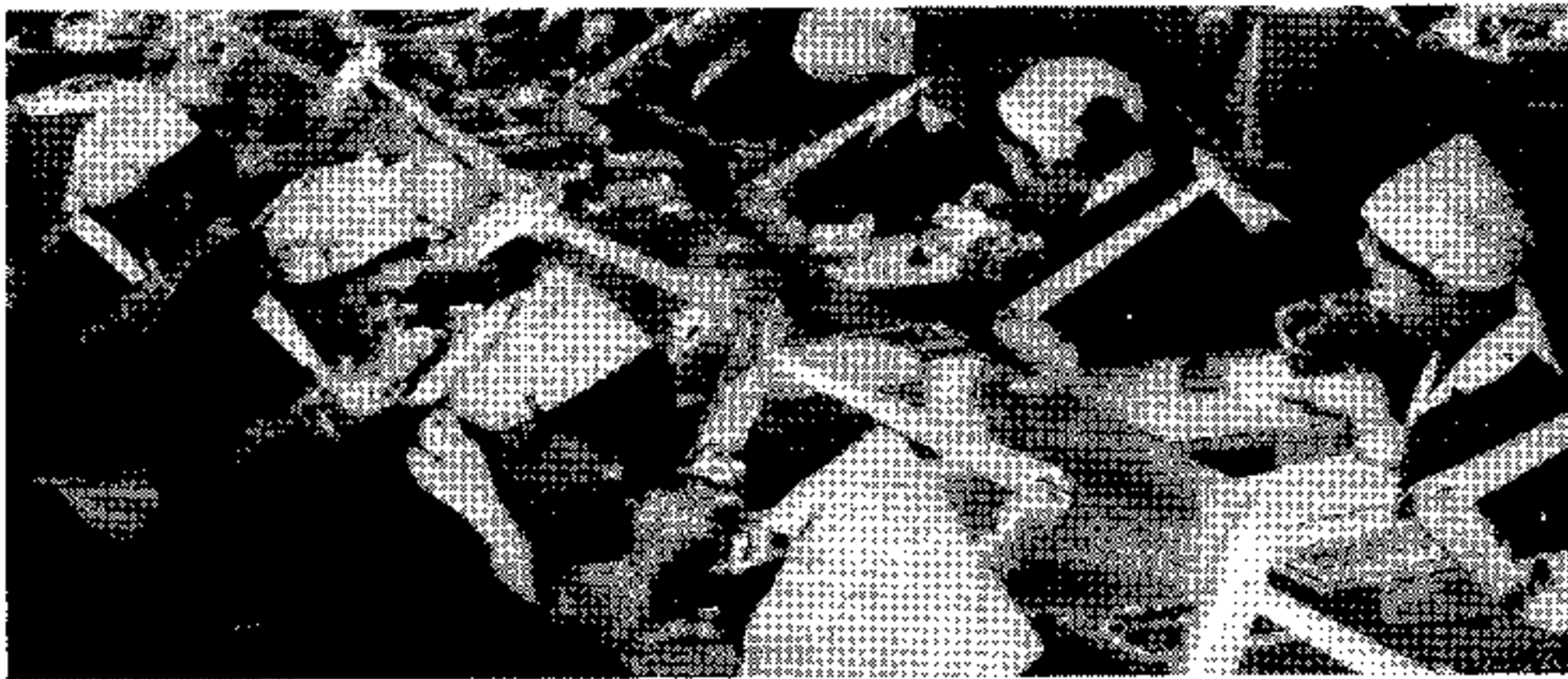
The role of the state in planning the direction of the economy, in partnership with private capital, in terms of the types of new products to be manufactured, overall growth, and the strategy for winning export markets—all has been stressed. The Ministry of International Trade and Industry (MITI) with its famous 'administrative guidances' to industry have been frequently described and analysed.

In fact, the state and private capital have been increasingly inseparable everywhere. The differences are only in degree. It is the form of this relationship in the case of Japan which makes it appear unique. Both the nationalisation of basic utilities and/or industries and the increasing 'welfare' functions of the state during the great boom are familiar to us in Europe. The rhetoric of planning has been heard from left and right alike. It is now taken for granted that the government will commit itself to certain economic targets each year, whether they are to be attained by 'monetarist' or 'Keynesian' policies.

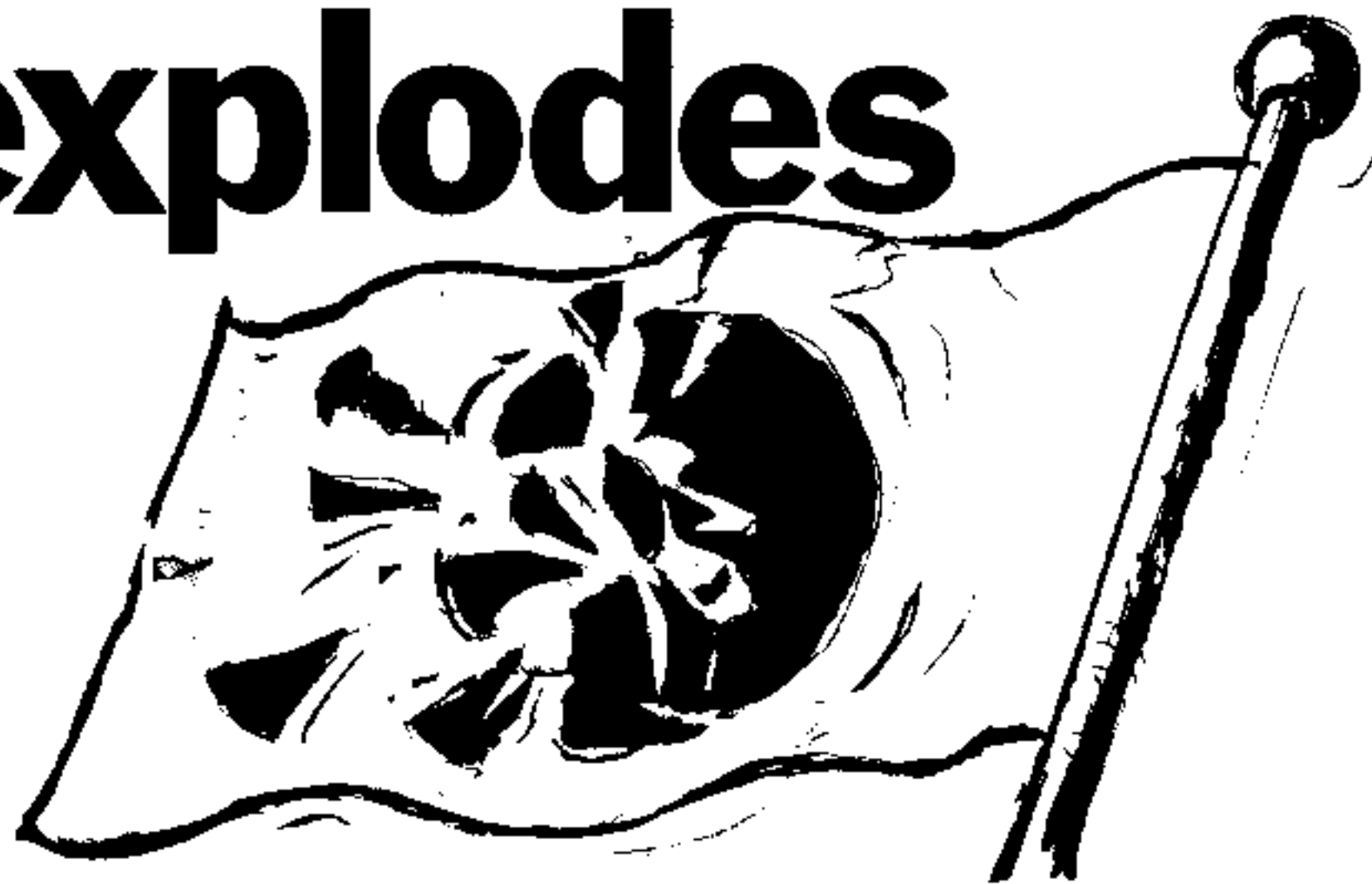
What has drawn the attention, and admiration, of western business and politicians is the relatively small size of the Japanese state—the low taxation, 'private enterprise' state which nevertheless appears to have delivered the goods in terms of providing a climate for profit making.

There was historically a high level of monopolisation in the areas of the economy essential to Japanese industrialisation. The four pre-war zaibatsu (holding companies)—Mitsui, Mitsubishi, Sumitomo and Yasuda—in 1946 accounted for a quarter of total paid-up capital. The top ten business groups accounted for 35 percent of total capital and 49 percent of capital in heavy industry. The initial US occupation policy of breaking up these groups was rapidly reversed, largely under pressure from US companies like General Electric, which had big investments in Japan.

Alongside these huge organisations were a myriad of small producers, making con-



e miracle explodes



sumer goods for domestic consumption. This pattern of a 'dual' economy persists.

The emphasis on building up heavy industry was the pattern in the fifties and early sixties. One estimate has it that:

'The disparity in growth between light and heavy industry in Japan in the years 1955-63 was greater than it was in the Soviet Union under Stalin. By 1965 the share of heavy industry in total industrial output was greater than in any other industrial country.'

The role of the state was to back up credit from the banks and to provide tariff protection, as well as to encourage large scale production and the adoption of modern technology. The zaibatsu were reorganised as groups which were no longer just family holding companies, but conglomerates which typically comprised different lines of production, together with a bank in each group which provided funds to the other companies, though not exclusively.

The state in Japan, as elsewhere, has not only turned a blind eye to monopoly, it has actively encouraged the merger of companies and the formation of cartels. The pre-existing centralisation of key sectors of the economy facilitated the close connection of the state with 'private' capital.

One commentator writes of Japanese 'planning':

'A whole series of plans and programmes have been launched since the war... however their right to be called plans is very dubious. Usually there was nothing more than a number of goals based on projections by the Economic Planning Agency and guidelines from the government administration. The only hard and fast elements were usually shorter term public works budgets or programmes. Planning in the true sense implies considerably more in the way of detailed analysis of goals... and a powerful machinery for implementation.'

He continues:

'Of course, no-one cared much since in the early days the growth targets were surpassed; when Japan aimed at five percent growth it got 6.5 percent, when it wanted 7.2 percent it ended up with 11 percent. And income was doubled in six years. This was an extraordinary success. But it was also a clear sign of defective planning... More recently the plans have given way to programmes and the programmes were often scrapped before completion. The infallible Ministry of Finance predicted a current account deficit of \$700 million in 1977, and ended up with a \$14 billion surplus. The EPA estimates of growth were still repeatedly off, as when the 1977 target of 6.7 percent was undershot with 5.4 percent. The lack of planning had a different meaning when Japan's economic 'wizards' failed to pull

off the trick.'

He also points out that MITI's guidances can be, and sometimes are, ignored, and that when it comes to choosing which companies will develop new products, objective criteria aren't always decisive.

The Japanese capitalist class is highly formally organised, or rather big business is. There are a number of important organisations representing its interests. Unlike the CBI, which includes medium and small capital, these bodies are purely for the big capitalists.

They have a very organisationally intimate connection with the government and the bureaucracy. The personnel are literally interchangeable: in a very real sense, big business is the government. The prolonged rule of the right-wing Liberal Democratic Party has assisted this process.

Financing industry

Big companies have relied for financing on the banks, sometimes on the bank within their group, sometimes not. But the banks have lent funds beyond what most Western banks would extend to companies. They can only take the risk of doing so (and on terms favourable to the companies) because the state stands behind the loans. It has been argued that because companies are financed by the banks and not on the whole by the stock market, they have to worry less about profitability.

This is supposed to allow them to concentrate on growth and capturing export markets by selling unprofitably in the initial stages. In fact, the stock market plays a relatively small role in company financing in other countries, being largely a speculative mechanism. As for exports, Japanese companies are not the only ones which engage in dumping—the EEC's food surpluses are a current glaring example.

Profits are still crucial to the ability to accumulate and outcompete rivals, and that is as true in Japan as anywhere else.

Japan has a very high level of personal saving, which provides the funds for the banks to lend. This personal saving is tied into the whole question of the state's 'welfare role'.

The Japanese state has until recently spent very little on social welfare, or benefits. The

very high savings level is therefore a question of necessity—workers cannot rely on the state to provide for them in sickness, unemployment or old age. It has been argued that the Japanese are exceptionally frugal but the reality is that they have to be. Also the owners of small businesses have to save to finance investment, since they can't get easy access to credit.

The slight falling off of savings in the last three years followed the trend to increasing state spending on welfare, indicating that the savings rate is a matter of necessity, not choice. The reason why the state has been able to get away with such a small welfare function is related to the 'dual economy' and lifetime employment. On the one hand, the large companies have provided some benefits and security to their permanent workers. On the other, agriculture and small industry have been able to absorb surplus labour in recession.

An important feature of Japanese capitalism is the existence of very large enterprises dominating the economy, alongside many small and medium sized companies.

The effect of this 'dual economy' is far-reaching, involving productivity, wages, employment and the structure and activity of the trade unions. The following figures give an indication of its extent:

No of employees	Employees by factory size %		
	Japan	West Germany	USA
1-99	56.5	20.1	24.8
100-999	28.8	42.4	46.5
1000+	14.7	37.5	28.7

The same MITI White Paper on Small and Medium Enterprises in 1977 revealed that workers in companies with more than 1000 employees earned as much as eight times the wages in companies with 1-3 workers, and about three times as much as workers in companies employing 1-9 workers. Hours differ considerably too: the average working week in small companies was 45 hours, in medium sized ones 43, and in large ones 40. Working conditions and benefits are worse too in small companies, and the level of unionisation declines sharply with the size of the company.

Many of the small companies are integrated into the production process of the large ones. This means that the large companies have been able to take advantage

of the newest technology and the economics of scale associated with large production runs. At the same time, they are tapping the cheap labour employed by the small companies.

It is not surprising to discover that the areas of production which have been the most internationally competitive are those most engaged in subcontracting: cars, electrical goods, machine tools and ship-building.

The 'dual' economy also explains the fact that *overall*, Japanese productivity is still lower than that of its western rivals. In 1979, Japanese productivity levels were estimated as 63 percent of US levels and 70 percent of those of France and West Germany if all types of economic activity are taken into account. These figures include agriculture. In Japan agricultural output per acre is very high, but per person is extremely low—if Japan is 100 on the latter measure, the UK is 249 and the US 412.

Rates of growth of overall productivity in the 70s were not very different in Japan from those in West Germany, France or Belgium, though higher than the US or UK.

Manufacturing industry gives a different picture, though even here Japanese productivity only exceeded France and West Germany in 1979, and still lags behind American levels.

The small and medium sized sector and agriculture has acted as a huge reserve army of labour for the big, internationally competitive sector.

But the 'safety net' aspect of these sectors cannot possibly function if there is a sustained economic crisis rather than merely cyclical fluctuations. It has already been undermined by the declining importance of agriculture in the economy.

Of course, there has been a heavy price to pay for the 'miracle' and it has been paid by the working class.

The working class

In common with every other ruling class the Japanese capitalists have had particular ways of containing and incorporating the working class. The best known of these are the lifetime employment system, wages by seniority, and enterprise unionism. But capitalism is a dynamic system, constantly transforming the labour process and the working class itself. The pace of change in Japan has been rapid and the structures of control have not remained static.

The development of capitalism itself continually undermines such structures since they form an obstacle to further development at the same time as they serve to contain the class struggle. For example, the boom sucked more and more workers from the land into the cities.

Although the proportion of the workforce on the land remains quite high at 10 percent, thanks to government subsidies, the links between town and country have been increasingly weakened. These links were very important, materially and ideologically.

Workers, especially women, who were forcibly retired from the industrial work-



The Tokyo Stock Exchange

force were supposed to return to the farm. It would be common for other workers to be seasonally employed in industry, and live the rest of the year from farming. This still happens, but much less.

This was an aspect of Japanese society which could not survive the process of advanced industrialisation.

Within industry, the lifetime employment system or 'nenko' and the so-called escalator—where wages rise with age, have survived but with modifications. They are likely to be under increasing pressure with the onset of crisis.

There is no doubt that they have performed the crucial role of dividing the workforce. Lifetime employment is usually presented as an equal contract between worker and employer—the unquestioning loyalty of the worker in return for the employer's guarantee of job security for life. This is often embellished by referring to the Japanese reverence for harmony, the 'group' mentality or the emperor-system.

In fact, lifetime employment applies to a minority of the workforce. Estimates vary from a fifth to less than a third. This fact alone dents much of the image of the happy, loyal Japanese worker.

Permanent workers form a higher proportion of workers in big industry than in small industry. In a way, they constitute a labour aristocracy. But even for them there are major drawbacks to the system. They will

be retired earlier than is usual here—by 55, perhaps earlier. Since pensions are so poor, they will have to find another job. They may be taken back by their company in a different job, or by another. Either way, they will earn only about half as much.

Then, there have always been ways of dealing with a surplus of permanent workers. They can be shifted from one branch of production to another in the big conglomerates. For example, the shipyards, hit in the mid-seventies by the world crisis of overproduction, shifted workers from the yards to the motor or aircraft companies within the group, or sometimes to distribution. Workers who didn't want to move were faced with a choice: move or you're out.

Lay-offs were used, now increasingly so. Workers are kept on the payroll, but at basic rates, partly subsidised by the state. Early retirement (even earlier, that is) has also been in greater use.

It was also never a problem to get rid of rank and file militants or other troublesome individuals, usually with the co-operation of union officials.

What about the rest of the workforce, those not covered by permanent employment? The picture varies, but a typical big company might employ, in addition to its permanent workers, three other types of workers.

Firstly, the 'committed non-standard' workers. Unlike the permanent workers who



are taken on from school, these are taken on at some point during their working lives, attracted by higher rates of pay and better conditions. But they don't get the same rises or promotions as permanent workers. In theory, they will be kept on until retirement, but can be sacked if 'economic circumstances' demand it.

Then there are the temporary workers. These are hired and fired according to the needs of the company. They earn much less, and are usually unskilled, but not always. This category was very important in the fifties and early sixties: in 1957, 19 percent of the workforce in the car industry was temporary. Of Toyota's workers in 1961, 52 percent were temporary. But as sustained growth continued, this category declined in importance, to perhaps five percent, to reemerge in importance after 1973.

Finally, subcontracting isn't something which just occurs outside the factory. There may well be workers in the factory, working side by side with other workers, doing the same jobs, who are not employed by the company but by a subcontractor. Their (much lower) wages are paid over to the subcontractor, and they have no security at all.

The growth of casual and part-time work since 1973 reflects the desire of employers for more flexibility in hiring and firing since the first signs of crisis appeared. It has taken one form of increasing employment of women in part-time jobs. In common with the rest of

the advanced capitalist countries during the boom, Japanese firms encouraged women to enter employment. The kind of work they do follows a familiar pattern: unskilled factory work, clerical and secretarial, nursing, primary school teaching, and the like.

Since 1975, there has been an increase in the number of women in their forties who are at work, sixty per cent and rising. Also in the age-group 25-29, 50 percent now work, as against 43 percent in 1975, indicating a larger number of women wanting to work after marriage and childbirth. Overall, 48 percent of all women are in employment.

In one respect, they are even worse off than working women elsewhere. The seniority wage system means that they earn only 46 percent of the male blue collar wage, and 48 percent of the male white collar wage. Part-time work is pro-rata even worse paid than here.

While part-timers remain in their jobs half as long as full-timers, work as many days per month, and only two hours per day less, they earn only *half* as much as a full-timer.

The 'escalator'

The system of starting workers from school or college at very low wages and paying them increases on the basis of age is a unique feature of the Japanese system. However, its importance has tended to decline during the boom years, as employers

have brought in more and more payments of the productivity and incentives kind, and as more battles have been fought over bonuses. Still, it was and remains an important instrument for the bosses.

Originating out of deals for a living wage in the postwar crisis, it was closely bound up with permanent employment and the emergence of unions encompassing only workers with a guarantee of employment.

In effect, it means a company pays the wage bill for a given worker over his life-time with the company, in a different distribution from what would be normal here or in Europe and America.

The system has tended to curb, but not eliminate job mobility. This is because at a certain age, probably the late twenties, a worker cannot match, let alone increase, his wages by moving to a different company. His seniority counts only with that company. By staying there, he is sure of certain rises, and could get more if promoted. Promotions depend on good performance, that is keeping your head down. Whereas here, a manual worker has to be militant to raise his wages, in Japan there has been a false 'career' structure for some blue-collar workers.

The system also helped to reduce the extent to which employers were bidding against each other for skilled workers in a situation of full employment. The seniority wage and 'career structure' has also had pernicious effects on the unions. Union reps tend to be drawn from older workers, in the lower supervisory grades, who then frequently rise. Negotiations are therefore often carried on between those who have been promoted and those who expect to be. The Japanese employers body concerned with labour relations, Nikkeiren, recently boasted that one in six company directors had once been union representatives.

The Japanese factory, then, is a very divided place. It is also a highly repressive one. This is not merely due to increased automation and a faster speed of work. It is also due to 'better employee management'. That was the conclusion of a recent report, investigating the reasons for higher productivity in Japanese car plants than in American ones.

'Employee management' in Japan means organising the process for work in the most efficient way, and then ensuring that workers operate it in the most efficient way. So Japanese factories have a high level of supervisory personnel—one for every fifteen or twenty workers.

Whereas in Russia, a relatively backward capital, there are production norms, in Japan there are quality norms. These too are constantly upgraded. Looked at in this light, quality control circles are not a sign of co-operation between workers and management as they are usually presented, but tools for control of the workforce. All the other ways in which Japanese workers supposedly participate in the running of their companies are ways in which the management pits one group of workers against another.

In many cases, the union structures and the shopfloor representatives are integrated



Striking railworkers stage sit-in protest on track

into this, seeing their role as to increase productivity and enhance quality, not to defend workers and extend their control over the work process.

So how have Japanese bosses been able to get away with all this? Are there any real unions in Japan, and do they fight?

To answer these questions requires a historical detour to the late nineteen forties, when Japan was under American occupation.

Leaving aside the rhetoric of 'democratisation' the policy of the US government was in accord with its overall postwar strategy—to make the world safe for American capital.

What happened was that as powerful forces for fundamental change—above all the Japanese working class—flexed their muscles, the occupation authorities moved to choke off the process and reinforce the position of the Japanese ruling class.

The labour movement, which had been weak before the war, and subjected to enormous repression after 1937, grew phenomenally immediately afterwards. Union membership had reached a pre-war peak of less than half a million. By December 1946, membership was four and a half million, or about half of non-agricultural workers. Strikes broke out continually. One common tactic was 'production control' when the workers took over the factory and ran it until their demands were met.

In May 1946, the occupation authorities, under General MacArthur, moved against organised workers. On 19 May about a quarter of a million workers demonstrated in Tokyo, against food hoarding, the emperor and the government, which wavered. MacArthur successfully stopped the movement by threatening to intervene.

The power of the occupation against the trade unions was demonstrated again and again throughout 1946, as the authorities engaged increasingly in straightforward union-busting.

The crisis

In spite of this, plans went ahead for a general strike of government employees in early 1947. Economic conditions for many workers were desperate, with rising prices and severe food shortages as hoarding continued. The proposed strike became a focus for organised labour against a rotten, corrupt government. But its political leadership was weak. When MacArthur failed to pressurise both sides to a compromise, he forbade the strike. The movement collapsed.

The offensive of the government and the occupation was stepped up in 1948, with severe legal restrictions on the government employees' unions, which as large national bodies, represented the major threat.

Within the unions, the Americans were also working to undermine militancy and particularly, the influence of the Japanese Communist Party. 'Democratisation

Leagues' were set up as anti-communist cells inside Japanese unions within Sambetsu, the national federation allied to the JCP. All efforts were put into getting Japanese unions to affiliate to the ICFTU and to bring organised labour under the control of a new right-wing socialist federation, Sohyo.

The years 1949-50 saw the labour movement hammered by the Dodge Plan — deflation and mass sackings, and the purge of communist and other activists from the unions. Many of those sacked were got rid of under the pretext of the retrenchment programme — 176,000 government employees were sacked alone. It was certainly no coincidence that retrenchment fell heavily on the areas of greatest militancy, in the private as well as public sectors.

These figures show the damage done to the unions: between 1949 and 1950 union membership dropped by almost a million, and by another 850,000 in the following year. It recovered somewhat in 1952-4, but still stood below the 1949 level. Worse, it failed to keep pace with expanding industrial employment, falling from 45% of the workforce in 1949 to less than 40% by 1954.

The outbreak of the Korean War in 1950 introduced an intensification of the purges, driving the Communist Party underground and leading to wholesale sackings of 'security risks'. The occupation had tipped the balance in the class struggle, during the crucial post war years.

This series of terrible defeats set back the Japanese working class in a similar way to the effects of McCarthyism in America. In conditions of severe economic crisis, unions

emerged which represented only the interests of permanent workers in large companies, the enterprise unions. These are in many cases genuine unions, but with severe limitations. They are open to management manipulation to a great extent. They perpetuate, rather than challenge, the divisions in the workforce.

'Yellow' unions

Not all the unions in Japan are enterprise unions. The public sector was the area which formed the vanguard of militancy immediately after the war and consequently a target for the legislative restrictions and purges by the government. Nor did this in the long run put a stop to their militant role: everyone must have seen the striking workers of JNR (Japanese National Railways) on television.

The famous Spring Offensive or Shunto is the main way in which attempts have been made to overcome the fragmentation of the labour movement. A key section of workers goes into struggle on behalf of the movement, and the result of this is a kind of pay standard for the rest. Introduced in 1955, the Shunto gained in strength and its successes were considerable during the sixties. Average pay rises hit 17½ percent in 1970, having risen steadily since 1965. The average length of the strikes in the Shunto is very short—only two or three days.

Although the Shunto appears during the boom to have had some effects in narrowing startling wage differentials between big and small industry, it apparently did not affect wage differentials inside enterprises, and the unions at no point really challenged the structure of the workforce divisions or enterprise unionism.

Yet they can be militant. This is shown not only in the deals they do over fringe benefits, but in the fact that managements have often resorted to splitting them by setting up 'second' or yellow, unions.

The employers also have to preserve the union bureaucracy by keeping its base, the permanent workers, reasonably happy. It may be more difficult for this bureaucracy to sell out its members over anything crucial, like job security itself, since they have no other base.

Recession

The union leaders in Toshiba have only got Toshiba workers. Moss Evans has more than just Cowley. That proposition may come to the test sooner rather than later as employers demand more and more flexibility to deal with the crisis. The introduction of robots on a large scale has only led to militant rhetoric so far, with employers promising no redundancies. It is unlikely that they will keep that promise.

It is now obvious that Japan isn't invulnerable to the world recession. The signs of it have taken longer to appear than elsewhere. The reason for that has been the continued growth of Japanese exports, while trade isn't as high a proportion of Japanese GNP as it is in Britain, the contribution of exports has been crucial to sustaining growth

recently.

Now that has come to an end. In 1982, the value of Japanese exports fell by 8.7 percent, after rising by 17 percent in 1981, and 26 percent in 1980. Overall growth slipped from the five percent mark in 1976-79 to 3.3 percent in 1981 and looks like being less last year. Real GNP actually fell in the last quarter of 1981 for the first time since 1974.

The areas where the world crisis of over-production first sharply appeared—ship-building, steel and petrochemicals—also suffered first in Japan, indicating quite clearly its vulnerability.

Unlike in the sharp slump of 1974-5, when Japan recovered very quickly from zero growth and 24 percent inflation, this time the world crisis is deeper and more generalised.

Besides suffering from recession in its export markets, Japan is also affected by other factors. One is the response of protectionism which has been steadily growing, especially in the EEC and the USA. Apart from the trade wars between them, they are united in attacking Japan.

The Japanese government has responded with agreements on the 'voluntary' restraint of exports. But this is in no way a solution. Protectionism is contributing already to a fall in world trade, and it is inevitable that there will be increasingly cut-throat competition for a shrinking market.

Rationalising

Meanwhile, back in Japan, the workers there are being fed the same story about the need to be competitive and take lower wages. In particular they are 'threatened' by the cheap labour of workers in South Korea, and Taiwan. As you can see from the table of wage rates, Japan is now no longer a cheap labour economy in comparison with those countries, while British rates of pay are roughly the same as Japanese ones. Japanese capitalists are worried about their markets in Asia, which South Korea particularly is breaking into.

Another sign of the crisis is the breakdown in the 'informal' welfare state. There has been rising government spending on social services and pensions. Still inadequate, but because it has not been accompanied by rising taxes, and because recession has caused a fall in revenue from existing tax rates, there has been a substantial rise in the public sector deficit. There are monetarists in Japan too, who are arguing much the same things as their British counterparts—cut the deficit, by cutting spending, cut taxes, let the market take its course.

Meanwhile unemployment is at its highest level for thirty years. The official figures, at 2.7 percent look incredibly low by our standards. In fact the true figure is at least twice as high. This is because it excludes layoffs and anyone who has worked for even one hour in the previous week.

Japan has also experienced the fall in importance of manufacturing industry in the economy relative to services which has been a common feature of all the advanced economies. But as we have seen, much of the service sector is very inefficient. Rationalising it

is bound to result in much higher unemployment. In 1980, the tertiary sector employed 55 percent of the workforce, as against 38 percent in 1960.

Externally, the expansion of Japanese capital abroad, in Asia and in the advanced economies, threatens the tidy relationship of private capital and the state. Japanese companies have been at the forefront of 'off-shore' production in South Korea and now, increasingly, India. But the products of these cheap labour economies threaten the 'national' industries based in Japan.

In order to avoid protection, Japanese companies are involved in more and more production inside the EEC and America, and more and more joint ventures with other multinationals.

Defence

The tensions between the statification of capital and its internationalisation are present in Japan, just as they are elsewhere.

One very important development recently has been the announcement by the new Prime Minister, Nakasone, that the one percent of GNP spent on defence is not a sacrosanct limit. The new five year plan for defence spending envisages a rise in spending of between 6.3 and 8 percent per year in real terms. Given falling GNP growth, the 1 percent limit could be breached as early as next year. Military hardware spending is to increase much faster—between 19 and 20 percent per year, or 28 percent of total spending, up from 19 percent in 1973-82.

That means that in quality as well as quantity the defence budget will be worth much more to Japanese industry. British stockbrokers Philips and Drew are already advising clients to invest in companies like Mitsubishi Heavy and Electric Industries, Japan Aircraft and Japan Aviation Electronics. They point out that the Japanese government bases its contract pricing on cost-plus-fee. The fee or profit is partly determined by the average profits of the contractors over several years! All in all, Japanese heavy and electronics industry is likely to be happy about the rise in defence spending.

There are still some hurdles to go, in terms of the Constitution and Japanese popular hostility to rearmament, before Japan can get its 'fair' share of the lucrative arms trade, but Japanese capitalists have taken a step towards it. It could also be a way out of the taxation crisis, since one thing they are prepared to pay for is a higher defence budget.

The fact that Japan is much more similar to, than it is radically different from, other advanced economies won't stop the peddling of myths by our ruling class about it. Partly they believe them themselves. In the seventies, they were frequently heard extolling the virtues of Sweden, Switzerland, Austria and West Germany as 'models'. They dabbled in the idea of 'worker participation', German-style. Now they are clearly drawn by Japan. Some of the Tories, in their obsession with small businesses, may think hopefully of the dual economy. But the particular development of another capital

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cannot be transported to Britain, though aspects of it can be. Those aspects take the form of an attack, ideological and practical, on workers' conditions. Such is the Ford offensive of 'Before Japan' and 'After Japan'.

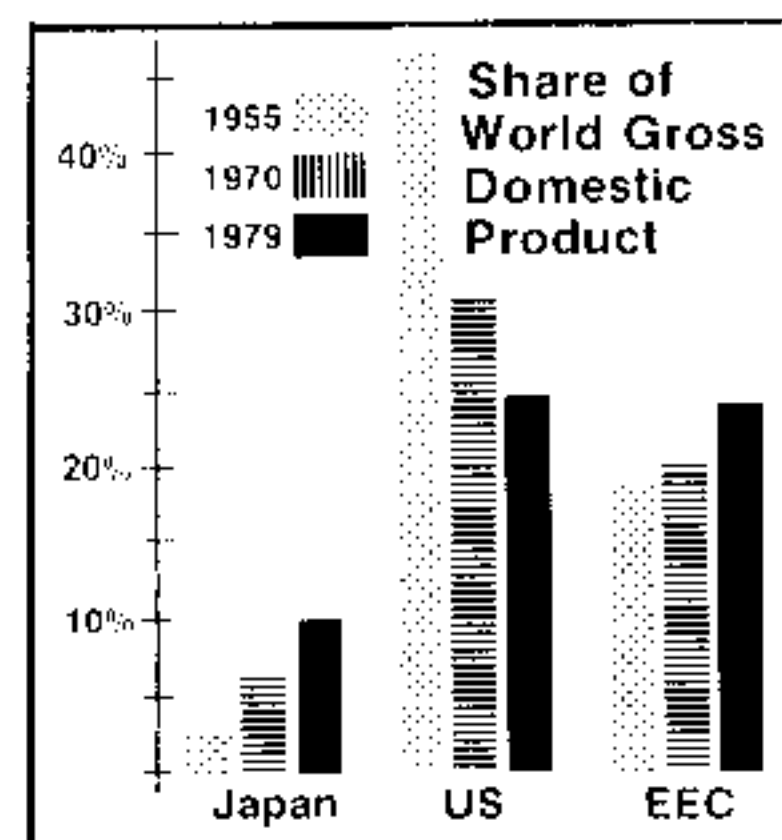
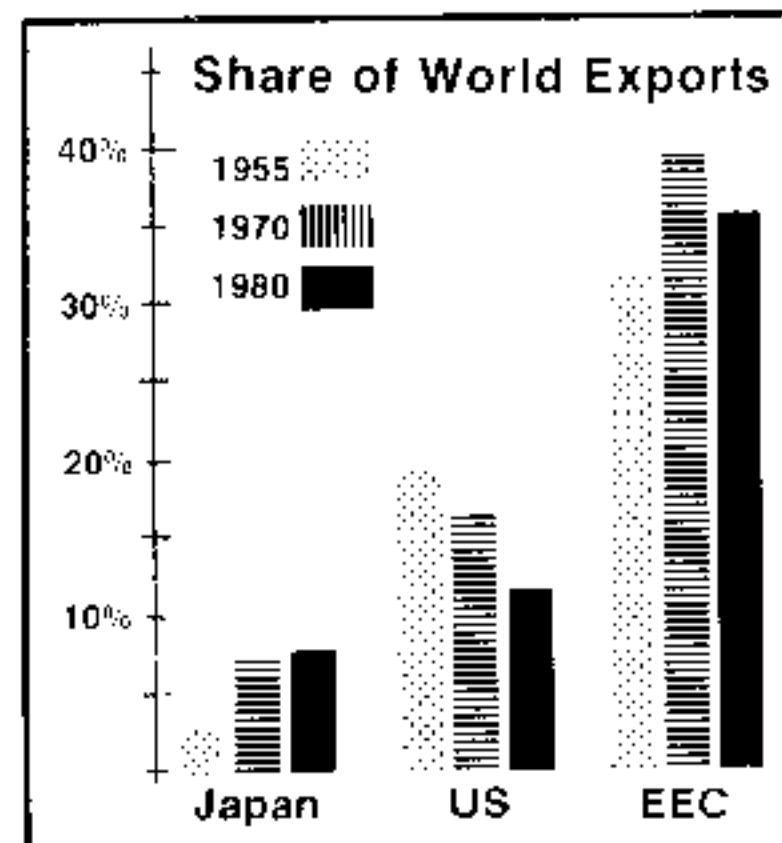
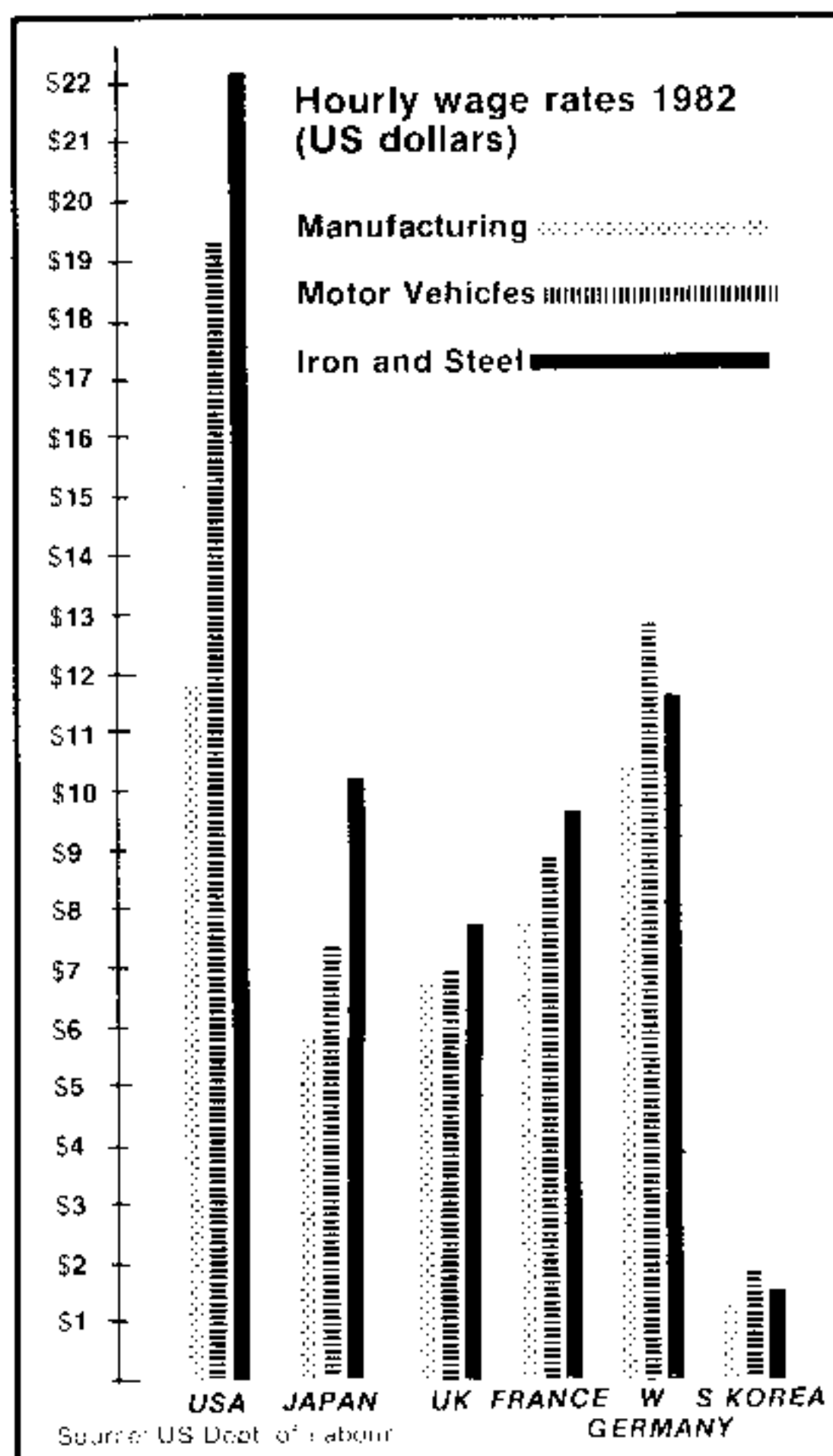
The onset of crisis in Japan will not lead to any dramatic developments in the class struggle, especially as the revival in the US economy may help to temporarily pull up growth in Japan. But the postwar set up has changed. The mechanisms for incorporation are tending to disintegrate under the pressures of economic crisis. The ruling class itself is forced to undermine the basis of class collaboration in a number of ways—by

sackings, attacking the less productive sectors—in order to raise profits.

The structures outlined in this article aren't rigid and unchanging. They have undergone modifications during the boom—and any sustained crisis will put them under severe pressure.

The growth of rival capitals in East and South East Asia threatens the dominance of Japan in the region: economic and military tensions are bound to grow.

In short, Japan is not unique. It is part of a crisis ridden system, and has a huge and potentially very powerful working class. When it will move can't be predicted, but that it will move is certain. □



Savings and Welfare

	Consumer saving % of disposable income	Social Security Expenditure as % of Gross National Product
1969	19.2	0
1970	20.3	4.6
1974	24.3	6.2
1977	22.8	9.0
1978	23.0	9.5
1979	22.4	10.0
1980	22.1	10.3
1981	20.8	n.a.

Source Full Bank OECD

Programme for defeat

The British shipbuilding industry has been butchered over the past few years, and there are plans for further closures. Dave Sherry shows how these cuts have only been possible because of the connivance of the unions.

British Shipbuilders have definite plans to sack 20,000 of their workforce and close 5 Scottish yards—all within 18 months. This bombshell, reported in *Socialist Worker* last month, was confirmed by management sources last week.

Since the industry was nationalised in 1977 the workforce has been cut by almost a third. Much of the credit for this 'achievement' has to go to the shipbuilding unions. Both national officials and senior stewards have bent over backwards to co-operate with management, increase efficiency and improve labour relations. Their willingness to accept and abide by the notorious 'Blackpool Agreement' has been a disaster for the workers they represent. Only a few months ago 3,000 jobs were 'voluntarily' lost on Tyneside.

The world recession has played havoc with shipbuilding. The intense rivalry has meant that British Shipbuilders (BS) simply can't compete with the heavily subsidised Korean yards in the mad scramble for declining orders. The Tories are keen to use this opportunity to put the boot into what was once a powerful and well organised group of workers. They plan major changes in line with what's been happening in the mining and steel industries.

Flaws magnified

That's why BS management are jettisoning the 'Blackpool Agreement' and stepping up their offensive. Now they are demanding union acceptance of mass compulsory sackings, yard closures where and when necessary, a wage freeze this year, and for the foreseeable future a dramatic improvement in productivity and interchangeability.

Management have told the Confederation of Shipbuilding and Engineering Unions that if they don't co-operate, the Tories will let the Company go to the wall, and hive off the profitable naval yards to private bosses.

Clydeside will bear the brunt of these new sackings. Scott-Lithgow's at Greenock, the Govan Yard and Barclay-Curle in Glasgow, already face massive redundancies. The new threat means they could all be closed next year. Even the profitable Yarrow's naval yard, previously regarded as safe, could now be facing large scale sackings within months.

The threat is as bad as that planned by the Heath Government in the early 70s. Then, the 'No Lame Duck' policies for butchering



the Clyde were abandoned because of the Upper Clyde 'work-in', and the tremendous solidarity it generated throughout Britain. The UCS campaign, with all its shortcomings, did help turn the tide against the last Tory Government, but this time around history doesn't look like repeating itself.

A heavy price is being paid for the glaring weaknesses that have developed in the Clyde shop stewards' organisation over the last 10 years. The flaws that could be detected during the UCS campaign are magnified under the conditions of the present downturn and these weaknesses are now much more decisive. Shopfloor organisation, something that many stewards have neglected and taken for granted for years, is now in bad shape, and workers' confidence has been ground down by the combination of an aggressive management and union complacency.

All talk

Basic solidarity between yards and trades—one of the features of the UCS campaign—hardly exists anymore. Each shop stewards' committee is now more concerned with winning orders and behaving sensibly, than in rebuilding shopfloor confidence and resistance.

The workers at Scott-Lithgow and at Govan have held mass meetings and voted against the sackings. Formally the union

leaders and senior stewards talk of opposing these plans. But so far it's all talk, and not so militant at that. The convenors and shop stewards' committee have studiously avoided any mention of industrial action, partly because of fear of losing the vote and partly because they think they have better tricks up their sleeves.

For instance, Sammy Gilmore, convenor at Govan, claims 'A UCS style political campaign will be mounted'. What he really means is that the stewards will dominate the campaign, they will only call for action as a last resort, and even then it should be avoided like the plague. Instead the senior stewards will mount a popular front with church and community leaders to win sympathy and embarrass the Government. The same thing is happening at the Greenock yards where the shop stewards' leadership are attempting to postpone the inevitable, by sticking their heads in the sand.

It's also significant that the union leadership—including the stewards' committees, are running away from any fight against the wage freeze, claiming it would detract from their campaign to save jobs.

Sammy Barr, one of the personalities from the UCS campaign, and now Chairman of the National Shop Stewards Combine, illustrated the utopian stance that the leadership has adopted, when he wrote in the *Morning Star* of 21 April 'Our task is to oppose these cutbacks with all the fight we can muster.' Yet most of his article is devoted to telling us how badly 'the country needs our shipbuilding industry' and why the Tories must save it. Nowhere does he even hint at what action will be needed to make the Tories perform this somersault, but instead finishes off with the customary call for a Labour Government to carry out socialist policies to save the industry.

No short cuts

Clearly the official union campaign is going nowhere. Unless the workers in the threatened yards are prepared to take action then they are headed for a massive defeat. No yard is safe from this onslaught. Even those with a healthy order book will suffer. Their wages will be frozen and they'll be forced to work harder, in worse conditions, under tougher supervision.

Clearly there are no short cuts and no easy answers, but only by preparing for industrial action can jobs be saved and wages and conditions defended. It was the threat of widespread action and solidarity that halted Heath during UCS. Occupation of the threatened yards to hold the boats and oil rigs under construction, is the only way forward. The present policy of sitting back is allowing management to complete their orders while the workforce works itself onto the dole.

But militancy alone is not enough, for the rank and file can't be turned on like a tap. Unless the basic socialist arguments are taken up by a greater number of militants, then the policies of the present leadership will prevail. The task facing every socialist in the yards is to carry those arguments with the individuals around them who are prepared to fight.

The phoney alternative

The French Socialist government attempted to introduce something very like the Alternative Economic Strategy when it took office. Pete Green looks at the reasons for its failure.

On 29 March the Labour Party issued its programme for the 1980s, titled with predictable wit and vision, 'The New Hope for Britain'. Michael Foot called it 'the real alternative to the economic and industrial disaster which modern conservatism has inflicted.'

Less than a week earlier, the 'Socialist' government in France announced its second major austerity package in nine months. That came in the wake of a rightward swing in the French local elections, massive speculation against the franc, culminating in the third devaluation of the currency by that government since arriving in power in May 1981.

The Mitterrand government came into power with a set of promises matching those of the Labour Party today. It too was going to reverse the damage done by the monetarist policies of Raymond Barre the outgoing Prime Minister. Job creation would have the highest priority. A combination of massive expansion and state intervention in industry would restore the competitiveness of the French economy, and produce sustained growth.

Austerity package

Little more than a year later, in June 1982, much of that programme was effectively abandoned. A severe wages and prices freeze (with the emphasis on wages) was introduced along with an austerity budget in which the expansionary plans were abandoned, and 'fighting inflation' became the new priority. Even that was not enough. The latest austerity package is savagely deflationary, reducing the level of domestic demand by about 65 billion French francs (or roughly £6 billion).

On the admission of the French Dennis Healey himself, Minister of Finance Jacques Delors, the new measures will mean zero growth for 1983, and add an extra 100,000 to the dole queues. French living standards will fall, according to one commentator, for the first time in 30 years — and it's a fair bet that workers will take the brunt of that, through job losses, increases in social security contributions, and wage increases limited to 8 percent with inflation around the 10 percent mark.

The *Financial Times* was quick to make the connection. As its editorial of 26 March put it:

'The economic isolationism which is the threatening new theme in Labour thinking is sheer escapism ... Labour's thinking might be summed up in the title of a 1960s musical—'Stop the world, I want to get off'. But in economic reality, as President Mitterrand has realised, it cannot be done.'

The Tories have been quoting the French debacle for months to show that as they see it, 'there is no alternative'. Indeed the *Financial Times* had to warn Geoffrey Howe for gloating so often about the French failure that it was damaging negotiations with the Mitterrand government over such issues as the Common Market budget.

The Labour Party leaders have, however, responded only with an embarrassed silence. That's not too surprising. After all, the language used, and the promises made by Foot, and Shore, in launching their programme, were cerily reminiscent of what Mitterrand said in his election campaign: ('Our priority will be to create jobs ...' said Foot on 29 March. 'A massive £10 billion expansionary package to put Britain back on its feet is needed,' said Shore).

Rightward swing

Yet at the time *Tribune* described Mitterrand's victory as the 'first salvo in the attack to drive back the new madness of monetarism which has affected so much of the Western industrial world.' In the Bennite magazine *New Socialist* (January 1982) Dennis Maeshane went quite over the top:

'The Labour Party is incredibly lucky to have France governed by the Socialist Party under François Mitterrand... lucky because this is surely one of the finest opportunities ever offered to the leadership of the labour movement ... to examine in detail the attempt to apply a sophisticated socialist programme aimed at irreversible change based on democratic consent, to a modern industrialised capitalist society.'

Socialist Worker was always clear about what would happen, as Phil Evans' cartoon first published in May 1981 shows. That wasn't an accident. Our analysis then rested on a sober Marxist appraisal of the nature of the crisis and the appalling record of every single reformist government this century. But we have no reason to sit back and gloat with Geoffrey Howe. Events in France are a setback for the left, producing demoralisation and a swing to the right amongst French workers. We do need to examine in detail, what has happened to show why Labour's alternative is phoney, and to consider what the real answer to the crisis has to be.

The article by Bill Webb in last month's *Socialist Review* spelled out what the latest events have meant politically inside France itself. Here I want to focus specifically on the lessons of the economic experiment which

the Labour Party would now prefer to ignore.

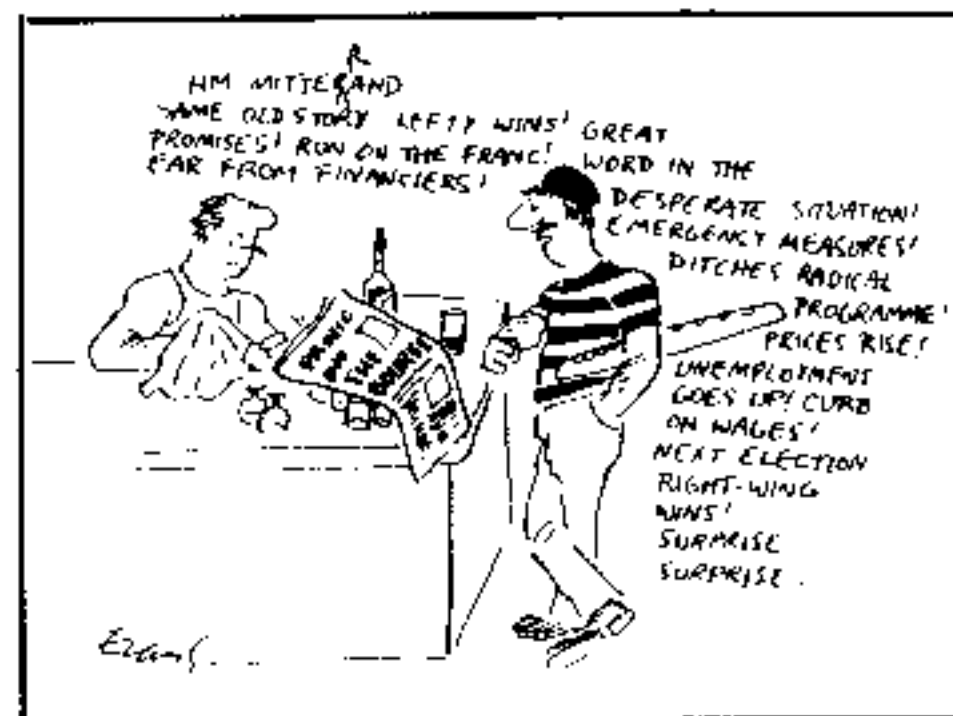
One type of excuse for what's happening needs to be dismissed straight away. The failure cannot be simply attributed to the character of those in charge, to a weakness of will, or a 'right wing' leadership (anymore than the record of the 1974-79 Labour government can be explained away in the same fashion).

Certainly Mitterrand himself has a record which includes being a member of the cabinet which waged the ruthless war in Algeria in the 1950s, and matches that of Harold Wilson for political deviousness. On foreign policy and nuclear war he has proved even more of a cold warrior than his predecessor President Giscard D'Estaing.

The rest of his cabinet is little better — with the Finance Minister Delors having served as an advisor to a right wing government in the early 1970s. The leader of the Socialist left, Chevènement, who calls himself a Marxist, has, it is true just been dismissed from the cabinet. But whilst in office he called for a slowing down of the pace of reforms, and his speeches revealed a nationalism far more strident even than that of Tony Benn. The Communist ministers are still in the Government but that, given their record, is scarcely an indicator of its 'left wing character'.

It is also true that even the initial programme of the new administration had little or nothing to do with socialism, in the sense that the SWP and the Marxist revolutionary tradition understands it — the self-activity of the working class, the destruction of capitalism and the replacement of the existing state machine by a system of workers' power. Even the extremely mild proposals for elements of 'workers' control' in industry were rapidly jettisoned. Mitterrand's '110 proposals' for the election included the right of veto to factory committees on issues of 'employment, redundancy, work organisation, education schemes and new technology'. On 6 September 1981 Prime Minister Mauroy declared:

'The government does not intend to question the right of the owners to make decisions. There is no question of instituting a right of veto over redundancies.'



It needs to be understood that, by the standards of Alternative Economic Strategies, what the French Socialist Party proposed was more coherent, and certainly as radical, as anything which has emerged from the Labour Party in recent years. At its heart lay a good old-fashioned policy of Keynesian reflation — pumping money into



Mitterrand inspects 'socialist' nuclear weapons

the economy through increases in public spending, welfare benefits and wages.

But this was, like the AES, to be a policy of Keynesianism with teeth, capable of dealing with a slump on the scale of that which hit France in 1980-81. The expansion of demand was to be backed up by nationalisation of the banks and major companies, wholesale state intervention in the economy to increase investment and production, and a battery of controls over trade, foreign exchange movements and prices. In that respect at least the claim that this was the most radical programme of any socialist or Labour government in Western Europe since the 1940s, had some justification.

Moreover there was a serious attempt to implement the strategy. Some ministers, including Delors, were openly critical of the pace of reforms. Some measures benefitting workers such as maintaining pay when the working week was cut from 40 to 39 hours, were only introduced in the face of strong pressure from the unions and a mini-strike wave. From early on the notion of redistributing wealth towards the working class took second place to the priority of expanding the economy.

Nevertheless the massive reflationary package was launched with public spending rising by 27 percent and for a while had a limited impact on the economy. In 1982 unemployment in France rose by only 5.8 percent compared to 23 percent in 1981 (though it still rose). The economy grew by 1½ percent despite falling towards the end of the year as a result of the impact of the first austerity package and pressures from the world economy. The growth target had been 3 percent but by the standards of the rest of Europe in 1982, any growth at all seemed an achievement.

Nevertheless that 'achievement' rapidly put an enormous strain on the French economy, and on the balance of payments in particular. Despite an early devaluation of the franc relative to the currencies of its

major rivals in the European Monetary System, especially the West German mark, the pressures on the foreign exchanges continued to mount. The French government soon found that, despite nationalising the banks, strict controls over the movement of currency abroad, pushing up interest rates, and heavy borrowing abroad — it could neither manage its own national economy nor control the movements of international capital.

By comparison with Britain, the structure of the French economy should have made such an alternative far easier to implement. There is a long history of state centralisation and control of industry in France. It was that arch-conservative General de Gaulle who nationalised four banks and the Renault car company at the end of the Second World War. Five-year plans in France date back to 1946. The French economy is generally less 'open', less dependent upon international trade and multinational capital than the British — although the dependence is still substantial. There is no equivalent in France to the City of London with its concentration of international finance, which is considered such a major obstacle by the British left. France is a member of the Common Market, but nobody seems to consider that much of an obstacle to a government doing what it likes.

Generous compensation

That history does partly explain why the state could nationalise nine major industrial companies and 36 banks, and provoke so little fuss or resistance. As one French banker told *The Economist* magazine, the nationalisations would 'change nothing in reality. Already no big business decision is taken by French industry without the implicit or explicit approval of the government.'

The resistance the proposals did meet, from shareholders inside and outside

France, was sufficient for the Government to pay extremely generous compensation. Share prices for most of the companies concerned actually rose when the terms were announced. Yet most of them were in a bad way, and six out of the nine made heavy losses in the course of 1982. The final cost of the programme was around 35 billion French francs (about £3.2 billion). One critic suggested that the Government could have obtained majority control of the companies instead of buying them outright for around a tenth of the cost. Certainly the record of attacks on working class organisation at nationalised companies, such as Renault, suggests that the major beneficiaries of the take-over have been the former shareholders.

The Mitterrand government's major commitment to bringing down unemployment depended less on nationalisation as such (which still only embraces 25 percent of French industry), than on the success of its expansionary programme as a whole in stimulating growth in production and investment. It is here that the failure has been most complete, the reversal of the strategy most 'humiliating'.

In both June 1982 and again in March the austerity packages followed on from major crises of the franc. On both occasions, weeks before a devaluation saw money pouring out of France, as holders of francs sold them for other currencies. Each time around 50 billion francs left the country, nearly exhausting the French reserves. But the currency speculators (who mainly comprised large multinational companies and state-controlled central banks in other countries) were merely the instrument through which the logic of international capitalism was imposed on the French government. More fundamental forces explain why the French economy was so vulnerable to such speculation.

The most elementary lesson of the French experiment is that Keynesianism in one

country is not possible, least of all in the depths of a world slump. The French attempted to expand their economy in isolation whilst governments in all their major rival economies were engaged in deflation, cutting public spending and wages.

The expansion of demand inside France led to a rapid surge in imports. Thus in 1982 demand for cars rose by 12 percent but demand for foreign cars rose even faster by 22 percent. That reflected the growing problems of competitiveness in the French manufacturing industry — made worse by an inflation rate which, even after falling from 14 percent to 10 percent a year with the prices and incomes measures of last June, was still twice as high as that of West Germany.

Whilst imports rose, exports fell by almost three percent in volume as a result of declining markets elsewhere in the world. The inevitable result was that the trade deficit doubled to around FFfr.93 billion. The deficit with West Germany alone was FFfr.38 billion.

One response of the Government was to go in for an overseas borrowing spree. Thus it borrowed around 2 billion dollars from Saudi Arabia on favourable terms, and a lot more on the Euromarkets, both directly and through the state-owned corporations, on terms which became steadily stiffer. One estimate (and the Government is very secretive about it) is that total borrowing in 1982 amounted to 25 million dollars.

Web of contradiction

At that rate, as the Bank of France reported, by 1985 France would be having to borrow just to repay the interest on the old debt. In other words, it would be in the same state as Brazil, Mexico and Yugoslavia — and forced to go begging to the IMF. Rather than suffer that fate, Mitterrand and Delors have decided it is better to impose an IMF austerity programme in their own name.

Even if they have not turned to the IMF, the parallels with the last Labour government are remarkably close. Once more we have a professedly 'socialist' government obsessed with winning the confidence of currency speculators and international bankers. Once again, it is a 'left wing' government which ends up launching an offensive on working class living standards greater than its right wing predecessor. Or, as one chairman of a nationalised company said last September, after Mauroy had revived a thirty-year old statute outlawing any agreements indexing wages to the level of inflation: 'Barre had never done anything as drastic as that.'

All that's left of the original policy is the emphasis on improving the competitiveness of French industry through a massive increase in investment. But here the government has run into another web of contradiction. Investment in industry fell by 3.5 percent in 1981, and by another 2.6 percent in 1982. The government's response has been to pour money into the hands of private and nationalised companies. But much of that has simply gone into propping up loss-making sectors such as steel,

chemicals, textiles and machine tools. The strategy of 'conquering the domestic market' has become a matter of bailing out lame ducks, and subsidising ageing uncompetitive chunks of private capital.

French capital's initial response to any measure which benefited workers was to scream loudly about rising costs and falling profits, and cutback its investment programme further — despite the increase in demand. In effect it went on an investment strike, something else which should be familiar to Labour leaders in Britain.

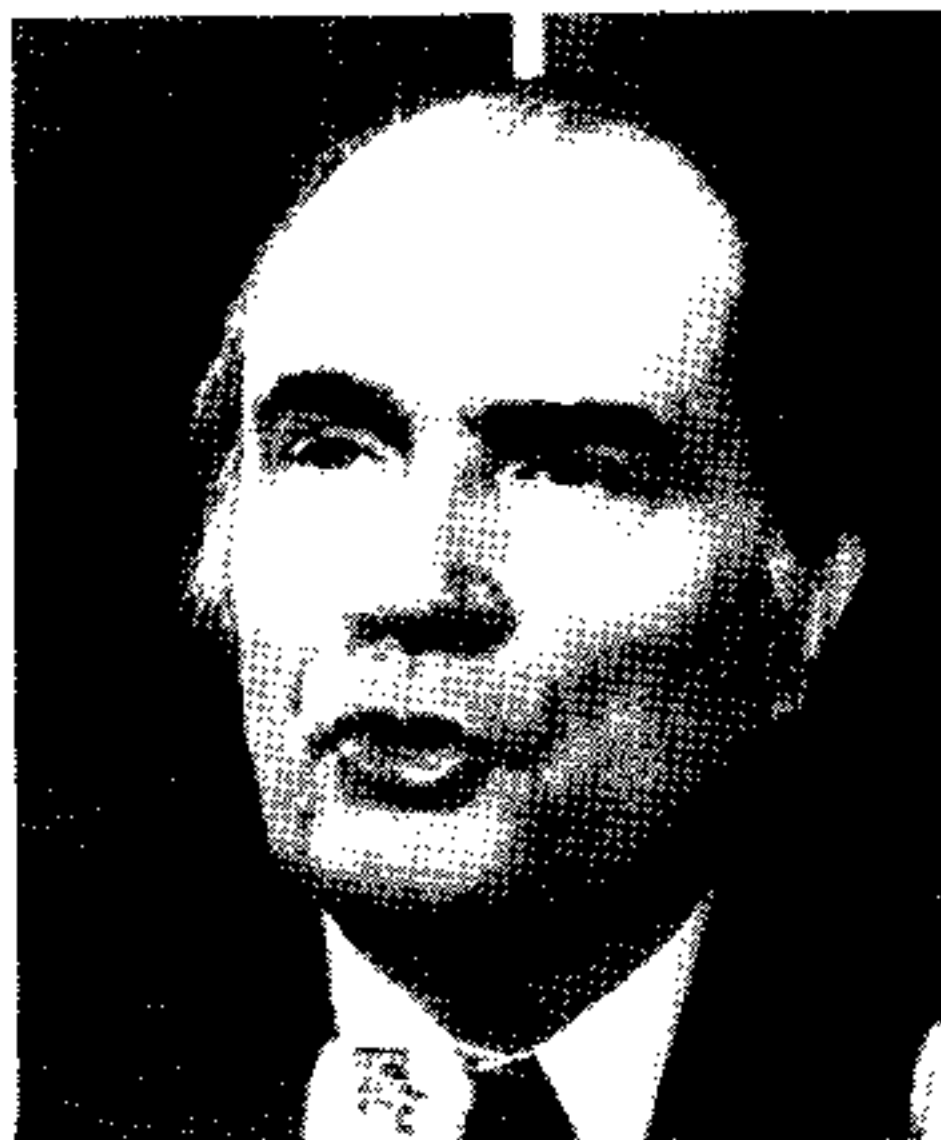
Now Mitterrand is giving them what they want, for example, the latest rise in social security contributions is falling solely on workers not companies. The promised reduction in the working week to 35 hours has been postponed indefinitely. So have proposals to raise the minimum wage again. But all this has merely encouraged the Patronat, the French employers' federation, to scream for more.

The obvious conclusion — the one that I'm sure most *Socialist Review* readers will already have drawn, is that a capitalism in crisis cannot be reformed even in the most marginal fashion. Nationalisations and state intervention in industry may well be acceptable to capital. But measures which benefit the working class will not be. The logic of the crisis demands that governments improve the competitiveness of their economies at the expense of wages and welfare — or suffer the consequences seen in France. That, however, is not the conclusion drawn by many commentators even on the left.

It's worth considering briefly three different responses to what's happened in France.

A *Guardian* editorial of the 5 April probably expresses the thinking in right wing Labour circles. It argues that Mitterrand's main mistake was that his 'prices and wages' freeze came far too late to repair much of the damage which his social measures had done to the competitiveness of French industry.'

In other words, he should have attacked working class living standards from the beginning. Certainly that seems to be the direction in which the Labour leaders, including Foot and Shore, are rapidly moving. That's what the combination of a 'National Economic Assessment' and Shore's



proposed devaluation means — wages will bear the costs of higher import prices, whilst industry gains from higher profit margins on its exports.

The response of the Chevènement-led 'left wing' critics of the austerity measures inside the French socialist party is rather different. In line with their nationalistic stance (shared by much of the Communist Party) they are advocating a resort to full-scale protectionism and a withdrawal from the European Monetary System. Typically they have put the blame onto West German capital and foreign bankers, whilst continuing to put their faith in working amiably with the bulk of French private capital. The implausibility of that is matched only by their blindness to the repercussions for the world economy, of France fuelling the already spiralling trade war. Moreover their policy still implies holding down wages, and shifting resources from 'consumption' to 'investment' to build up French industry.

More imaginative, but sadly no less implausible, is the third response which has been dubbed 'Euro-Keynesian'. It appears in a recent book edited by Labour left-winger Stuart Holland, called *Out of Crisis*. According to the blurb it 'promotes an international strategy to transform the crisis' and 'its contents will be debated at international conferences sponsored by the French and Greek governments.'

A genuine alternative

What's interesting about it is that it acknowledges something which revolutionary socialists have been saying for a long time — that the crisis is global in scope, and cannot be solved by any national government in isolation. Instead, it argues for a co-ordinated expansion by several governments at once. But the chances of getting a sufficient number of like-minded left wing regimes into power at the same time, even in Western Europe, are obviously minimal. The scheme flies in the face of political reality. Indeed any co-ordinated reflation will still expose the problems of uneven competitive strength between, for example, West Germany and France. It will not by itself resolve the basic problems facing capital of low profitability and chronically low investment levels.

To say this is liable to lead to accusations of political defeatism, or even of justifying the 'There is no alternative' line of the Tories. To talk of revolution is some would say utopian, to demand international solutions to a world crisis unrealistic. But it is the believers in easy solutions, those who continue despite the overwhelming historical evidence to put their faith in gradually reforming the system, who are the utopians.

Certainly there is a choice. The way capitalism works is brutal, absurd and unnecessary. A society based on producing for human need rather than profit, a society planned under the control of those who work in it, as opposed to the ruthless competitive anarchy of capitalism, would be a genuine alternative. To be realistic is to recognise that getting there depends upon removing those who will not abandon their wealth or power without a violent struggle.



Before the Pope's visit

On Mayday thousands of Poles clashed with riot police all over Poland. It was dramatic evidence that Solidarity is not finished. Colin Sparks looks at the background to these clashes.

When the Polish Army staged its coup on 13 December 1981 they had three priorities. First they had to dismantle the organisation of Solidarity. Then they had to build up a base of support for themselves. And they had also to improve the state of the economy both to satisfy their Western creditors and to avoid internal shortages of food and consumer goods feeding the grumbling discontent of the mass of the working class and preparing the ground for a new outburst of militancy.

In all of these areas they can point to some successes but there have also been serious failures. They have not succeeded in smashing Solidarity and stabilising their rule.

The high level of repression has certainly taken a toll of both Solidarity's underground organisation and of its mass support. The well-publicised persecution of Kuron Gwiazda and other prominent opponents of the regime is only a pale reflection of the scale of the persecution. According to official figures 700 underground groups were broken up in 1982, 12 illegal radio stations were seized, 1310 items of illegal printing equipment were confiscated, 2850 people were sentenced for political offences under martial law decrees alone. The latter figures

undoubtedly underestimate the level of repression.

In addition to these police 'victories', the strain of illegal activity has begun to take its toll on the underground activists. As the prospect of an early end to the military rule has receded, a number of prominent underground workers have given themselves up to the police. The pressure of 12 months of hiding, frequent moves, continual fear and the arrest of close friends makes it quite understandable that people should give up.

Illegal literature

Despite this constant drain, Solidarity continues to exist. Poland is still flooded with illegal literature. That literature continues to carry news and analysis from hundreds if not thousands of local, regional and national groups. The call of the national leadership, as we saw on Mayday, still reaches millions of people and can move large numbers to action.

The nature of that action, however, has changed. By last summer it was apparent to many in Poland that strike action in the present conditions was extremely difficult and costly. The demonstrations on the second anniversary of the Gdansk agreements last August carefully avoided strike action.

The autumn, however, saw a change. The delegatisation of Solidarity in October saw some spontaneous protest strikes and this led the national leadership to call for strike action on 10 November. In the words of the Gdansk Regional Co-ordinating Commission: 'The protest action announced

for 10 November was unsuccessful.'

The regime worked very hard to make sure it would fail. In Gdansk and Gdynia they conscripted 1000 militants into the army and threatened to do the same to anyone fingered by management for activity on the 10th. Others were interned in more 'normal' ways. Before the strike action the factories were flooded with official threats of draconian sentences for striking and with counterfeit leaflets allegedly calling off the strike. On the day itself the army and police were mobilised very heavily in all the major centres. In addition, the management announced that special supplies of badly needed consumer goods like shoes would be available in factory shops only on the day of the strike itself.

In the event the combination of threats and bribes stopped the 10 November strike from involving millions. But it still got quite widespread support. Some factories went out for the whole day, for example, the Budostal factory in Czyny and sections of the huge Beirut steelworks in Czestochowa. In other places there were go-slows, late starting and extended breaks, and short stoppages of work.

The comparative failure of the November strike has had an effect on the direction of resistance in Poland. If workers do not feel strong enough to take on the state directly on the global issues, there is evidence that in particular plants strike action can win results. For example, back in October the police arrested a worker, Andrzej Kurpa, in the Warsaw Optical Works at 11am on the 11th. The whole early shift walked out and stopped the afternoon shift going in. By 4pm the authorities had promised to release him — which they immediately did.

This re-emergence of workplace organisation is uneven, but it is clearly strong enough to prevent the authorities from imposing their own form of 'trade unions'. These unions were launched on 11 October, immediately after Solidarity was delegatised. The Solidarity leadership immediately called for a boycott, which seems to have been remarkably successful. Despite every trick the authorities could muster, even they claim that by the middle of March, only 1,250,000 million people — a mere 12.5 per cent of the workforce — had signed up. Today they claim 2 million. The growth is undoubtedly over now.

In all cases that we know about the initiative for the new unions has come from party hacks, usually in managerial positions. Pressure from the mass of the workers has been enough to force even these people to back down. Bribery is one method used to recruit. In the Krakow Pekum enterprise workers were promised a rise of 10 zlotys an hour if they joined the new union. Another trick is to extend membership to pensioners in return for small bribes: the Krakow Education Authority 'strengthened' their organisation by signing up 300 pensioners in return for a kilogram of cocoa each at a very cheap rate.

A concentration on workplace organisation has more or less been forced on union activists by their inability to fight the state on a class-wide basis. The regime has been unable to counter them seriously — the total in its 'unions' is roughly the same as the

number of Poles who have privileged jobs.

On the other hand, the political struggle with the state has not gone away. At a national level, there is evidence that the leadership of Solidarity has changed its position somewhat. During the first eight months of martial law they looked upon the strike weapon as a mechanism to force the government to negotiate with them. In their 22 January programme *Solidarnosc Today*, they speak of preparing for a general strike to 'break' the dictatorship.

But this perspective is immediately qualified by adding a programme for 'gradually changing the situation'. The lack of clarity about the implications of workers' organisations in a crisis-ridden state capitalism which was so disastrous when Solidarity was a legal organisation continues to be felt in the underground organisation.

Church's popularity

Undoubtedly one of the major reasons for this is the role of the Church, which continues to use its undoubted popularity to bargain with the regime. Archbishop Glemp materially contributed to the defeat of 10 November by denouncing plans for strike action, and is continually acting as a voice for moderation. What he wants out of this is a stronger role for the hierarchy. The Generals are only too glad to oblige. They have used the Pope's forthcoming visit as a bargaining counter and have made other, more material, concessions.

Church building is the chief material bribe handed out by the government. Between 1971 and 1981 permission was given for the building of 1072 churches and chapels. In 1982 alone the construction of 390 large church buildings was authorised.

This crude bargaining by the Church is meeting some resistance. Glemp came in for heavy criticism when he met with 300 Warsaw priests on 10 December. In reply he accused his critics of that worst of all modern Catholic crimes — support for the 'theology of liberation'.

Much more important is that groups of workers are starting to question the role of the Church. The bulletins of the Warsaw steelworks, Hutnicy, carried an article warning against relying on the Church — 'do not demand that it replace you'.

It is important not to overstress how far and how fast this is moving. While the hierarchy may take one line, many parish priests, under pressure from their congregations and from the police, undoubtedly take a much firmer stand. In addition, martial law has meant that church services are the only large gatherings which are available. Consequently a large number of demonstrations, like those on Mayday, actually start off straight from church.

The authorities have a similar set of uneven results when it comes to the economy. They have had some help from the Western bankers, who agreed on 3 November to reschedule debt payments, and the government has so far managed to meet them. They have had less help from Western governments. The US continues to block their application for IMF membership, although it has, inevitably, paid US farmers

for grain exports.

The militarisation of sectors of the economy has achieved some results. Overall exports rose by 5.5 percent in the first nine months of 1982 and imports fell by 14.1 percent. Coal exports were one of the major growth areas but the rise in production has been bought with miners' blood. The accident rate in mining has risen sharply. At the Dymitrow pit alone there were four major disasters causing a total of 38 deaths.

This short-term recovery is being brought at a substantial long-term cost. The import fall has meant that vital machinery and raw materials, particularly from the West, which are needed for the long-run restructuring of Polish industry have simply not been available.

Real incomes have fallen too, although by how much it is hard to tell. Official figures claim a fall of ten percent for the poorest families in Poland over 1982. Solidarity sources say the overall figure is as high as forty percent. It is indicative of the problems still facing the generals that this year each time they have tried to push through price rises they have immediately been forced to grant substantial wage rises to cover them.

The only positive action the government has taken is one that must be dear to Thatcher's heart. They have started to encourage various forms of market control over sectors of the economy. One deal allows anyone who can claim some sort of family link with Poland to set up a local business, called a 'Polonian' company. One example is the Wawel chocolate factory in Krakow, which was sold off to a Westerner from state ownership and now produces according to the laws of the market.

Limited liability

Another ploy to make companies more 'flexible' is to turn them into limited liability companies responsible themselves for generating a profit. The largest of these so far is the textile import/export agency Textilimpex employing some 90,000 people. The rationale behind these operations, which are growing rapidly, is to force higher productivity, sackings and wage cuts by 'natural' means rather than state intervention.

None of these schemes, even if followed through much more forcefully, offer much hope of a new economic boom. After all, they are based on the Hungarian model of economic life and that too is in deep trouble.

It is likely, therefore, that the state will not be able to use a large rise in living standards to buy off political opposition in the near future. The basic material reasons which gave rise to Solidarity in the first place are likely to continue to exist.

If there are likely to be flare-ups, and perhaps a major crisis in the future, then what are the chances of a workers' victory? Solidarity underground is much more of a political hot-house than it was as a mass union. The evidence is that there are ideas around which are far removed from revolutionary socialism. The long-term nature of the resistance has led to plans for an alternative society of culture, education and political life. Because this is removed from

the workplace it inevitably blurs class lines.

More and more the theorists of these positions hark back to the World War II Polish Home Army and the earlier fight for national independence. Their models are drawn from the struggles of a nationalist petit-bourgeoisie and sometimes show the influence of some quite reactionary ideas.

On the other hand, the workers' movement cannot act along these lines — its material conditions are different from those of one hundred or even forty years ago. Solidarity's call for the Mayday rallies reflected this with their appeal to the international socialist tradition of the workers' holiday.

Reactionary ideas

It is impossible to tell at this distance what the balance between these two trends is. The danger to the opposition is that the confusions that were around in legality will be repeated in clandestinity.

The alternative or underground society idea is one which takes workers away from the task of constructing mass opposition in the workplace. It inevitably carries dangers that the opposition will become dominated by non-working class elements and therefore be very open to reactionary ideas.

And it can mean that the courage and determination of the most militant elements is frittered away in street fights and even possibly terrorist actions conducted without the activity of the mass of the workers.

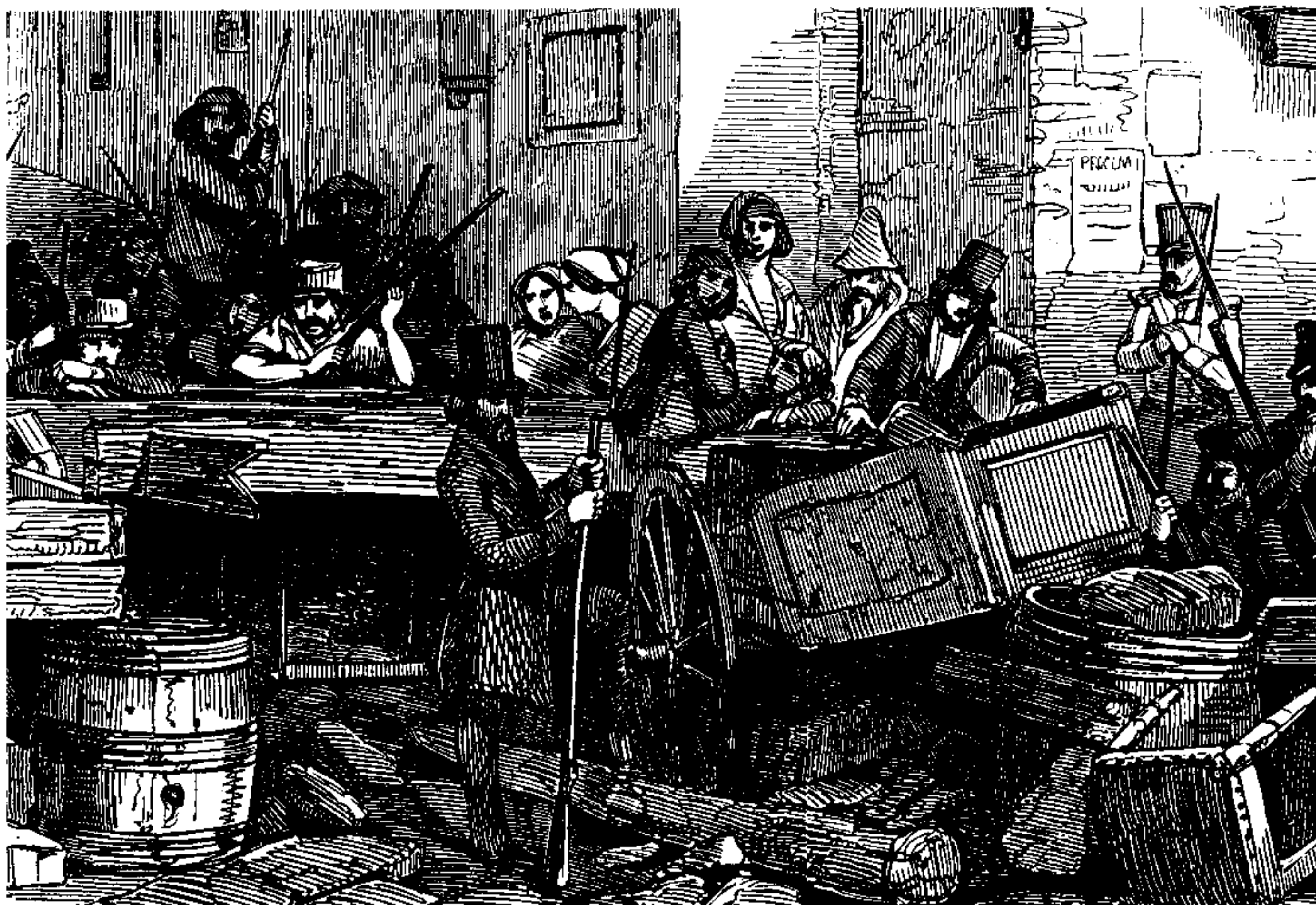
The real need is to strengthen the work which is going on in thousands of workplaces throughout Poland. In favourable circumstances that can mean strike action, but it also means the steady work of collecting dues, helping imprisoned workmates, publishing illegal factory bulletins. Out of this work the beginnings of a genuinely revolutionary current can emerge.

Any such current will face immense difficulties. One is that the simple task of recovering the revolutionary tradition is a problem. The regime has given Lenin and Luxembourg a bad name by using them to justify their worst crimes. It is much easier for those who want to hark back to the traditions of petit-bourgeois opposition to gain a hearing than it is for those who want to recover the long traditions of independent organisation of the Polish working class.

The other danger is that the national leadership will be lured into softening its opposition to the regime in the hope of negotiations and compromise. That was what the generals hoped would happen when they released Walesa. That time it did not work. His meetings with the illegals have only hardened his position.

But so long as the leadership is not clear about the need to smash the Polish state there is always a danger that it will hold back workers' militancy in the hope of concessions.

The situation in Poland is still in flux. There is no doubt that the regime has been unable to build a firm base. The size of the crowds which turn out for the public appearances of Walesa is a simple demonstration of how widespread opposition still is. Future major battles between workers and the state are a certainty.



The 1848 Revolutions

Marx and Engels developed their ideas about the importance of the working class between 1844 and 1847. Soon, in 1848, they were tested in a great revolution. **Norah Carlin** looks at its impact.

Marx and Engels had developed the theory of the revolutionary working class as the only force which could bring about a socialist society. Their contacts with existing working class organisations—the workers' clubs in France, the Chartists in England—had been crucial to the development of these views.

Having learned from the working class movement, Marx and Engels did not just sit back and wait for the revolution to happen. They realised that they had to *intervene* in that movement with their new ideas. Their intervention in these years succeeded in bringing together a few workers' organisations in different countries — mostly secret societies such as the League of the Just, which had so far been based on a conspiratorial theory of revolution — to form the Communist League.

The Communist League, set up in London

in June 1847, was an open revolutionary organisation, and after some debate it adopted Marx and Engels' perspective of working class revolution as the only road to socialism.

Marx and Engels were invited to draft a manifesto for the organisation, and though it took longer than the League had hoped (in January 1848 the central committee was writing to Marx demanding the return of the documents he had been lent if the manifesto was not in their hands by 1 February!), this *Communist Manifesto* appeared in print in late February, 1848.

The opening words of the *Communist Manifesto* are well known: 'A spectre is haunting Europe: the spectre of Communism.' Engels explained later why the word 'communist' was used instead of 'socialist'. Socialism, he said, was at that time a name claimed by utopians and intellectuals, including 'the most multifarious social quacks', who believed they could solve the problems of capitalist society without revolution or even a mass movement. Communism, on the other hand, was associated with the working class revolutionaries:

'Whatever portion of the working class had become convinced of the insuffi-

ciency of political revolutions, and had proclaimed the necessity of a total social change, that portion then called itself Communist.'

It was to the working class that the *Communist Manifesto* appealed.

'Of all the classes that stand face to face with the bourgeoisie today, the proletariat alone is a really revolutionary class ... The proletarian movement is the self-conscious, independent movement of the immense majority, in the interests of the immense majority. The proletariat, the lowest stratum of our present society, cannot stir, cannot raise itself up, without the whole superincumbent strata of official society being sprung in the air.'

On the question of organisation, the *Manifesto* had this to say:

'The Communists do not form a separate party opposed to other working class parties ... The immediate aim of the Communists is the same as that of all proletarian parties: formation of the proletariat into a class, overthrow of the bourgeois supremacy, conquest of political power by the proletariat.'

In the final section of the *Manifesto*, Marx and Engels discussed the relationship of the Communists to existing opposition parties in

Europe. Germany, especially, was central to their perspective, because they believed that a bourgeois revolution — a revolution led by the capitalist class against the old feudal and absolutist states of which Germany was then composed — was about to break out there. What would be the position of the working class revolutionary organisation when this began to happen?

'In Germany,' they said, 'they fight with the bourgeoisie whenever it acts in a revolutionary way, against the absolute monarchy, the feudal squirearchy, and the petty bourgeoisie. But they never cease, for a single instant, to instil into the working class the clearest possible recognition of the hostile antagonism between bourgeoisie and proletariat, in order that the German workers may straightway use, as so many weapons against the bourgeoisie, the social and political conditions that the bourgeoisie must necessarily introduce along with its supremacy, and in order that, after the fall of the reactionary classes in Germany, the fight against the bourgeoisie itself may immediately begin ...'

'The bourgeois revolution in Germany will be but the prelude to an immediately following proletarian revolution. In short, the Communists everywhere support every revolutionary movement against the existing social and political order of things.'

The *Communist Manifesto* has often been presented as a wild, unrealistic piece of wishful thinking by two isolated intellectuals, out of touch with what really was going on in Europe. But the most amazing thing about the *Manifesto* is the way in which it was *overtaken by events*.

The Beautiful Revolution

By the time it appeared, revolutions were beginning to break out all over Europe — in Palermo in January; in Paris in February; by the end of March in Berlin, Vienna, Budapest, Prague, and Milan. Workers were on the streets, on the barricades, and even, in Paris, in the government.

These were not proletarian revolutions as such. The workers fought, alongside all sorts of other classes, for republics, constitutions and nation-states. But they were everywhere 'against the existing social and political order of things'. As soon as it appeared, the theory in the *Communist Manifesto* had to be turned into practice: the Communists had to relate to *actual*, living revolutions.

Within six months, events in France had shown that the independent class struggle of the workers against the capitalist class was not a fanciful prediction, but a reality. For the first time, in Paris in June, the working class attempted to make its own revolution in opposition to the bourgeoisie.

The outbreak of the bourgeois revolution in Germany also became a reality, before many copies of the *Manifesto* had even reached the working class revolutionaries there. Marx and Engels hurried back to their native Rhineland to intervene in the struggle.

How they intervened, and how their experience there led them to rethink some of

the tactical and organisational ideas in the *Manifesto*, is an essential part of the history of the development of Marxism.

But first, it must be seen how the revolution in France developed into a struggle between capitalists and workers. The February revolution, which overthrew the 'bourgeois monarch' Louis Philippe, was directed against the corrupt clique of bankers and speculators that had in effect ruled France since 1830. Both the rising class of manufacturers and the workers hated these parasites, and joined together to overthrow them.

The February revolution, as Marx said later, was the 'beautiful revolution', the revolution of 'fraternity', of harmony between workers and employers against their common enemy, the financiers.

The poet Lamartine hailed the new Provisional Government as 'a government which suspends that terrible misunderstanding that exists between the different classes.' Universal male suffrage was decreed, and the National Guard (France's citizen army) opened to workers as well as property-owners.

As well as liberal reforms such as freedom of the press and freedom of organisation and the abolition of the death penalty for political crimes, the Provisional Government made some concessions to working class demands.

A special Commission of Labour was set up, including members of socialist groups such as Louis Blanc.

The right to work and the ten-hour day were proclaimed. A Parisian worker, 'Albert' (the pen-name of a well-known socialist agitator), was even included in the Provisional Government itself. National Workshops were set up to provide work for the unemployed.

These concessions were, however, more apparent than real. Louis Blanc's Commission of Labour had no power, and the National Workshops were not an alternative to capitalist enterprise, as many socialists thought they ought to be. They

were a temporary measure to keep the unemployed quiet until the economy revived from the slump of 1847-8.

The work they provided was often of the 'digging holes and filling them in' type. One of the first things the Provisional Government had done was to raise taxes on property, and the idea that this was necessary mainly in order to support the National Workshops turned the opinion of small property owners such as peasants and shopkeepers rapidly against them.

When the new elections under universal male suffrage were held on Easter Sunday in April — too late to catch the first wave of revolutionary enthusiasm, too soon to have built solid support for the Provisional Government — the parish priests in many places led their congregations straight from the church to the polling station. This, together with the fact that France's vast mass of peasants were worst hit by the increased taxation, produced a conservative majority in the Constituent Assembly.

Armed Workers

The worker Albert was immediately dropped from the government, the Labour Commission was abolished, and a government minister declared that, 'it is now merely a question of re-establishing labour on its old basis.' On 15 May a huge workers' demonstration (called in support of the revolutionary nationalists of Poland and Ireland) tried to take over the Assembly peacefully, but its leaders were rounded up and imprisoned.

It was the abolition of the National Workshops in June which finally drove the workers of Paris to armed resistance. All Workshop members not born in Paris were ordered out to work on land reclamation in a remote province, and all unmarried members drafted into the army. But the National Workshops had at least provided the workers with meeting places and an organisation, and their response was



A workers club in Paris, contacts with such clubs helped Marx and Engels develop their views on the working class.

immediate.

Barricades went up in the working class quarters of Paris, and several columns of armed workers advanced on the heart of Paris, the Hotel de Ville (Town Hall). The government immediately mobilised the army, several divisions of the 'Mobile Guards' which it had had the forethought to provide in February, and the whole rabble of Parisian shopkeepers and small property owners.

The armed workers resisted this onslaught for five whole days — as Engels pointed out, their military organisation was remarkable. But they were defeated and massacred by General Cavaignac, the conqueror of Algeria a few years before.

The defeat of the workers' revolution was followed by the slow collapse of the bourgeois republic. The late Emperor Napoleon's nephew, Louis Napoleon Bonaparte, was elected President in December 1848, largely by the reactionary peasant vote. Within three years he had overthrown the constitution of 1848 and had himself declared Emperor Napoleon III. (Marx was later to write a brilliant analysis of the events in *The 18th Brumaire of Louis Bonaparte*.)

Marx's immediate reaction to the defeat of the Paris workers was to describe how the 'beautiful revolution' had turned into the 'ugly revolution', how the 'Fraternity of February', 'the brotherhood of opposing classes, one of which exploits the other' had shown that 'its true, genuine, prosaic, expression is *civil war* in its most terrible form, the war between labour and capital.'

But there was another, urgent aspect to the June Days. Had the workers been wrong to support the February revolution in the first place? 'Should it mislead democrats, should it delude us into thinking that struggles over the form of state are without content, illusory, null and void?' Marx's answer to this question is vital to understanding what he was doing in Germany during these months, and his view of democracy in general.

Working class party

The workers were *right* to support the bourgeois republic, he said:

'The confrontations which arise out of the very conditions of bourgeois society must be fought out, they cannot be imagined away. The best form of state is not that in which social antagonisms are blurred or forcibly shackled ... it is rather that in which they can freely come into conflict and thus be solved.'

(Marx at this point did not regard the defeat of the French workers as final.)

This was the perspective with which Marx and Engels had returned to Cologne in May, and founded a daily paper, the *Neue Rheinische Zeitung* (New Rhineland Times). The paper was not to represent the working class movement, but 'the forward-pressing, extreme left wing of the bourgeoisie.' For the *immediate* task in Germany, as Marx and Engels saw it, was to ensure that the bourgeois revolution was successful, so that it could be followed very soon by a working class revolution against the bourgeoisie.

So Marx's newspaper became the scourge *Socialist Review* May 1983



A Berlin workers club

of the moderate, constitutional revolutionaries who set up the German National Assembly at Frankfurt — a body with no power to command an army or raise money — and expected rulers such as the King of Prussia (who had been shaken only slightly by the March rising in Berlin) to agree to a national, federal, democratic constitution.

'Even assuming that this learned council succeeds in contriving the best agenda and the best constitution, what use is the best agenda and the best constitution when in the meantime the governments have placed bayonets on the agenda?' wrote Marx.

In their first few months in Germany, Marx and Engels had very little to do with the existing workers' organisations in Cologne, the Cologne Workers' Society and the district of the Communist League. There were several reasons for this. One was Marx and Engels' view that workers' struggles against the capitalists should be suspended till the day when the bourgeois revolution was won, though on that very day (as Engels had explained to an English socialist paper in April) they should begin again in full force.

A second reason was that these organisations, under the leadership of a socialist doctor called Andreas Gottschalk, were organised on craft lines and were dominated by small craftsmen, not workers in modern industry.

They showed no interest in the programme of radical democratic demands (including the nationalisation of the banks, railways, steamships and biggest landed estates, the arming of all citizens and the setting up of national workshops) which Marx and Engels had put out as 'The Demands of the Communist Party in Germany' in May.

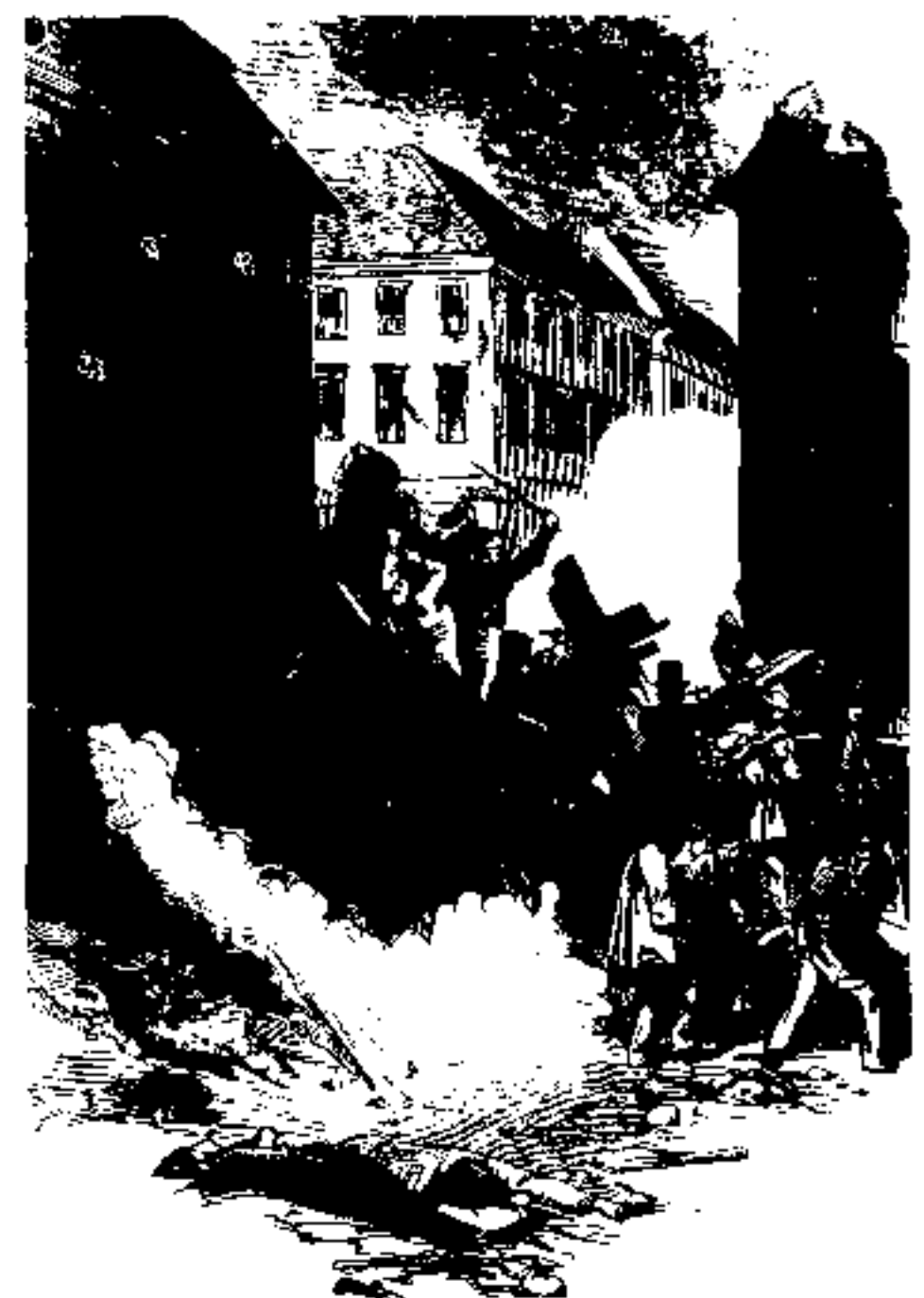
Perhaps more seriously, these workers' organisations *opposed* the bourgeois democratic revolution because it didn't go far enough, calling for a boycott of the elections to the Frankfurt Assembly (which were based on property qualifications for voting) and opposing a demonstration against the reactionary Prince William of Prussia.

As the 'peaceful' bourgeois revolution began to falter, however, and Gottschalk got

himself imprisoned (for leading a demonstration in support of the Paris workers in June), Marx and Engels turned towards the Cologne Workers' Society to organise radical pressure on the bourgeois democrats.

They began to organise for an insurrection, not of workers alone, but of all the 'heterogeneous elements' which made up the revolution. This included agitation by the Workers' Society among the peasantry: by September several Peasant Unions had been set up and a peasants' newspaper started in the Rhineland.

By late 1848, the German bourgeois revolutionaries had turned to open reaction. The Frankfurt Assembly called in Prussian and Austrian troops to suppress a popular insurrection in Frankfurt in September, and martial law was declared in Cologne with the consent of the constitutionalist town council. In the state of Prussia, the king dissolved the Berlin Assembly and met with no resistance. Marx began to face the fact that the bourgeoisie in Germany was so scared of



Fighting on the barricades in Berlin

the working class that *it would not even make its own democratic revolution.*

While Marx still hoped for some dramatic outside intervention on behalf of the revolution — from a revived French republic, a reunited Poland or a liberated Hungary — he turned more and more to the building of an *independent* working class party, which need no longer conceal its antagonism towards the bourgeoisie because the revolutionary alliance had ceased to exist.

In April 1849, the *Neue Rheinische Zeitung* broke with the democrats, and in May a congress of workers' societies was held in Cologne with Marx's *Wage, Labour and Capital* specially reprinted for the occasion.

The German revolution revived briefly in April and May, 1849, with several insurrections in support of the demand for a federal constitutional monarchy under the King of Prussia. Marx, under an expulsion order from Cologne, had the last issue of the newspaper printed entirely in red and then left. Engels joined the revolutionary army in the state of Baden, which was successful for a few weeks.

By the beginning of 1850, Marx and Engels were both exiles in London, but they were convinced that the revolutionary wave was not over. However mistaken they were in this (and they began to see the truth by mid-1850), it is important that this belief led Marx and Engels to rethink and revise their *tactical* perspectives for the (as they thought) coming revolutionary situation.

The *Address of the Central Committee of the Communist League* which they issued in March 1850 is one of the most remarkable documents, if one of the most forgotten, of this whole revolutionary period, and without it the history of 1848 is not complete.

Conquer State Power

In the coming phase of the revolution, the *Address* said, the workers' party would have the problem of an alliance with the petty bourgeoisie (small property owners) to achieve the democratic revolution. This called for an independent workers' organisation, a perspective of continuing revolutionary struggle to turn the revolution into a socialist, workers' revolution, and a determination to hold on to the workers' power gained at each stage.

'While the democratic petty bourgeois want to bring the revolution to an end as quickly as possible ... it is our interest and our task to *make the revolution permanent* until all the more or less propertied classes have been driven from their ruling positions, until the proletariat has conquered state power and until the association of the proletarians has progressed sufficiently far — not only in one country but in all the leading countries of the world — that competition between the proletarians of these countries ceases and at least the decisive forces of production are concentrated in the hands of the workers.

'The workers must resist all appeals to unity from the petty bourgeoisie: Instead of lowering themselves to the level of an applauding chorus, the workers, and above all the League, must work for the

creation of an *independent organisation of the workers' party*, both secret and open, alongside the official democrats ...'

When the battle for democracy has been won, the workers must not give in to feelings of satisfaction and euphoria:

'Alongside the new official governments they must simultaneously establish their own revolutionary workers' governments, either in the form of local executive committees or through workers' clubs and committees, so that the bourgeois democratic governments not only immediately lose the support of the workers but find themselves from the very beginning supervised and threatened by authorities behind which stand the whole mass of the workers ...'

'When victory is certain it (the petty bourgeoisie) will claim it for itself and will call upon the workers to behave in an orderly fashion, to return to work and to prevent so-called excesses, and it will exclude the proletariat from the fruits of victory. It does not lie within the power of the workers to prevent the petty-bourgeois democrats from doing this, but it does lie within their power to make it as difficult as possible for the petty

bourgeoisie to use its power against the armed proletariat ...'

None of this ever happened, of course — *during Marx's lifetime*. Even the Paris Commune of 1871 fulfilled only some of the conditions Marx here describes as necessary for a successful working class revolution. Marx and Engels were never again to put forward publicly this detailed plan for revolution — it must be remembered that they were never again the undisputed leadership of any organisation they belonged to, and they never again had the kind of hopes of a new revolutionary wave that they had in March 1850.

But every aspect of this plan came in time to be adopted and carried out by *later Marxists*. Anyone who thinks that Lenin invented the theory of the revolutionary party, or Trotsky the permanent revolution; that the idea of dual power was totally new in 1905 or 1917; that the situation Lenin met with on his return to Petrograd in April, 1917 after a successful democratic revolution had never been discussed by Marx — all these are sadly misinformed. Though these ideas remained in embryo for many decades, they were all the result of Marx's development in that extraordinary year of revolutions, 1848.

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Polling for straws

The Gallup Report
Norman Webb and Robert Wybrow
Sphere Books £2.25

Opinion polls are not very popular among socialists. We condemn them as being at best superficial and at worst plain fixed. They appear as a weapon in the hands of the media and the political establishment. They seem to reveal a public which disagrees with most of what we stand for. Even when they support our policies we are wary. But if we look beyond the biased write-ups and the poorly phrased questions there is a lot of important information in opinion polls.

This book covers polls of voting, images of politicians, measures of political mood, and views on national and international events. The style of writing is at times pompous and a number of prejudices are slipped in. But the figures are interesting and deserve our careful attention.

At the end of 1980 an increasing majority predicted the year ahead as being a year of unemployment and a decreasing minority predicted it as being one of strikes. In 1981 most people saw themselves as moderately right-wing.

However most people were also cynical of the present government. They saw little likelihood of it fulfilling its election pledges on tax, inflation and unemployment within its term of office. Most people anticipated their own wage rises to be below 6% and expect inflation to continue above 9%. Gallup detected 'realism' on the question of wages!

The formation of the SDP gave Gallup the exciting prospect of a new party to poll. They were unfortunately a little partisan in approaching this task. As well as asking their usual question about voting intention they also asked who people would vote for, 'if a candidate from the new Social Democratic Party stood.'

The unprompted question gave an average 16% SDP support during its first six months but the prompted question gave 29%. It was, of course, the latter figure that made the headlines.

On the question of nuclear weapons it was found that 33% of those sampled in Sept 1981 supported unilateral nuclear disarmament. This represented an increase of 11% on the previous year. Further they found that 10% said they would join a demonstration and 4% said they had.

This is one of the few instances of pollsters asking questions about political behaviour, thus distinguishing between opinions which are associated with action and those which are purely passive.

Ireland poses a problem for the pollsters. British public opinion is consistently in favour of troop

withdrawals. In August 1981 37% wanted immediate withdrawal, 17% wanted withdrawal within five years and 33% wanted troops to remain until settlement was reached.

Gallup responded to these embarrassing figures with an obscure conclusion. The figures could be read, they said, 'as indicating that a majority would wish to withdraw our troops at most within five years, or that a majority states that our troops should remain in Ireland for at least five years.' They then added loftily that these opinions were probably 'not politically considered' (p. 170).

The polling agencies are mainly interested in passive opinion, or at most opinion that would be suffi-

cient to propel the holder as far as the ballot box. Their concern also is with the averaged individual viewpoint rather than the collective. In short they investigate public opinion rather than political consciousness.

But what is the importance of public opinion polls, apart from providing newspaper copy? Bourgeois politicians certainly don't use polls as a guide to policy. What the politicians want from polls is advice on how people are thinking. They can then paraphrase and echo these thoughts to give the impression that they are heeding people's wishes.

Socialists are interested in what people are thinking for a quite different reason. We want to find socialist ideas, however thinly spread or tentative in form and then turn them into action. We can make use of opinion polls too!

Martin Roiser

When these eventually saw the light of day, it was only after editing at the hands of Palmiro Togliatti, who once collaborated with Gramsci, but who took a diametrically different line to him in the arguments of the late 1920s and early 1930s. Togliatti defended the lunatic 'third period' of Stalinism against Trotsky's call for a united front against fascism. He acted as one of Stalin's agents in liquidating the 1936 revolutionary upsurge against Spanish fascism and then helped restore capitalist normality in Italy, in 1943-5, after the fall of Mussolini.

This book is the latest of many works by liberal sociologists, trendy, social democrats and dishonest Eurocommunists to attempt to exploit the obscurity of the *Prison notebooks* for their own ends. It should really be entitled *What Gramsci really meant but did not say*. For again and again it ascribes to Gramsci views which the author himself admits Gramsci did not actually hold.

For example, the author goes on at great length about how Gramsci's ideas about 'hegemony' and 'the war of position' go beyond Lenin's view of the state and so are embodied in the practice of the British Road to Socialism.

We are told:

'Gramsci's war of position is founded on a new concept of democracy. It is important to demand that the limitations of parliamentary democracy must be overcome, by the abolition of the House of Lords, and monarchy, by giving the House of Commons more effective control over the cabinet and executive, and by a host of other reforms such as proportional representation.'

But then 12 pages later it is admitted Gramsci would not have believed in any of this:

'It must frankly be admitted...

What Gramsci didn't say

Gramsci's Political Thought

Roger Simon
Lawrence and Wishart £7.95
(hardback) £3.50 (paperback)

Poor Gramsci. If he had died in 1926, he would be remembered today only by revolutionaries, like so many other of the lesser figures involved in building the early Communist International. If he had escaped from prison and into exile, in 1927, the memory of him would be restricted to those who fight in his revolutionary spirit.

His name would stand alongside those of all the other non-Russian leaders of world communism, whether from the 'left' or the 'right', who came to fall out with Stalin. That brilliant, lost

generation of revolutionary activists such as Alfred Rosmer, Heinrich Brandler, August Thalheimer, Paul Frölich, Andreas Nin, Henk Sneevliet, Amadeo Bordiga, James P Cannon, Victor Serge and Angelo Tasca.

Unfortunately for him he languished in prison for the last ten years of his life, cut off from the great debates about revolutionary strategy and about revolution and counter-revolution in Russia. His own attempts to intervene in these debates consisted of a couple of conversations in prison and jottings in notebooks which were not to be published until after his death and which in any case, had to be obscurely phrased to confuse his fascist jailer.

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this book has gone far beyond the *Prison Notebooks*. Gramsci never abandoned his belief in the factory councils as the embryonic apparatus of power, destined to replace the bourgeois parliamentary state by a system of direct democracy which would, in his view, enable the worker to participate directly in the work of administration.

'In a note written in 1933-34, Gramsci contrasts...the factory councils of 1919-20... favourably with elective parliamentary systems. The few other notes where parliamentary democracy is mentioned are consistent with this approach. Thus Gramsci never went beyond the Leninist view that direct democracy based on factory councils should replace parliamentary democracy.'

In other words, he admits that Gramsci was 100 percent in agreement with those our author describes as:

'Leftists who hold the state is an

instrument of the capitalist class and the task of the working class is to smash it and replace it with a new socialist state.'

Yet it is these people he accuses of 'rejecting Gramsci's view' on the matter!

The book is full of such contradictory reformist twaddle from beginning to end. Again and again it slanders a heroic revolutionary Marxist, ascribing to him reformist ideas he despised.

Gramsci, like any other Marxist, can be criticised for the mistakes he made. In particular he never came to terms with the phenomenon of Stalinism, and his understanding of strategy and tactics was to some extent distorted by the baleful influence Zinoviev and then Bukharin had over the conduct of the Communist International from 1923 onwards. But the mistakes he made were the mistakes of someone who lived and died a revolutionary Marxist and whose spirit was a million miles away from all forms of reformism.

Chris Harman

argument, draws on the writings of Francis Bacon and his followers to support the claim that 'modern science is basically a male endeavour'. 'Uterus envy' was transferred onto nature, which was conceived as being essentially female, something to be conquered and raped.

Another skip across time and space takes Easlea to the third part of his argument, which takes up the bulk of the book. Here he claims that the discovery of nuclear weapons, and the creation of the hydrogen bomb were all caused by the 'compulsive need to affirm virile masculinity.' This being merely the latest male ritual to expunge 'uterus envy.'

None of this is in the slightest bit plausible. Easlea records in some detail the ambition and infighting characteristic of the scientists involved in the Manhattan Project which produced the bombs used to destroy Hiroshima and Nagasaki. But he simply takes for granted the existence of the world system of competing nation states which provided the context of their activities. All we are left with is the unsupported assumption that the principal drive of the nuclear arms race is 'masculine motivation'.

Easlea's main evidence for the 'masculinity' of modern physics is the metaphors sometimes used by scientists, of nature as a woman to be unveiled and penetrated. He defends his obsession with metaphors by saying that through them 'one can gain a partial insight into motives, and more importantly unconscious motivation'.

This is undoubtedly true. But can we determine the truth or falsity of scientific theories by exploring the motives of those who formulated them? The answer is surely, no. For example, Kepler's three laws of planetary motion are quite independent of his mystical conception of the solar system as a whole. Even though, for him, this mystical

idea was the basis of the laws.

Easlea rather gives the game away by declaring that for Einstein and Kepler, both of whom he admires, 'physics was more like a religious quest' than 'the masculine gaining and displaying of power over nature.' He is violently hostile to the insistence by physicists since Galileo and Descartes on seeing the universe as a great machine, governed by forces independent of human thought and passions.

Easlea declares that this conception of nature is 'aggressive in intent', and looks back to the 'holistic' view of nature shared by Aristotle and the 'natural magicians' alike, and rejected by Galileo and Descartes.

Now the point about this pre-scientific conception of the universe was that it told people that they were here for a purpose. Everything that happened did so by design, it was the work of some supernatural being. Nature was, quite literally sympathetic — it understood, and if properly asked would assist in human projects.

This is obviously a much more comforting view of the world, than the spiritless mechanical universe that the scientific revolution revealed. The trouble is that it is false. Nature isn't our friend or our mother. It has no purpose at all. Its most fundamental laws, so quantum mechanics and molecular biology teach us, are those of chance. The only way we can hope to gain any control over our environment is by understanding these laws.

What is so contemptible about *Fathering the Unthinkable* is that Easlea ought to know better. He is trained as a physicist and obviously knows a great deal about the philosophy and history of science.

But rather than use this knowledge, he prefers to serve up a worthless farrago of bad history and sentimentality, which is more likely to encourage superstition and wishful thinking than the rational and critical thought which the left so badly need.

Finally, a word on the series *The Politics of Science and Technology* of which this is a part. I imagine that Pluto Press still regard themselves as a socialist publishing house. Socialism, utopian and scientific alike, was both the heir to and the critic of the Enlightenment. Fourier and Saint Simon, Marx and Engels all understood the enormous potential for human liberation created by the scientific revolution.

Yet to judge by the first two books in this series, Easlea's and *Partial Progress* by Albury and Schwartz (far too kindly treated in the pages of this review a few months ago), Pluto intend to pander to the anti-scientific prejudices of some of those around CND. They are encouraging them to believe that the enemy is science rather than capitalist social relations. Irrationalism used to be the hallmark of the right, but, it seems no longer.

Alex Callinicos

Socialist Review May 1983

Irrational nonsense

Fathering the Unthinkable: Masculinity, Scientists and the Arms Race

Brian Easlea
Pluto Press £5.95


This is a profoundly foolish book. Brian Easlea argues that all our present ills, and especially the arms race are a product of male chauvinism. He has three lines of reasoning to support this claim.

First there is a rather casual analysis of what Easlea calls the 'male dilemma', focussed on 'uterus envy'. Apparently women's unique ability to bear children makes men envious and insecure, so in reaction,

they reserve certain activities exclusively for themselves (warfare for example) and devise rituals whose object is to devalue women and highlight male power.

The only evidence Easlea provides for this theory is a brief discussion of two tribal societies fashionable among anthropologists. Yet, without drawing breath, he tells us that 'from preliterate to highly literate society, the male dilemma remains basically the same' and launches into a discussion of the seventeenth century scientific revolution.

This, the second part of Easlea's



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From Althusser to O'Brien

Parliamentary Democracy and Socialist Politics

Barry Hindess

Routledge & Kegan Paul £4.95

Once upon a time there was an up-and-coming young sociologist of left-wing persuasion called Barry Hindess. In the late 1960s he did a small amount of research into Liverpool Labour Party and discovered that amazingly there weren't very many manual workers in it. Being an up-and-coming sociologist he padded out his slim findings into a book grandly entitled *The Decline of Working Class Politics*. The book was a hit.

But, by the time it was published Barry Hindess had moved on. The student revolt had happened. Marxism had arrived in the universities. Barry Hindess became a marxist. And being an up-and-coming young sociologist Barry became a 'marxist' of the school of Louis Althusser. Indeed, he and his collaborator Paul Hirst became the terrible twins of British Althusserian 'marxism'. Their book *Pre-Capitalist Modes of Production* became required reading in left wing academic circles. Here after all was a book produced by British 'marxists' which matched in both obscurity and phoney rigour the work of their Parisian master.

But again, by the time the book was published Barry Hindess (and Paul Hirst) had moved on. They had stood on the shoulders of Althusser and seen beyond. After a few years of exorcising the devils of 'reductionism' and 'essentialism' within marxism, they had become convinced that marxism itself was 'reductionist' and 'essentialist'. What they meant by this was that marxism rested on silly and unhelpful notions like 'objective class interest' and 'the determining role of the economy.' All this was elaborated at great length (and with great abstruseness) in Marx's *Capital and Capitalism today*. Once again the book was a hit.

But what exactly are the exciting new vistas which a seat on Althusser's shoulders has opened up to Barry Hindess's eyes? They are revealed in all their grandeur in his latest book *Parliamentary Democracy and Socialist Politics*. In it Barry Hindess applies his profound theoretical insights to the problems facing socialists in Britain today.

Those who open the book and find it beginning with a discussion of the views of Bernstein, Kautsky and Lenin on the subject of parliamentary democracy might be forgiven for thinking that it is yet another attempt to provide a bit of marxist polish to Bennism. First of all to demonstrate that 'in their different ways Bernstein, Kautsky and Lenin all suffer from a problem that

is endemic to marxist political analysis': they all believe that 'the economy plays the ultimately determining role in society.' For Hindess on the other hand 'socialists cannot afford to rely on the workings of capitalism or its crisis'.

Hindess's second argument is to show that Lenin, Kautsky and Bernstein all shared the belief that it was possible to establish popular control over society, even if they disagreed about the methods. According to Hindess the project itself is a delusion.

Of course there are some 'obvious limitations on the scope of parliamentary control in Britain', but these limitations have 'no uniform character.'

In other words Tony Benn's *Arguments for Democracy* is just as misguided as Lenin's *State and Revolution*. And indeed the target of Hindess's book is his erstwhile colleagues of the Bennite left. All of them, Hindess argues, believe that there is an 'inherent socialist majority' in British society that can be won to support a Left Labour Government.

In this belief they are absolutely and damagingly wrong.

'all the evidence suggests that few of the socialist policies favoured by the left are capable of obtaining significant popular support under present conditions.'

Not is this a short term problem.

'To campaign on the basis of a more socialist Labour Party of the kind favoured by the left may well be a recipe for electoral disaster'.

So what we should be doing, according to Hindess, is:

'... learning to work within what now remains of the coalition of forces interests and ideologies that make up the Labour Party. (The problem) is to put together programmes and policies that are capable of winning effective support from existing centres of power and bases of political organisation, not just from Conference and the CLPs, but also within the PLP and leaderships of the major unions and from sections of the civil service. The construction of a broadly progressive political programme capable of obtaining significant parliamentary and electoral support under present conditions, given the all too evident weakness of British socialism, must involve working with some of those on the right and centre of the Labour movement, and with many who would not regard themselves as socialists. The prospects for Labour campaigning around an agreed set of policies effectively depend on the Left abandoning pursuit of



Althusser



O'Brien

what it regards as a "socialist" Labour Party.'

And in case any reader should still be unclear about what this means, Hindess concludes his book by stating:

'The successful management of the British economy is an important and worthwhile objective for the Labour Party, and one that will be difficult enough to satisfy. If Labour could manage that it would be a considerable achievement, one that should not be decried for not yet ushering in socialism. In the end what is most disturbing about the dominant strategies for a left Labour government is that they seem designed to ensure that Labour doesn't get the chance to manage capitalism at all.'

With Ossie O'Brien's victory at Darlington, Barry Hindess must be delighted to see the Labour Party

back on course once again.

With one small qualification. You see even Ossie O'Brien still has hangovers of 'reductionism' and 'essentialism': he doesn't yet openly agree with Hindess that we need 'an alliance against Thatcherism, which might include some Conservatives, but would certainly involve serious participation by Liberals and the SDP as well as the Labour right and centre'.

That is the temporary resting place in the saga of Barry Hindess. Even without future instalments it is a cautionary tale of what can happen to an up-and-coming young sociologist bitten by the Althusser bug. It is also a cautionary tale of what can happen to a born-again Bennite when it dawns on him that Labour might lose the next election. And, unfortunately, on both scores it is not at all untypical.

Pete Goodwin

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Abolishing incentives

One of the commoner objections to socialism heard in workplaces is that 'there will always have to be incentives'. It is typical of capitalism, in which everything is measured by its cash value, that when people say 'incentives' they mean 'money incentives'.

In capitalist society they are, of course, right. The only real incentive to slog your guts out for the greater glory of the boss is that you are paid for it. In those circumstances it is quite right to argue that if you are being forced to work at a hard or dangerous job you need a bit extra — an incentive.

The only way that you can establish your identity in a world which systematically distorts truly human relationships is to have as much money as possible and to spend it on lots of shiny toys.

In practice, things are not quite that simple. The 'incentives' which are most obvious in society have little or nothing to do with how hard you work. A primary teacher in a class full of screaming kids has to work a lot harder than a lecturer in a quiet seminar room with a couple of deferential students. But the lecturer gets at least twice as much money incentive as the primary teacher.

A moment's thought proves that cash in hand is not the only thing that can be an incentive. The dictionary says that an incentive is 'something that arouses feeling or action ...'. There are obviously lots of other things apart from money that have that role.

Christians, for example, deny themselves all sorts of things they would really like to do. The only incentive they have is that they think they will get pie in the sky when they die.

The fact that the cash idea is the dominant one is a reflection of what Marx called 'alienation' or 'reification'. He argued that in capitalist society, with the means of production owned by one class and the vast mass of the population propertyless, labour means that you produced things which become the property of other people.

The dominant way in which people satisfy their needs is to purchase things in the market. So what is really a social process involving human beings making and consuming things appeared as a relationship between things. The chain of human labour between the farmworker in the mid-west of the USA and the packet of Kellogs on your breakfast table is masked as a series of financial transactions.

A planned, socialist, society is based on quite opposite principles. Free of the pressure to accumulate and in control of their own means of production, the producers will see social relations as human relations. The possibility of a world dominated by different incentives will emerge.

You can see gleams of that even in capitalist society. People will labour very hard to produce something exquisite simply from the pleasure of doing a thing well. Today that is mostly confined to hobbies, but it shows how production could be if it was freed of the constant drive to produce as cheaply as possible.

By winning control of the means of production and abolishing class society, the producers open the possibility for a new incentive to dominate: the aim of production becomes satisfying the infinite range of human desires.

Hard road

Such a desirable state of affairs will not come about immediately. In his *Critique of the Gotha Programme* Marx argued that after a revolution we would:

'have to deal with a communist society, not as it developed out of its own foundations, but on the contrary just as it emerges from capitalist society; which is in every respect, economically, morally and intellectually, still stamped with the birthmarks of the old society from whose womb it came.'

Between the first victory of the working class and the communist future of abundance will lie a long and hard road. It will not be possible to abolish incentives overnight. The cash attitude will only be overcome both by a change in the material conditions of production and the changing consciousness of the producers.

The clearest illustration of this problem is the practice of the Bolshevik Party after they seized power in 1917. Their problems were

particularly acute. The economy was devastated. The vast bulk of the population were small property owners: peasants not workers. The working class was tiny and at a very low cultural level: many could not read and write.

The most class-conscious of the workers were ready to move straight towards an egalitarian society without cash incentives. The Bolshevik Party set an example by deciding that Party members would only accept the average wage of a skilled worker. This resulted in many members of the party leadership being reduced to penury. Victor Serge, in his memoirs, writes about Zinoviev's brother-in-law, himself a senior party official in Petrograd, 'starving to death before our eyes'.

He also tells of leading members of the *Cheka* walking around with holes in their boots during the terrible winter of 1919. Sour black bread and cabbage soup was the average fare in the Kremlin in that year.

At the other end of the scale were the peasants and the bourgeois 'specialists' necessary for running production. One weapon against them was the stick of the workers' state, but the other was the carrot of wage differentials and special privileges.

What the Bolsheviks were trying to do, in extremely unfavourable conditions, was to bribe the non-working class elements who were temporarily indispensable, and at the same time encourage the development of both the mental and intellectual conditions for a society free of the cash incentives.

The Russian working class was defeated before the material conditions were right for the noble example of the Party members to become the general mood. It was the Stalinist regime which institutionalised incentives in the name of 'socialism in one country'. But the example remains: it is possible to begin to build a society in which the cash incentive is not the only motive for human action.

Jim Scott

