

Class Struggle 79 July-August 2008

Stop Imperialist Wars for Oil!

**Immigrants
Workfare
Inflation
Zimbabwe
Fetishism
Bolivia
China
Anarchism**

South Ossetians celebrate vote to breakaway from Georgia, Nov 12 2006

Briefstuff

Stop the Immigration Bill!

The New Immigration Bill is about to be enacted by Parliament. The Labour-led government proposes to pass it before Parliament rises for the election later this year. This is an extremely bad Bill that continues the reactionary anti-terror [legislation](#) passed by this regime after 9/11 designed to stop people suspected of being terrorists from entering the country.

It is designed to remove all rights from intending migrants or refugees on the basis of secret information. It is another extreme example of the removal of basic democratic rights in order to protect 'democracy'. It is the Labour governments answer to the embarrassment caused by the Ahmed Zaoui case. It is determined that there will be no more Zaouis. Gordon Campbell who investigated the [Zaoui case](#) and exposed the fake evidence used against Zaoui, has written an excellent [critique](#) of the worst features of the new Bill, plus a [follow up](#).

Just as bad as the closing of the borders are the new powers given to the Immigration Service to act like the US ICE and to enter homes and workplaces without warrants to arrest anyone suspected of being an illegal immigrant. Such measures will bring about 'Dawn Raids 2' –a huge attack on the rights of migrant workers. The Labour Movement must organize to defend workers from these attacks by the capitalist state on their basic rights to live and work in Aotearoa! For Workers Control of the Border!

National's Work for the DPB

The National Party has released its policy on benefits. <http://norightturn.blogspot.com/2008/08/beating-up-on-poor.html>

The main change will be to make single parents on the Domestic Purposes Benefit work or train for 15 hours per week, once their youngest child reaches 6 years of age [Primary school age]. This is a long way short of the policy proposed in 2005 by then-leader Don Brash who wanted to punish solo parents for having more children etc. But it is nevertheless a form of work-for-the-dole.

When solo parents take up this work obligation they will be transferred to the lower unemployed benefit and find their benefits abating at a rapid rate after they have earned \$100 a week. Moreover they will be forced to work in casualised, minimum wage, part-time jobs, without properly funded child-care.

Ann Else has pointed out that John Key when he was living in a state house and his mother was on the Widow's Benefit in 1969 would have had a much higher income than today's solo parent families.

<http://www.scoop.co.nz/stories/print.html?path=HL0808/S00162.htm>

Its all about cheap labour and work for the dole. This is clear from the response from the Employers Association.

<http://norightturn.blogspot.com/2008/08/beating-up-on-poor-ii.html> They are enthusiastic in anticipation of an inflow of workers into a pool of freely available labour!

Sickness beneficiaries get a bashing too. They will have to front up to doctors more frequently to prove that they really are 'sick' and not malingering. A sort of 'boot camp' for the sick. A sick policy that is a true reflection of a right-wing bosses party that profits from a sick society!

Global Revolt against Rocketing Food & Fuel Prices

Waitemata Branch of Unite! Leaflet for workers struggles against the prices crisis

The bad news is that worldwide rocketing prices are bringing extreme hardship if not starvation to billions. The good news is that the masses are revolting against the threat to their very survival. In Egypt, for example, riots have forced the government to introduce subsidies, and in South Africa a general strike against the price increases is planned for August 6.

In Aotearoa, as you've surely noticed, the price increases are way outstripping any meagre wage increases workers may have gained through resolute union action. A majority of the non-unionised workforce have had no wage increase for ages, and welfare benefits remain virtually at the punitive levels imposed by Ruthenasia in 1991.

Inflation-proof corporate executives may blame one another for the extortionate increases, but no public enquiry presided over by profiteers or their appointees can be trusted to identify the ultimate cause in an inherently unstable and exploitative economic system where production is pursued for private profit rather than to satisfy human need.

For decades sycophants in the media have been singing the praises of the unfettered market forces which are causing mass misery amongst the poor. The same voices that vociferously condemned any government intervention are predictably silent when governments bail out foundering private banks with public money.

The prices crisis is a symptom of an obsolete and dysfunctional economic system perpetuated only for the wealth it delivers to the overstuffed elite, just as is the deepening depression that threatens to be more catastrophic than any previously experienced. The only force on earth that can avert such catastrophe is a militant and united global working class organised locally and internationally.

For wage increases above inflation!

Subsidies for food and fuel!

Scrap GST and other regressive taxes.

Fund social programmes through progressive taxation of the profiteers!

For a socialist society which production is for need not profit!

Action Forum supports South African Strike Action

At a meeting on prices crisis organized by Waitemata Branch of Unite! a decision to support the South African National Strike on August 6th was taken. A short statement on the prices crisis in South Africa follows.

"Big capital has always made huge profits from food. What is happening now, though, is that the banks and speculators are artificially driving up prices. Since 1995 the World Trade Organization (WTO) has forced down trade barriers in the neo-colonial world, which has meant that the food monopolies like Du Pont and Monsanto, and the banks that have ownership of them, have seized control of substantial parts of the food resources of the world. Their control of the world food resources has been gained through the willing assistance of governments...

...Since 2006 major banks like Barclays and Deutsche banks have opened up speculative trading in energy, oil, minerals, metals and food. Barclays banks is also the biggest shareholder in the world's largest company, the Exxon Mobil oil company, which controls over 16 000 oil wells around the globe. Barclays also has a major shareholding in Monsanto. The banks and speculators bet on higher future oil and food prices. This drives up the price while billions of people around the globe are held to ransom by them. The major international banks like JP Morgan Chase, Bank of New York and SSB have the biggest combined shareholding in Sasol, which produces over 40% of the local fuel at between \$10 - \$40 per barrel. This means that they are making a clear profit of over \$100 per barrel at the expense of the masses in South Africa. The milk and bread cartels have also been proven to have colluded to raise prices yet they refuse to lower prices. Bread is going up again..."

Unite! Union Waitemata Branch August 6

China Bashing

The China bashing of the Bushites has been taken up by Western 'liberals' attacking China's record of 'human rights abuses'. The big problem with this is that, first, these attacks are hypocritical coming from Western moralists who usually ignore the history of Western oppression and exploitation of China. Second, they ignore that in their own countries 'human rights' were won by a long history of working class struggles and were not imposed by foreign regimes. One such middle class moralist is Scoop's political blogger Gordon Campbell, quoting approvingly from US *Business Week* and *Foreign Affairs*.

<http://election08.scoop.co.nz/gordon-campbell-on-the-olympics/>

"Given the wounds inflicted over the past 150 years by predatory Westerners, it is hardly surprising that China is hypersensitive to any such criticism [of 'human rights abuses'], and is proving all too prone to feel itself the victim of foreign machinations. "Irrationality in the name of patriotism is the way Chinese are taught to think," the historian Yuan Weishi of the Sun Yat-sen University in Guangzhou told US *Business Week* magazine in its June 23, 2008 issue. "This is our inheritance, and it is still very much with us."

So China is hypersensitive to criticism. But not so sensitive it seems as to shut up Yuan Weishi speaking to US *Business Week*. It might be more appropriate to reflect on the deeper effects of 150 years of predatory Westerners than to quote from *Foreign Affairs*, the house journal of the same US ruling elite that is still engaged in imperialist predation in China. What else do you call the fat profits that the US multinationals extract from China?

By comparison with the US-led 'War on Terror' in which both the US and NZ are engaged, and which writes off 'human rights' abuses as collateral damage, the 'human rights' abuses in China are more like the collateral damage of that history of imperialist predation. From the opium wars to the Japanese occupations, to the restoration of capitalism in the last 20 years and the invasion of Western corporations today, it is not surprising that China's defenses against foreign domination are portrayed as "irrational patriotism".

The hypocritical preaching of Western moralists about China's 'human rights' record might carry some moral weight if it was put into the context of this ongoing predatory history on the part of the so-called 'international community'.

On double standards applied to internet censorship see.

<http://www.spiked-online.com/index.php?/site/earticle/5532/>

Stop Caucasus Wars for Oil

<http://www.globalresearch.ca/index.php?context=viewArticle&code=CHO20080810&articleId=9788>

Michael Chossudovsky at the global research site shows that behind the Georgia/Russia military confrontation lies the prize of Caspian oil. Oil is the vital commodity that allows the wheels of capitalism to keep turning. Peak oil has made oil the new gold and Central Asian oil fields are the new Middle East.

Georgia is a US/Israel ally that provides the only route for Caspian oil to reach the West other than through Russia, or Iran, or Afghanistan – all of which are currently beyond the control of the US and its closest allies, Israel and Britain.

The BTC [Baku, Tbilisi, Ceyhan] pipeline controlled by British Petroleum goes from Azerbaijan through the south of Georgia and Turkey to the Mediterranean where it will be shipped to the Israeli port of Ashkelon and then piped to Eilat on the Red Sea for distribution to South Asia. This accounts for the buildup of new US/NATO bases in Georgia, and the supply of US and Israeli arms and 'advisors'.

Russia is alarmed that Georgia is now a US protectorate and about to join NATO. It has cultivated the Russian population and independence movements in Southern Ossetia and Abkhazia to break from Georgia. The Georgian invasion of Southern Ossetia was obviously part of a grand plan by the US/NATO/Israel to challenge Russian control of the Caucasus and hence central Asian oil.

Russia's move into Georgia therefore has little to do with defending the national rights of the South Ossetians and Abkhazians, but is an attempt to split NATO and weaken the US role in central Asia. It seems to have achieved this in part as France and Germany are dependent on Russia's gas and are unwilling to 'destabilise' the balance of power in the Caucasus. Nevertheless, so far, the US seems to have gained a tactical advantage as it now has a pretext to build up its military bases in Georgia to protect the BTC pipeline, and has signed an agreement with Poland to station a US missile shield in Poland as well as fast-forwarding Ukraine joining NATO.

In this war, revolutionaries do not side with either the US/UK/NATO or Russia/France/Germany since both are imperialist blocs fighting over control of Asian oil. We support the national rights of Georgia, Southern Ossetia and Abkhazia as expressed by the majority of people of those countries against any imperialist power. Both have fought wars against Georgia and the Ossetians voted for independence from Georgia in November 2006 (see cover).

In any case, we are for the international unity of the workers and poor farmers in all oppressed and oppressor countries against the big power oil politics which leads only to the death and destruction of

innocent civilians and the ongoing oppression of the people of the Caucasus, Palestine, Iraq, Iran, Russia and in every other country. [see redrave.blogspot]

Zimbabwe bosses do Deal

<http://www.monthlyreview.org/mrzine/hattingh140808.html>

The article by Shawn Hattingh provides the evidence that both Zanu-PF and MDC have been fighting over the franchise as the agents of EU and South African capitalism in Zimbabwe. While Hattingh is wrong to say that Zanu-PF is neo-liberal, after years of resisting World Bank and IMF domination and trying to run the country on the basis of nationalized industry, the progressive collapse of the economy has forced the Zanu-PF national bourgeois fraction to open up the economy on imperialism's terms. The recent attempts to negotiate a power-sharing deal is all about dividing the spoils of the super-exploitation and plundering of Zimbabwe's labour and other resources between both sections of the national bourgeoisie.

It is not just the MDC that is business friendly. Zanu-PF has longstanding shared business interests with South African capitalism. As Hattingh says:

"South African companies are major players in every sector of the Zimbabwean economy. Companies like [Impala Platinum](#), [Metallon](#), and Mmakau Mining control almost all of Zimbabwe's mining industry.

Similarly, South African corporations like [Standard Bank](#) and [Shoprite](#) dominate the country's banking and retail sectors. [SASOL](#) and the South African arms company, [Armcor](#), are major exporters to Zimbabwe. The likes of [First National Bank](#) (FNB) even have direct business relations with the ZANU government through lending arrangements. Likewise, Barloworld supplied the ZANU with the bulldozers that it used during Operation Murambatsvina. The truth is that these companies, along with the South African government, resisted sanctions because their business arrangements and profits in Zimbabwe would have been damaged."

Thus Zanu-PF is not anti-imperialist just opposed to imperialism that does not share its super profits with the national bourgeoisie. But first imperialism has to make profits in Zimbabwe. Thus as part of the ESA region (Eastern and Southern Africa) it has recently signed EPA (economic partnership agreement), a WTO-type FTA with the EU that opens up 80% of the economy to EU free trade and investment by 2022..

http://trade.ec.europa.eu/doclib/docs/2007/november/tradoc_136959.pdf

It is clear that the US and Britain have succeeded in driving the "renegade" Mugabe and their "man" Tsvangirai into a business partnership. Already, in expectation of the power-sharing deal going through, the US, EU and SA capitalists have been buying up big in the Zimbabwe stock exchange. After all, business is business!

Parliamentary Fetishism

As the election campaign hots up an all out shitfight between Labour and National is blowing up. It is clear that the ruling class is tired of Labour's Blairite compromises and wants a National government to finish off the more-market agenda and eliminate any remaining controls over foreign investment and the deregulation of the labour market. We argue that despite Labour's attacks on workers, most workers will vote Labour because they think of it as the 'lesser evil'. For that reason we argue for a tactical vote for Labour and against those whose vote for a 'left' alternative or 'non-vote' as a vote for National.

National has promised to get back onto the more market road but first it has to get support for what are still unpopular market reforms. Its not-so-hidden agenda is to win power on a centrist or Blairite program and then work to shift the electorate back to the free-market right. To do this it needs to get rid of MMP and proportional representation which since 1993 has forced National into coalitions that moderated its free-market agenda, and since 1999 has allowed Labour to stay in power.

Meanwhile, on the fringes of this shitfight the anarchists are calling for "no vote", and sundry other left fragments are calling on workers to vote for them rather than Labour. We argue here that the main task at this time is to get Labour re-elected, and that non-voting, or splitting the Labour vote, is a vote for National.

Class Struggle has many times explained why critical support for the Labour Party is a tactic to get Labour elected and exposed before those workers who still have illusions in it. To reject this tactic as the Workers Party does, is to take an ultraleft position that workers illusions in Labour have been broken already (not true); or can be broken by voting other worker MPs into parliament (unlikely right now even under MMP), or as the anarchists argue, that not voting, and organizing for direct action instead, will bring about a rejection not only of Labour, but of parliament itself.

First, let's take the argument that workers have already broken from Labour, and only vote for them because there is no other party to the left that can win office and meet the needs of workers. Those who argue this think that Labour is no longer a bourgeois workers party and workers only vote as a 'lesser evil'. Thus all it needs is for a true workers' party to give workers a 'greater good' choice.

This is wrong. The reason no workers party exists to the left of Labour is that there is no great support for

such a party among those workers who are most organized in unions and who still retain the belief that Labour is a workers' party. This is because social democracy functions as a wing of the labour aristocracy and bureaucracy with strong ties to organized labour. It is a statist party with its set of bureaucratic class institutions that continues to control the working class. Before a new workers party can arise to replace Labour, organized labor has to throw out the labour bureaucracy and rebuild the unions on a militant, democratic, rank and file basis.

Second, let's examine the chances of a new workers party entering parliament under MMP, to pull Labour to the left. History shows that new parties that try to replace social democratic parties with reformist programs, (Socialist Alliance in Australia, Left Party in Germany, Alliance in NZ) never got more than a small minority of voters. Where they got MPs elected under proportional representation MMP (MMP as in Germany and NZ) they had very little impact in pulling social democracy to the left. The reason is that to push further left would bring down the government and with it the opportunity of the left to influence its policies. The fate of the Alliance in NZ is particularly telling. Had the



New Labour Party stayed inside the Labour Party, or returned to it in 1993, Labour would have won in 1993 and probably 1996. (See *Class Struggle 78 Review of No Right Turn*). Thus even when left alternatives do get elected they adapt to social democracy and prolong the death agony of social democracy, rather than the quick execution Lenin had envisaged.

Again, we come back to the fact that until the labour movement has broken from the labour bureaucracy no real workers party will emerge to challenge social democracy's hold over the labour movement. To repeat, Labour Parties are the parliamentary wing of the labour bureaucracy and the labour aristocracy. They will only be challenged by the emergence of a radical, militant, democratic rank-and-file based labour movement.

Third, anarchists are syndicalists and do not think that workers should contest the bosses in parliament as it is part of the bosses' state. Syndicalists mistake the real economic power that workers have in the workplace and the direct action that mobilizes this power, for the armed concentrated political state power of the ruling class. In NZ the syndicalist Red Fed was defeated in the general strike of 1913 by the bosses' state force, which included "Massey's Cossacks", the farmers who were sworn in as armed special constables.

While it is true that the bosses' state must be smashed, anarchists overlook the fact that in order to mobilize a militant majority capable of doing that, it is necessary to utilize the democratic institutions that have been won by past generations of workers' struggles with much blood spilled. Capitalism presents itself as a society of equal opportunity in the market and equal citizenship rights in parliament. This ideology is reproduced by the labour process itself as *commodity fetishism*. Since it is imbued with 'mothers' milk' it can only be destroyed by class consciousness arising out of class struggle. This means contesting the bosses' rule in parliament and proving that so-called 'workers parties' serve the bosses by deceiving the masses. This will only happen by voting such parties into power to expose them and destroy the bourgeois ideology of equal rights and citizenship.

Sadly, by ignoring the need to expose the parliamentary fraud in struggle, anarchists have historically ended up joining bosses governments, or building their own bourgeois states. For instance, in Russia during the revolution the anarchists formed a state in the Ukraine based on the peasantry and opposed to the Soviet state. In Spain in the 1930s the anarchists joined the bosses' government in Catalonia. Despite much talk of rejecting the state as universally repressive, anarchists end up forming states, usually in opposition to workers states.

We can see that parliament is a fetishised form of capitalist rule which cannot be jumped over to form an alternative socialist or anarchist society without breaking with the ideology that underpins it. Capitalist rule rests heavily on reformist ideology, and the majority of workers will not be broken from it until parliamentary rule is thoroughly exposed and opposed by a class conscious revolutionary vanguard. Social democracy will retain its hold over the majority of workers until its attacks can be opposed and defeated by a revolutionised labour movement led by a revolutionary Marxist party. Bourgeois parliament has to be smashed and replaced by workers democracy – that is, a workers state. Meanwhile, that revolutionary labour movement has to be built by taking this fight to the masses with illusions in labourism and parliamentarism.

Uniting *all* workers in the Unions

A NDU rank and file worker makes the case for the proposed amalgamation of the NDU, SFWU and Unite! Unions in NZ to have the equal membership rights of unemployed and beneficiary workers along with employed workers written into the Constitution of the new union.
<http://rankandfilers.blogspot.com/2008/07/case-for-unionising-unemployed-and.html>]

A worker once asked a rank and file union member, "Who controls the level of union membership at any given time?" The union worker answered, "Well, if union membership drops because of closures, layoffs and redundancies, then it must be the BOSSES plain and simple."

Of course the other part of the equation is that it is helped along needlessly by an institutionalised union mindset that says union membership ends with the termination of paid employment. The biggest indictment against unions in relation to unemployed/beneficiary workers has been a failure to recognise them as **WORKERS** first and foremost. Workers solidarity is a joke!

The Returned Services Association (RSA) in spite of its dubious politics has set a better example of solidarity by maintaining continuity of membership and benefits long after its members have ceased their military service. Within the RSA, 'comrade' means comrade and not merely a loose and shallow term of address as it is used among some union members.

Unions abandon unemployed

In the past, when unionism was young, the unions looked at the wage earner as the union member but also extended help to the family in times of adversity. This dropped away at the height of compulsory unionism when unions were better resourced with no compulsion for union bureaucrats to recognise or advocate on behalf of members whose paid employment had come to an end. Union reliance on the welfare system instituted by the first Labour Govt and maintained to this day by all successive Governments has divested any union involvement in the ongoing interests of these workers being kept on as union members.

The now largely defunct 'Peoples Centres' that advocated on behalf of beneficiaries, were one attempt by volunteers who were mostly unemployed to address the problem. Hugely under resourced, they were always doomed to go under. Others still march on in support of the rights of beneficiaries; but it is an endless struggle. One such organisation, the 'Whanau

Resource Centre' in Pukekohe South Auckland is contracted to Counties Manukau DHB and CYFS as a half way house for battered women and their children. It also doubles up as a beneficiary workers advocate service among other things. Its principal organiser has said that beneficiary advocacy belongs in the unions.

Bringing unemployed back into unions

A former DSW/WINZ frontline case manager and PSA delegate with 18 years experience in Christchurch, Manurewa and Pukekohe spoke of dealing with beneficiary advocate groups who were clearly out of their depth. Some could barely afford the gas to make it to WINZ offices and keep appointments. Keeping up to date information important for their clients was also a problem. *[WINZ like the Dept. Of Inland Revenue is not in the business of informing taxpayers of their entitlements when there is a cost incurred by the respective Govt. Departments. That's for the client to find out.]*

In Christchurch the former WINZ worker remembered having to deal with laid off workers who were members of several unions including the NDU, SFWU, EPMU etc. In many cases, older union members in particular, lamented the passing of their union associations brought to a halt by the machinations of bosses. Some become so demoralised at being unemployed, that health/psychological deterioration forces them onto one of the various sickness benefits and worse.

She went on to say, "It's no use putting the thing in the 'too hard basket.' There exists more potential to deal with unemployed workers than outside of it. Sudden policy changes have an immediate impact on beneficiaries. Without the support or security of independent unions, unemployed workers are forced to fend for themselves. Unions have to take ownership of this issue. They avoid it at their peril."

Unite!, union of low-paid, unemployed workers and beneficiaries

In 1992 in the wake of the introduction of the ECA, the TUF (Trade Union Federation) which came out of the temporary bust up of the CTU included among its ranks the newly formed union called UNITE! A pivotal plank in UNITE's constitution is a commitment to represent the interests of 'unemployed workers and beneficiaries. To date, UNITE! has never been able to fulfil that role.

Lack of resources and the perceived logistics nightmare of organising dispersed unemployed/beneficiary workers are among the problems haunting

UNITE! in its current manifestation. Its internal politics with regards to a certain section of its own membership on this very issue has become acrimonious with no resolution in sight.

Amalgamation

It is now the task of the eventual amalgamated union to rise to the occasion and sort out the mess left in the wake of UNITE before it's too late for all of us. Today as the uniting of the NDU, SFWU and UNITE! inches ever closer, so does the challenge to incorporate within the new union, a sector dedicated to unemployed and beneficiary workers with its own organisers. Imaginative and bold use of new technology in conjunction with a new union call centre will ensure better delivery of services to all union members including this most vulnerable part of our community.

As things stand, we have historically limited our scope in terms of union recruitment to paid employees while neglecting the collective potential of paid workers, unemployed workers and beneficiary workers together. This must change! The demands of future industrial struggle and political turmoil (Bush gearing up to bomb Iran), make it important for unions to be more inclusive of all workers irrespective of their being employed or otherwise.



Conclusion

Unions as a subset of the wider working class which constitutes the majority of the human race, must be strengthened on our terms and not the profit driven whims of the bosses. Unions have always been weakened by the continuous cycle of small advances and big retreats in terms of membership because we give bosses the ability to weaken unions every time there are closures, layoffs and government policies that are friendly to the interests of bosses. We have a mandate to inspire young workers to want to join unions and become involved in the wider political activities affecting workers. We have to show that unions will always provide security, support and solidarity when those same workers suffer bad health and fall victim to the shrinking job market.

The prospect of returning to the ECA is very real if National wins the next general election. We do not want to see history repeat itself.

**Let's inspire the next generation:
 Union Independence from the state!
 Union Independence from political parties!
 Whakakotahi nga kaimahi o te Ao!
 [Workers of the World Unite!]**

Stop the repression by Evo Morales!

<http://redrave.blogspot.com/2008/08/bolivia-5th-august-we-must-stop.html>

Evo Morales and his "popular" army is killing Bolivian miners, already 3 miners are dead and hundreds seriously wounded by gunfire. The government of Evo Morales has made a pact with the prefects of fascist Crescent to make a trap of the recall referendum, meanwhile it kills the miners of Huanuni and represses the blockades of the workers. Thousands of miners are at this time resisting the repression of the government troops of Evo Morales on the roads of Oruro. Many others are outside the General Hospital where 3 young miners are dead and dozens fight for their life. The government of Evo Morales is killing the Bolivian working class!

This follows the general strike at the end of July organised by the COB [Bolivian Workers Central] to demand the replacement of the "Pensions Act".^[i] The government of Morales had rejected these demands and defended the neo-liberal law. Teachers, transport workers, miners and factory workers then went on strike and set up road blockades. The government responded with its "popular" police using live ammunition, smashing blockades, and imprisoning and torturing workers.

The miners of Oruro went on strike blocking the roads that connect the Altiplano [between Ururo, La Paz and Cochabamba]. On Saturday, August 2 a general assembly of Huanuni miners rejected the union officials call to end the strike and wait for the results of the bourgeois referendum to be held on August 10. They voted for an indefinite strike and blockades.

On August 4 the government sent its army with dogs, tanks and live ammunition to unleash a repression against the mining proletariat. With snipers, the government murdered 3 young miners and hundreds were wounded by bullets, while on Tuesday, August 5 it continued a brutal gunfire in Oruro against two blockades maintained by angry workers.

They seek to impose the recall referendum of the MAS, in agreement with the right-wing PODEMOS by shooting workers, and staining their damned polls with the blood of the miners. Here we see the results of Evo Morales' popular front policy of a pact with fascism to repress the workers while the transnationals continue plundering the nation. Today, Evo Morales tries to prove to the imperialist transnationals that his government can defeat the workers and that it is not necessary to use the fascists to control the Bolivian proletariat.

While the treacherous leadership of the COB mobilizes workers to pressure Morales to negotiate reforms in the pension law and waits for the recall referendum, the government responds with this repression, prison and death. This proves clearly that to win bread, labour, land, education and dignified retirement, and to have the right to protest without being shot, workers must build their own democratic organisations and militias.

We must replace the current leaders of the COB and the FSTMB [miners union] with a Popular Assembly of delegates of the base of the combative labour movement, poor peasants and students in Huanuni to build now a workers' militia to defend ourselves from the repression of Evo Morales government and to crush fascism, and to return to the path of revolution with the struggle for nationalisation under workers control of hydrocarbons and the entire mining sector, the expropriation of landowners to give land to the rural poor and thus ensure the bread, work, education and health for workers.

Such an assembly can create a workers and popular tribunal to punish the murderers of the working class killed in 2003-2005, and being killed today by the regime of Evo Morales. This Assembly will be the alternative for the poor farmers to the government of Evo Morales that protects the transnationals and the landowners and acts as their agents. This assembly must break from the bourgeois popular front of Evo Morales and from the class collaborator leaders of the COB, Montes and Solares.

Note [i] The main demand of the COB [Bolivian Workers Central] is the end of the neoliberal pension law and for a new 'solidarity' law under the joint management of employed workers, the employers and the state. The neoliberal system is managed by the AFPs Zurich Financial Services and Banco Bilbao Vizcaya Argentaria. It is limited to 10% of retired workers so that the other 90% must beg, starve or work to death! It is based on individual contributions of 12.5% of wages, the employers make no contribution, and the private administrator makes millions in profits from the \$3.2 Billion fund. Morales want to keep this neoliberal system but have the fund jointly managed by the state. The COB, however wants: i) reducing the retirement age of 65 years to 55 for workers, ii) return to the solidarity system for workers to control the pension fund iii) remove the administration from the private pension funds iv) that the State, TNCs and private companies make compulsory contribution to pension funds at a level that guarantees an adequate level of retirement income.

Bolivia and the Transition to Socialism

While most of the global [socialist left](#) looks to the Morales led regime in Bolivia as a popular, indigenous government in transition to socialism, others see only a repeat of the fatal return to a popular 'patriotic' front that traps and immobilizes the mass of workers and peasants and prepares the way for imperialist reaction. How is it that socialists can be so ignorant of recent history that they look to popular front regimes as instrumental in the transition to socialism? The answer to this question is that the exchange theory of capitalism promoted by the petty bourgeoisie reinforces the illusion among the masses that progressive populist regimes can negotiate class compromise deals with imperialism.

As is argued [here](#) exchange theory views capitalism as a system in which one class exploits another (leaving aside for the moment questions of intermediary classes, the *multitude* etc) by underpaying the full value of the commodity it sells as wage labor or as direct producers. This is the classic under-development theory today promoted by [James Petras](#) to name one prominent contemporary exponent. It is also the ideology that underpins the populist regimes in Latin America which propose that a petty bourgeois state bureaucracy can come to power and implement a national economic development strategy. Cuba is seen to be a partial model of this strategy as it opens up its state socialism to market socialism, while Venezuela is a success story in transition from a neo-liberal market towards market socialism.

This convergence on 'market socialism' places the state at centre stage. According to exchange theory whichever class controls the state controls the economy. That is, the state is the instrument of the ruling class by definition. The only question is which class rules? Exchange theorists advocate a transition from a capitalist state to a socialist state. But what does this mean exactly? Exchange theory proposes that a national popular government voted into power by a majority of all patriotic classes, is necessary if not sufficient, to take control of the state as the primary instrument of popular national development. In other words the patriotic front of all classes managed by a state bureaucracy is the instrument of the socialist transition.

Bolivia as a test case

Bolivia is a good test case. Like Venezuela it has a populist regime voted into power by a majority of the electorate of different classes on a program of equalising exchange and national development. However, unlike Venezuela it has not yet won control over its gas and mineral wealth sufficient to convince its supporters that it can deliver the fruits of equal exchange. This is because the major contradiction faced by semi-colonial states –between the needs of the people and the power of international capital –

is dramatically expressed as the geographic division between the Media Luna and Altiplano. More than 80% of the mineral wealth of Bolivia is located in the Media Luna and the move to secede from the rest of Bolivia would starve the populist regime of the resources it needs to fulfill its program for the masses.

Yet while Bolivia faces the stark contradiction between imperialism that demands resources on terms which return high profits, and the desperate poverty of the majority of its citizens, the Morales government is committed to a policy of compromise, attempting to negotiate terms of exchange between the two sectors. A lot is at stake here. The populist regime claims to represent the indigenous peasantry and the depleted and displaced mine workers, who have historically paid the price of having their wage labor and direct production expropriated by the

Eastern ruling class that still monopolizes the land and mine ownership. It is not an exaggeration to say that Bolivia today is the test case of the capacity of exchange theory/program to break the nation from his history of underdevelopment, while directly confronting an intensified and irreconcilable contradiction between the impoverished masses and the rich minority.

Enter Garcia Linera

Alvaro Garcia Linera, Morales vice president, is a powerful figure in the regime. He was a former guerrilla fighter in the indigenous Tupac Katari. He was jailed for a period when he studied sociology and Marxism and emerged as a leading intellectual advocate of development theory in Bolivia. In that sense, Linera's theory of 'Andean Capitalism' is the key to understanding the framework which guides the MAS politics and the new Constitution. Linera shares with other *dependency theorists* the view that Bolivia has been under-developed as a backward capitalist neo-colony. He sees the solution as the building of a national state that can control the national resources and develop the forces of production within the framework of 'Andean' capitalism (i.e. Bolivia along with the bordering original



Garcia Linera with Evo Morales

Andean states, Peru, Equador etc.) This process was begun with the national revolution in 1952 but was setback and then defeated by the emergence of the neo-liberal state in 1986. Today, the popular MAS regime and constitution represents a new situation in which the weakened neo-liberal state and emerging national state are at a point of ['catastrophic equilibrium'](#), or 'tipping point' between the neo-liberal state and the national state.

Despite the Gramscian language he uses, Linera's theory is a variation on underdevelopment theory which simply reverses the terms of imperialist development theory. Development theory holds poor nations responsible for their backwardness due to political and cultural deficiencies that prevent the emergence of market culture and behavior allowing market exchange to develop. Under-development theory rejected this racist imperialist cover up for colonial exploitation outright. Colonization established exchange, but on hugely unequal terms, where the poor masses has their labor and mineral wealth virtually stolen. The precondition for the reversal of this unequal exchange is therefore the national revolution and control of the national state. While the period of national revolutions, especially that of Bolivar, in the early 1800s went some way, they failed to free Latin America from a parasitic mestizo ruling class of land owners and mine-owners who ruled as 'compradors' for the 'western' imperialist powers.

Completing the national revolution

Despite the fact that the [1952 revolution](#) in Bolivia, and a number of other revolutions where also driven back and failed, under-development theorists hold up the current populist regimes as marking the possibility of escaping under-development and completing the national revolution. These exchange theorists are adopting the same failed political strategy of popular front politics based on cross class alliances including workers, poor peasants, rich peasants, and patriotic national capitalists. It is precisely the failure of such popular front governments to maintain a hold on power and to nationalize economic resources to meet the needs of the masses that has failed again and again. From the Trotskyist left this is because only the workers and poor peasants have a class interest in breaking with imperialism, and with the national bourgeoisie that serve it. A 'patriotic' popular front which includes petty bourgeois and bourgeois forces, no matter how small, will inevitably side with imperialism and betray the national revolution.

The model of a popular front regime that can redistribute power inside the existing state and displace the old ruling class without overthrowing the social relations of

production has been proven as wrong over and over again. Yet it is still being recycled today as the basis of Garcia Linera's 'Andean capitalism'. However, if it was only a question of bourgeois intellectuals around the MAS, which has its support among the richer peasants, the masses of workers and poor peasants would not retain their loyalty towards a regime that represents a disastrous failed model of the national revolution, but has already through its actions, continued to demonstrate its inability to deliver the answer to the basic needs of the masses.

In Bolivia (and elsewhere) a number of left currents in the labor movement also serve to defend the popular front and the exchange theory/program on which it is based. These include Stalinists, Maoists, Castroists, Guevaraists and fake Trotskyists. Again the reactionary role of these left currents in the 'shadow' of the popular front is well established historically. The more the revolution threatens to overthrow capitalist social relations, the more the extreme left is needed to contain the insurrection within the popular front. In Bolivia this is very clear. In 1952 the Trotskyist POR-Lora supported the MNR regime which it called a 'petty bourgeois' regime [1] trying to gain influence for the workers by nominating trade union ministers in the government. The result was that the petty bourgeois MNR became a rallying point for the weak national bourgeoisie to drive back the revolution over the next two decades. Garcia Linera does not acknowledge the real cause of the defeat of the 1952 national revolution as the cross-class MNR regime itself. Thus he wants to replay this first tragedy as another an even more terrible tragedy.



Morales regime as a popular front

As Linera himself recognizes, the current Gramscian 'catastrophic equilibrium' can also be conceived as a Leninist 'revolutionary situation'. However Linera misinterprets Lenin here. For Lenin a revolutionary situation opens up the possibility of a socialist revolution. For Linera the critical situation is poised between two forms of bourgeois regime, either the consolidation of a national popular regime or a reactionary slide back to a neo-liberal regime.

Without exception the reformist left follows Linera and the MAS in arguing for a negotiated solution within the framework of the new Constitution. The so-called 'Marxist' left of all shades makes a similar analysis. This became clear before the events leading up to the election of the MAS majority government in 2005.

There is an interesting exchange between socialists on the possibility that the organized workers and poor peasants were capable of taking power in October 2005. Following the mass mobilizations of 2003 which forced President Sanchez Lozada (Goni) to flee the country, his deputy Carlos Mesa came to power. Mesa failed to deliver on his promises and in

October 2005 another wave of mass demonstrations took place. These included blockades of La Paz, occupations of gas fields, and the emergence in El Alto of a popular 'originary' congress with a program for total 100% nationalization of gas. Such was the pressure on Mesa he resigned, and the congress shifted to Sucre where it was surrounded by a peasant mobilisation. Those who argue that this was a situation of dual power, also point to the fact that the army had split in 2003, so that the ruling class could not rely on the army to defend the power of the land and mine owning Rosca.

Over this pre-revolutionary period the MAS had continued to work alongside Mesa and attempted to increase the tax of gas from 30% to 50%. The popular slogan "not 30%, 50% but 100%" clearly rejected this position. The popular demand was not for renegotiating the price of gas, but for complete nationalization of gas. During October Morales was out of the country for 6 weeks. When the masses surrounded the congress in Sucre, Morales intervened proposing that the chief justice take over as interim president and that new elections be held as soon as possible. The danger that dual power might provoke a further revolutionary surge and seizure of power saw the rallying of the reformist left around the MAS proposal for a national patriotic popular front.

The Castroists role in the popular front

Because of the centrality of the Cuban Revolution in Latin America, old fashioned Soviet style Stalinism is no longer significant. After the end of Sendero Luminoso and the weakening of the FARC the Maoists are also isolated and weak. In their place we find Castroism and its twin, Guevarism. Castroism is the ideology of the Cuban bureaucracy - it is privileged caste, statist and defending 'socialism in one country'. That is, it subordinates the revolutions in Latin America to the popular front with 'progressive' national bourgeoisies and imperialism that 'defends' Cuba and the role of the parasitic bureaucracy primed to become a national bourgeoisie.

Guevarism is the radical twin of Castroism since it nominally rejects the state bureaucracy and seeks to build guerrilla movements in the peasantry against imperialism and the compradors in the manner of the Vietnamese revolution. The petty bourgeois peasantry is its class base rather than the bureaucratic caste in the working class. Celia Hart's revival of Guevarism as an unconscious Latin American Trotskyism subordinates the leading role of the proletariat to the peasantry in the national revolution.

These currents have in common a tradition that goes back to Menshevism and Stalinism both of which were dedicated followers of exchange theory. These traditions are now widely discredited because of the so-called 'failure of 20th century socialism'. But is their recycling under the new

label of '21st century socialism' any different? Despite their credentials as 'left' in Latin America they are associated with numerous betrayals and defeats. We need only mention Castro's visit to Chile in 1972 when he lectured the top military officers, including Pinochet, on the topic that "socialism was not the enemy of the army". [2]

Castroism does not represent bright unspoiled flags to head the revolution. Castro always backed national revolutions with its armed forces e.g. Congo, but only on the invitation of nationalist regimes. It refused to arm the masses in Nicaragua, Salvador and Chile against the populist regimes. In other words Castro lent his armies to boost the popular front regimes. Guevara did not wait for the invitation. He set about trying to mobilize the Bolivian peasantry to rescue the national regime from its right-wing degeneration under Barrientos.

Today in Bolivia, the Castroists in the unions act as advisors and agents of the MAS and play a critical role in boosting the popular front. In 2005 they backed Morales'

rescue of the Rosca regime from the organized anger of the people. With the election of MAS they help subordinate the unions to the popular front. They do this by presenting Morales' regime and the 'popular army' in Bolivia as on the side of the masses. In the recent autonomy referenda, the Castroists kept the union actions disorganized and impotent. They followed Morales orders and prevented a united march on Cochabamba to protest the recent autonomy referendum. But in this task the Castroites

have exposed their complicity with the popular front policy of appeasing the oligarchy, so they need the left cover of the Guevarists and the fake Trotskyists of the POR-Lora and COR.

Guevara as 'unconscious Trotskyist'

In 1967 Guevara died in Bolivia trying to create a peasant revolution. He failed to understand the history of the national revolution of 1952 led by the miners' vanguard. When he arrived in Bolivia the peasants were in a bloc with the military to suppress that revolution and Guevara stumbled into the wrong trench.

"We consider that the Cuban Revolution made three fundamental contributions to the laws of the revolutionary movement in the current situation in America. First, people's forces can win a war against the army. Second, one need not always wait for all conditions favorable to revolution to be present; the insurrection itself can create them. Third, in the underdeveloped parts of America, the battleground for armed struggle should in the main be the countryside." Che Guevara, *Guerrilla Warfare* (1961)

Guevara's self-imposed isolation in the countryside, did not stop the miners whose tradition was based on the



Guevara and Castro

Trotskyist Theses of Pulacayo from striking in solidarity with Guevara months before his capture, leading to the massacre of miners by the military on San Juan's day, 24th June, 1967.

Despite his mistakes due to his Stalinist and Maoist influences, Guevara's conception of "100 Vietnams" and "either socialist revolution or the caricature of revolution", are portrayed today by Celia Hart Santamaria, a Cuban writer, as evidence that Guevara subscribed to the concept of 'permanent revolution' and was an 'unconscious Trotskyist'. But since Hart is a full-blown Castroite and has never challenged Castro over his betrayal of Latin American revolutions, we can only assume that the "Trotsky" that Hart has in mind is not the original, but rather the fake Trotsky represented by the POR and COR of Bolivia who trample on the Trotskyist flag when they operate in the shadow of the popular front to cover it up and deceive the workers and poor peasants.

In reality, Guevara's concept of the 'socialist revolution' does not break from the popular front bloc of four classes that are central to Stalinism and Castroism. In that sense, Guevara's approach was also part of the theory/program of market socialism. It can be understood as developing a peasants' leadership in a bloc with the Castroists who dominate the workers union bureaucracy to pressure the progressive bourgeoisie to the left and to create a socialist regime. In this he is indistinguishable from the fake Trotskyist POR and COR.

Fake Trotskyists, left wing of the popular front

The history of fake Trotskyism in Bolivia starts with the POR Lora. In the most important event in its modern history, the April 1952 revolution, the POR led the COB (Bolivian Workers Central) which dominated the MNR (National Revolutionary Movement) government in the first months of the revolution. But it did not adopt a Leninist/Trotskyist position in this revolution. [4] Instead of using the power it had already taken and forming a workers' and peasants' state, the POR Menshevik strategy was to pressure the bourgeois government to the left! The POR was so disoriented that it thought the failure of the MNR to complete the revolution was an oversight! [5] This was an historic betrayal of the only revolution in Latin America led by a Trotskyist organization!

Other Trotskyists, in this case Moreno, claimed to have taken the position of 'All power to the COB' to break with the MNR government. Villa points out that this was just another variant of the popular front.[6] The POR never owned up to this betrayal in front of the workers and still plays the same role today on the left of the popular front. [7] As in 1952 and 1971, the Bolivian proletariat rose up in a huge revolution

from 2003-5 that did not succeed. Again the POR played the same role, this time by preventing any move by workers' organizations to form armed workers and poor peasant councils. Once the popular front was in power, the POR covered for the liquidation of the independent workers and peasants organizations by the bureaucracy of the COB led by the Castroite Solares, refusing to fight for the centralizing of the rank and file vanguard to defeat the class collaborationist leadership.

When the fascist reaction raised its head in the Media Luna, the POR adopted a Stalinist 3rd period posture, opposing the MAS and the Media Luna fascists as equally reactionary. This did not challenge the Castroite COB bureaucracy reliance on Morales' 'red troops' or raise the need for the renewal of the worker poor peasant alliance that could have mobilized the rural poor independently of the MAS government to form armed militias to smash the fascist organizations and also break from the popular front.[8]

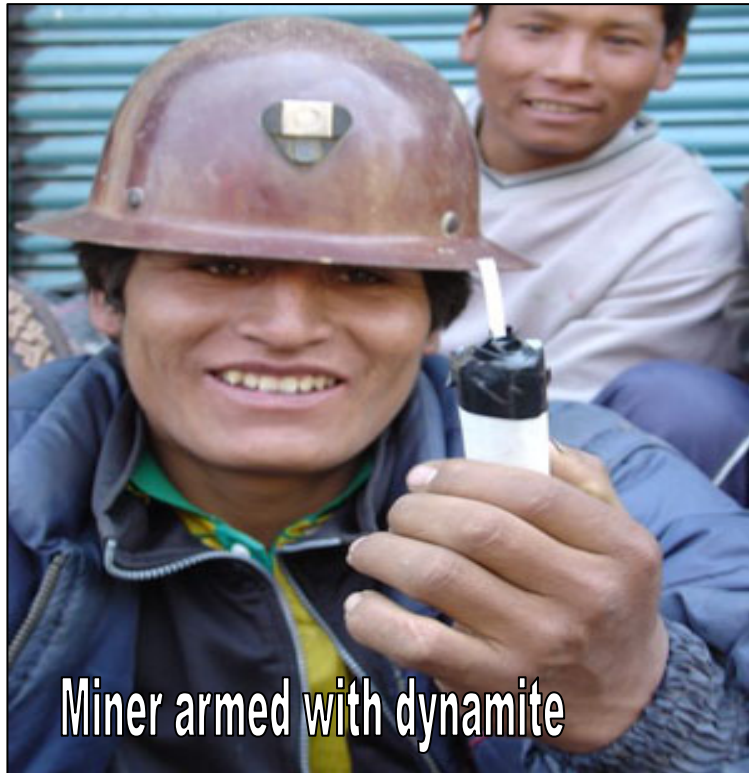
We saw also the LOR-CI group (a satellite of the Argentinean PTS) spent the entire revolutionary period opposing the formation of centralized bodies of dual power and instead raising its slogan for a "Constituent Assembly". When Morales Constituent Assembly came to power to strangle the revolution, allowing the Rosca ruling class to regain its tenuous hold on power, this tendency

lectured workers on how to overcome their backward 'consciousness'.

But the LOR-CI fails to draw the lesson that the backwardness of its own program to sow illusions at the feet of the popular front was responsible for the failure to realize the revolution, not the backwardness of the revolutionary vanguard of El Alto. The LOR-CI does not take any responsibility for this defeat and for putting the workers and poor peasants at the mercy of fascism. So while Morales popular front isolates and traps the workers and poor peasants, the POR points to heaven and the COR points to the horizon.

For a revolutionary party

The fundamental conclusion to be drawn by the proletarian vanguard and the youth is that without a revolutionary internationalist leadership, struggling to create Soviets, there can be no defeat the reformist leaders or break with the popular front which strangles the revolution. Therefore, with the lessons of 1952, 1971 and now the lessons revolutionary from 2003-2005 and all the other revolutions prove that without an organized revolutionary leadership they will end in defeat. These lessons of history prove that for the proletariat to win they must break from their treacherous leaders. What is urgently needed is a revolutionary party in



Bolivia that is part of a united revolutionary party of the whole of Latin America.

The immediate task of the workers and youth vanguard in Bolivia today is to build a Trotskyist party capable of leading the next Bolivian revolution as part of a Latin American and global revolution. The Bolivian Trotskyists who are part of the [Leninist Trotskyist Fraction](#) are fighting for an international conference of principled Trotskyists and workers revolutionary groups to regroup revolutionary internationalists as a new world party of socialist revolution.

During June 2008 the ORI founded the International Trotskyist League (ITL) in Bolivia to fight to recover the healthy tradition of Trotskyism in Bolivia alongside the workers of Huanuni, the people of El Alto and the students of Cochabamba.

[1] Lora wanted to uphold this reformist position by characterising the regime as petty bourgeois. The petty bourgeoisie is incapable of installing its own mode of production and regime. Small property engenders large property. A society of small owners is impossible and cannot avoid competition so forcing some to enrich themselves to accumulate while others become poor and are turned into proletarians. When the petty bourgeoisie is not allied to the proletariat it is marching behind the bourgeoisie aiming to reform its state. A government that is not subordinate to the Soviets and workers militias is one that is against the proletariat. A petty bourgeois government which oscillates between the proletariat and the bourgeoisie cannot exist. By upholding such a possibility, Lora put forward the view that these 'petty bourgeois' governments, should have pressure put on them to try to fill them with extra labour ministers, with the aim of gradually achieving a workers and peasants government. This is a gradualist and reformist conception that led the POR to prop up the military socialist dictatorship, and it would later lead them to ask for ministers in the cabinet of General Torres. Whenever you try to put 'red' ministers in the populist governments of the bourgeoisie and sow further illusions, the more the ruling class is helped make use of these demagogues so as to confuse and disorientate the masses and to prepare a reactionary coup. Neither the MNR government nor the party were petty bourgeois. The MNR, like every party with popular support, reflects the composition of the society in which it operates. A populist party, even though it has a majority of members from the most oppressed strata, just as elsewhere within capitalism, is run from the top down. Almost all the top leadership of the MNR were people who came from the oligarchic families, who had collaborated with German imperialism, propped up the bloody nationalist dictatorship of Villarroel and who were socially, ideologically and organically, an expression of a sector of the national bourgeoisie. The MNR, like Bolivian society, might have a majority of members and voters in the petty bourgeoisie, but it was led by politicians of and for the bourgeoisie.

[2] "Many Army chiefs in the different regions and their general staffs wanted to converse with me wherever I was and showed considerable interest in issues related to our war of liberation and the experience of the Missile Crisis in 1962. The meetings, which lasted hours, would be held in the early morning, which was the only time I had available. I would agree to these to help Allende, to familiarize them with the idea that socialism was not an enemy of armed institutions. Pinochet, as a military leader, was not an exception. Allende considered those meetings useful." Fidel Castro. *Salvador Allende: His example lives on*. <http://www.lankamission.org/content/view/459/44/>

[3] <http://redrave.blogspot.com/2006/10/bolivia-leninist-trotskyist-statement.html>

[4] "...there was a huge difference between the POR and Bolsheviks. The Bolsheviks demanded of the Soviets that they should give no class support to the bourgeois-democratic, reformist coalition government and that instead they should break with the bourgeoisie and take all

power in their own hands. The POR, in contrast, gave 'critical support' to the bourgeois government and asked to be given ministerial posts. While the Bolsheviks attacked the Mensheviks and the SRs without pity, seeking to remove them from leadership positions, the POR identified itself with the labour bureaucracy (for whom they drafted speeches and ministerial plans) and sought to transform the bourgeois party and its government. The Bolshevik strategy was to make a new revolution while that of the POR was to reform the MNR and its government. In short, while Bolshevism was Leninist, the POR was Lechinist." ***Introduction to "The 1952 Revolution: How the 4th International and the POR betrayed the revolution which could have carried Trotskyism to Power."***

[5] In June, *Lucha Obrera* maintained that the MNR should thank the POR for helping it achieve power and for its support. Its task would now be to put pressure on the MNR to carry out reforms which would benefit the working and middle classes. "If the MNR has to give thanks to anyone, and greatly for our help, it is without doubt, to the POR (...). The POR will continue in carrying out its task of guiding the proletariat and of ensuring that the actions which deposed one government and raised up another, which enjoys the support of all the people, are carried out in a way beneficial to the proletariat and the oppressed sectors of the middle class". (*LO*, 12.6.52, p.3). "Never before had a party like the MNR, that can count on uniform backing from an armed people and proletariat, achieved power; and never, therefore, did anyone have the opportunity of adopting measures with a real revolutionary content. **The government has closed its eyes, or has not wanted to see the magnificent opportunity**, and has preferred to deceive the proletariat which supported it unconditionally". (*LO*, 29.6.52, p.4) Never before had the party had such an opportunity to make a social revolution, but the MNR hesitated. The POR opposed the view that the deficiency was because of the bourgeois class character of the MNR, but said it was due to its lack of tactical ability. The task was to **open its eyes and make it see the magnificent opportunity**. The whole policy of the POR was completely Menshevik. Instead of calling on the workers to reject the MNR and to struggle to put the COB into power, the POR boasted of having served the MNR and of wanting it to mull over things and see reality - an orientation that was simply limited to seeking to serve as an adviser to the MNR in order to reform it.

[6] Nahuel Moreno always claimed that he called for 'All Power to the COB', as opposed to the POR policy of adaptation to the MNR left-wing. But Moreno's slogan was only a variant of the popular-frontist resolutions of the 3rd congress of the 4th International and the 'government of the MNR left-wing' position. In May, his paper put forward the "Demand that the worker ministers elected and controlled by the Miners Federation and the new Workers Centre are taken into the Paz Estensoro government". (*Frente Proletario*, 29.5.52. Quoted in *Prensa Obrera* 131, 3.5.86 - presumably 'PO' Argentine - eds). Moreno's position was akin to Lora's. In reality, co-government was a cabinet of all the wings of the MNR. The worker ministers constantly reported back in detail to the COB, but that, instead of modifying the government and changing it into a proletarian one (an impossibility) simply confused the class. Moreno's paper said that "the two wings which now exist within the MNR express the interests of the proletariat and the bourgeoisie". (*ibid.*). Presumably Lechin represented the proletariat. But a sector that stays within a bourgeois party cannot represent the interests of the proletariat. By 1953 Moreno was proposing the "development, support and strengthening of a left wing inside the MNR". (*Estrategia*, April 1966, quoted in *ibid.*). One proposed a government of Lechin's faction of the MNR, while the other preferred a government of Lechin's bureaucracy of the COB - the same jam but in different jars. Anyway the slogan 'All Power to the COB' is invalid once a dual power situation no longer exists (that is since 1952.) It only generates illusions in its bureaucracy.

[7] POR and LOR: The Role of the fake Trotskyists at Huanuni <http://redrave.blogspot.com/2006/10/bolivia-leninist-trotskyist-statement.html>

[8] <http://redrave.blogspot.com/2007/01/bolivia-arm-workers-to-smash-fascists.html>

Is China the New US?

For many China is the new USA. They think that it will be the next economic powerhouse, if it is not already, replacing the US as the leader in the world economy. Others doubt this, but there is no denying that today China is rapidly growing – but what sort of society is it? There are still those who think that China is a socialist country or some transitional type of [‘market socialism’](#) somewhere between socialism and capitalism. Then there are the classic liberals who think that in China the Manchu dynasty and the Chinese Communist regime are different versions of ‘oriental despotism’ all engaged in human rights abuses. Rather than attempt to navigate between these contending viewpoints on the surface of events, we prefer to approach China by looking for the underlying revolutionary changes in its modern history which allows us to understand its development and its current role in the global economy today. Using Trotsky’s concept of the [law of uneven and combined development](#), and Marx’s concept of [permanent revolution](#) which was later taken up by Lenin and Trotsky we can uncover and reveal this historic dynamic.

China’s pre-capitalist history

China before the entry of the European powers had been a highly developed pre-capitalist society for centuries. Marx famous and controversial concept of an [Asiatic Mode of Production](#) was an attempt to describe the typical hierarchical society typical of Asia of which European feudalism was a local variant. Despite being criticized as a Eurocentric version of ‘oriental despotism’ Marx seems to have identified the key elements of this mode in the communal modes at its base and centralized state at its center.

[Eric Wolf](#) defines this mode in *Europe and the People Without History* as a **tributary mode of production** which incorporated and dominated **kinship modes of production**. Peasant families organized as kinship modes of production had their tribute or rent expropriated by a class of landlord families which in turn paid the standing army and bureaucracy to administer society. Yet for all its advanced technology and trade relations the tributary mode of production tends towards stagnation and could not embark on the capitalist road. The ruling class was able to extract sufficient rents to maintain society and did not need to allow the formation of a middle class of merchants to bring wealth from unequal exchange overseas back to China. Rather, those traders who sought to expand their wealth through trade and become merchant capitalists had to exile themselves and look for opportunities in other parts of the world in particular South East Asia. This merchant diaspora is the basis of overseas Chinese capitalism today.

China was highly successful in producing and exporting tea, running a trade surplus until the British [‘opium wars’](#) in the mid 19th century forced it to import opium in exchange for its exports. The tributary mode was thus subordinated to British imperialism which exploited China’s raw materials and surplus labor force as migrant workers in its other colonies. So long as China remained a form of British colony and had its resources and wealth expropriated it would not be able to create its

own internal market and develop the capitalist mode of production. It would remain a tributary mode mined and plundered by imperialism. Karl Marx, however, anticipated that the sleeping giant would awaken as an independent capitalist nation. Marx wrote of the impact of the capitalist mode of production in dissolving the Asiatic mode, though he noted that this was very slow. Nevertheless in a famous newspaper article he wrote in 1850 Marx was not joking when he [said](#): “When our European reactionaries in their immediately coming flight across Asia finally come up against the Great Wall of China, who knows whether they will not find on the gates which lead to the home of ancient reaction and ancient conservatism the inscription, ‘Chinese Republic – liberty, equality, fraternity’.”

The Bourgeois revolution

Here Marx is anticipating the uneven and combined development that would see capitalism

progressively free China from the Asiatic Mode so that it would replace Europe as the dominant force in the world economy. For this to happen, however, a national bourgeoisie would have to rise up to overthrow the tributary ruling class which was subservient to imperialist powers. This national democratic revolution began in 1911 when the weak bourgeoisie struggled to force the old landlord ruling class to break from its subservience on British imperialism and free up the opportunities or the emergence of a national bourgeoisie. However, the Chinese would-be bourgeoisie proved to be too weak to united the country and win complete independence from the imperialist powers. Power shifted from the imperial center to a host of tributary warlords. As an expression of the tragicomic adventures of the would-be bourgeoisie, the united Chambers of Commerce declared their own national government in 1923, supported by Mao Zedong who said “The merchants of Shanghai...have adopted revolutionary methods; they have overwhelming courage to take charge of national affairs”. ([Cambridge History of China](#), p 782). To unite China and win independence the national bourgeoisie would have to



Making Mattel toys for US

harness the class power of the peasantry and the workers and complete the bourgeois revolution. But it ran the risk of the peasants led by the workers taking over the national revolution and going straight to socialism.

The Kuomintang (KMT), the party of the bourgeoisie under Sun Yat-sen, sought to complete the national revolution against Japan and Britain and liberate the nation from semi-colonial oppression. To achieve this, the KMT formed a patriotic alliance between a bloc of workers, peasants and middle class under its leadership. This bloc was unstable because it contained a contradiction between the producing classes and exploiting classes. In order to ensure that the bourgeoisie would retain its class rule, the KMT could not allow the workers and poor peasants to lead the revolution for fear that they would not stop at throwing out the Japanese, but would throw out the KMT as well.

Russia's permanent revolution

This class contradiction was recognized by the Bolsheviks because it had occurred in Russia as well. In Russia the weak bourgeoisie preferred to stay in power with the backing of the imperialists rather than cede power to the worker and poor peasant majority. Why? Because the imperialists would allow them a share of the super-profits expropriated from workers and peasants, while a workers revolution would eliminate the bourgeoisie as a class. Because of this treacherous role of the bourgeoisie only the workers leading the poor peasants could complete the national revolution against imperialism. The Bolsheviks rapidly dropped their alliance with the bourgeoisie and led a revolution in which the worker and poor peasant majority took power. The Bolsheviks had an 'uninterrupted' revolution (or 'permanent' revolution in Trotsky's terms) in which the national revolution was completed by a socialist revolution.

Facing a similar situation in China in 1924, the Comintern (the 3rd International) that arose out of the Russian Revolution, was divided over how the national revolution should be completed. The majority around Stalin abandoned the lessons of October and reverted to the Menshevik idea that the bourgeoisie would lead a 'united front' [the 'bloc of 4 classes'] to complete the national revolution and so prepare the conditions for the socialist revolution. The minority around Trotsky, (the [Left Opposition](#)) applied the lessons of the Russian revolution to China. Only the working class leading the poor peasants could complete the national revolution as a socialist revolution – the permanent revolution! The bourgeois KMT could not be trusted to lead a national revolution because it would side with the imperialists as a [comprador](#) bourgeoisie rather than allow the workers and peasants to take power. This division in the Comintern was reproduced in the leadership of the Communist Party of China (CCP).

The second revolution betrayed

Trotsky's warnings that the workers and poor peasants must not subordinate themselves to Chiang Kai-shek's military leadership were ignored. KMT were made honorary section of Comintern. The Comintern overruled the CCP leadership and suppressed the Left Opposition (LO). The KMT led the bloc of 4 classes to fight the imperialists but fearing the power of the exploited classes then turned on the CCP leadership and destroyed it. Stalin blamed the CPP leadership. Some of the CPP leadership opposed this and were expelled. Others were won to LO in China and four LO currents were formed

which later formed a [United Opposition](#).

Meanwhile in the face of this betrayal the Maoist leadership of the CCP continued the failed Stalinist popular front tactic of the bloc of 4 classes and began to suppress the [LO](#). The KMT regime under Chiang was a form of Bonapartist bourgeois regime balanced between the Chinese peasants and workers on the one side and the imperialists on the other. Because of the weakness of the national bourgeoisie the KMT regime encouraged the formation of a state bourgeoisie. The national war of liberation became a peasant war and it took many years to drive out the Japanese the KMT and its backer, the US. Mao finally took power in 1949 still committed to a bourgeois China and attempted to hand power over to the bourgeoisie. Again the popular front theory was proven wrong but only because by this time the peasants and workers were mobilized to take power, and not to hand it back to the bourgeoisie. The leading sectors of the Chinese bourgeoisie abandoned the revolution since it would not allow them to profit from a comprador relationship with imperialism. Some other sectors made an [alliance](#) with the CCP. Mao was then forced to expropriate bourgeois property but at the same time refused to allow the workers and peasant base to administer the dictatorship of the proletariat.

The third revolution

Thus despite the Stalinist Maoists the revolution succeeded in removing the imperialists and the national bourgeoisie. And because of the Maoists it failed to create the conditions for the transition to socialism. The nationalization of bourgeois property created workers property and a bureaucratic plan, but the working class and poor peasantry were never able to democratically control the state. This transitional form of society contained a contradiction between workers property and the parasitic [Bonapartist bureaucracy](#). In that sense it was structurally a workers' state degenerate at birth, the same as the states formed in Eastern Europe that were occupied by the Red Army, or like Yugoslavia, balanced between the Soviet Union (SU) and imperialism.

We characterize this transitional form of state in China as a **Degenerate Workers State** (DWS) at birth following [Trotsky's method](#) in explaining the role of the Red Army in occupying the Ukraine, Poland and Finland in 1939. Against those who took the position that the Red Army could not substitute for the working class to create workers states in these countries, Trotsky said that the state forms that resulted were an extension of the DWS in the SU. Despite everything the bureaucracy did, including suppressing national workers and poor peasants' movements, the expropriation of the bourgeoisie created *post-capitalist* property.

But does the analysis of the DWS occupied by the Red Army as an extension of the Soviet Union also apply to those countries that were not occupied by the Red Army – Yugoslavia, China, Vietnam, Cuba? In each of these countries, the nationalist forces that led the revolution were not under the direct control of the SU. But the same phenomenon that Trotsky observed in Poland happened. The support of the SU encouraged the workers and peasants to join in not only the expulsion of the imperialists, but in forcing the bureaucratic or petty bourgeois leaderships to go further than forming a government with the national capitalists, and rather to expropriate them.

In China the expropriation of big bourgeois property was possible only with support from the Soviet Union – a fact that the bureaucracy was forced to use to legitimate its rule. When the CCP nationalized property it took the form of workers property, even under a bureaucratic dictatorship. The bourgeoisie as a class are removed, and all that remains for workers to claim their property is the removal of the bureaucracy. That is why, against those who thought that the Stalinists could create healthy workers' states, substituting for the historic revolutionary role of the working class, Trotsky said that the only sure defence of workers property was the overthrow of the bureaucracy in a political revolution as part of an international socialist revolution.

Thus in China in 1949, as in Poland as Trotsky had argued in 1939, it was not the Chinese Red Army in itself that was progressive but the fact that the SU backed it against Japan and the US, expelling the comprador bourgeoisie, and forcing the Bonapartist CCP leadership to expropriate capitalist property.

Forward to socialism, or back to capitalism

China, as a new DWS could go in [two directions](#). Forward to socialism by political revolution that removes the bureaucracy, or back to capitalism by a counter-revolution where the bureaucracy privatized workers property and turned itself into a new national bourgeoisie. The contradiction between workers property moving forwards to socialism and the bureaucratic caste moving backward to capitalism was expressed in the class contradiction which the Bonapartist regime attempted to reconcile. It was also represented in two factions in the CCP leadership. The Maoists fought to keep workers property and the planned economy as the basis of their bureaucratic privilege, while the 'capitalist roaders' fought to privatise collective property, restore capitalism and convert themselves into a new bourgeoisie. These big internal fights then represented both sides of the class contradiction striving for victory over the other.

The capitalist roaders won and began by replacing the rural collectives with the TVE (Town Village Enterprises) cooperatives in the 1980s, and then began transforming the SOEs (State Owned Enterprises) into privatized corporations in the 1990s. The shift to TVE cooperatives was decisive as it allowed a shift to personal shareholding. These became the basis of the conversion of the TVEs into privatized industries in the 1980s. This created a huge movement of displaced workers into the cities as a rural reserve army of formal wage labour who would then become a free wage labor force.

By the early 1990s the Chinese economy had been gradually opened to the influence of the Law of Value (LOV). State owned land was increasingly commodified with the development of a rental market, the SOEs were freed of any responsibility to meet the health, education and welfare needs of wage workers, and the state surplus increasingly became accumulated as private capital in pockets of TVE shareholders, SOE managers as well as private bosses. Thus at this point workers property relations were being replaced by capitalist property relations. The bureaucracy had converted the TVEs and SOEs into capitalist corporations in which a new bourgeoisie become the private owners.

Capitalist Restoration completed

The question of when workers property is replaced by capitalist property determines the change in the class

character of the state. Here again, we apply Trotsky's analysis of the counter-revolution in the SU. Up to the time of his death in 1940 Trotsky argued that the SU remained a DWS, and as we have argued the just as the occupied countries were DWs by extension of the SU. The counter-revolution in all of the DWS that emerged after WW2 would follow the same pattern as the SU. In the SU, the economy was characterized as workers property, or nationalized property, that was nevertheless coexisting with some elements of the market to allow demand to guide prices. But as long as the market was subordinated to the plan, no matter how bureaucratic, the allocation of resources would follow the plan rather than the law of value. That is why the SU was plagued by waste and shortages of basic necessities. Capitalism is [restored](#) when the LOV takes over from the plan in determining prices in allocating resources. Today when workers have little money the shortages of necessities result from lack of effective demand not lack of commodities.

In the EE states, attempts to remove the Red Army included elements that were for the defence of state property and those that wanted to restore capitalism. The bureaucratic suppression of both had the effect of subordinating the independence struggle to the restorationists. Thus by the 1980s the struggle for political revolution was weakened and the forces for counter-revolution strengthened. In the SU and EE this counter-revolution was completed between 1989 and 1992. At this point it was clear that the bureaucracy, despite competing factions, was committed to destroying the plan and re-imposing the LOV as the basis of production. Thus the SU and its buffer states ceased to be DWs and became capitalist states. The first phase of the operation of the LOV was to destroy the existing industry and allow asset stripping by a new capitalist class to set its value on the world market. Trotsky anticipated this transition back to capitalism as a state capitalist phase.

Applying the same method to China it is clear that the turning point was around [1992](#) when the CCP abandoned and defence of the plan and passed laws to privatize the SOEs as the property of their managers. The CCP did this more deliberately than the CPSU and this phase of state capitalism was dressed up as [market socialism](#). Massive devaluation and asset stripping was spread over decades instead of a few years. As opposed to those who point to the concessions to Foreign Direct Investment (FDI) in China as a major force for restoration, we point to the fact that FDI is still relatively small, and that the major moves towards privatization originated in the state sector where the bureaucracy made a smooth transition to capitalism and to their re-invention as a national bourgeoisie.

Is China imperialist?

Today by the measure of the LOV China is capitalist. In that sense a rapidly growing powerful capitalist China could be considered imperialist. But what do we mean by imperialist? According to Lenin and imperialist country has a surplus of finance capital which must be exported to counter falling profits at home. That is, the possibilities of growth at home can only be sustained by the export of capital to earn super-profits in other countries, and be imported to the home country to maintain the rate of profit. Less important was the need to find new markets in which to sell the commodities produced in the home market. Historically, the powers that clearly meet this definition are

the USA, Japan and the main European powers like Britain, France, Germany, Spain and Italy. Others are not imperialist, or may be former imperialist, and are more like semi-colonies, such as Portugal, Greece, Poland, etc. Others may be small imperialist powers such as Sweden, Austria etc.

Does China today meet these criteria? As yet it doesn't appear so. China has a big trading surplus from its commodity exports but this is mainly invested in US bonds. It is a peculiar sort of finance capital that must accept US petrodollars to fund the massive US external deficit. Most of China's growth is driven by its internal market which is huge and expanding rapidly. In that sense China's internal market is sufficient to maintain its profitability, while its exports are more re-exports of foreign mainly overseas Chinese companies (mainly Hong Kong and Taiwan) that have invested in China. So far from being evidence of the export of China's surplus finance capital, China is the source of imperialist (Japanese, overseas Chinese, EU, US etc) FDI which reaps massive super-profits from China's cheap resources and labor power.

While the organic composition of capital in China is growing it doesn't seem yet to have reached the point of an overproduction of capital necessitating an export of productive capital. China today, then, is still developing its internal market, making huge infrastructural investment and is

only beginning to establish DFI overseas in Africa, Latin America, and the rest of Asia to create its own so-called 'empire'. Nevertheless, China is being driven by the rapid growth in demand for cheap raw materials and markets to become a major competitor to the existing imperialist powers, a fact that is clearly behind the growing alarm with which the EU and US views its aggressive role in Africa.

For [some](#) China's capitalist growth has many of the features of industrialization in Europe in the 19th century. However, the form of *combined and uneven development* that Trotsky and Lenin spoke of in the case of the Soviet Union, and which Marx foreshadowed in China, is today manifest in a pace and scale that would have been beyond even their imaginations. Not only has China become the key driver of the world economy at a time of US dominance and relative decline, it is now at the center of the world historic contradiction between labor and capital. Emerging out of a bourgeois national revolution and the aborted socialist revolution China has within the space of two decades created a powerful capitalist economy. Whether it is contained as a semi-colony exploited by the other capitalists, or succeeds in re-dividing the world economy at the expense of the other imperialist powers, remains to be seen. China may be on the road to displacing the US but will it be as an imperialist China or a socialist China?

Review part 2

The Bolsheviks and Worker Control 1917-19

In this second part of the review of Brinton's pamphlet we see the theory and practice of anarcho-syndicalism in opposition to the dictatorship of the proletariat put to the test of events in the critical revolutionary years in Russia and failing that test.

The All Russian Conference of Factory Committees – October 17-22 was convened by *Novy Put*, an anarcho-syndicalist paper.

"According to later Bolshevik sources, of the 137 delegates attending the Conference there were 86 Bolsheviks, 22 Social-Revolutionaries, 11 anarcho-syndicalists, 8 Mensheviks, 6 'maximalists' and 4 'non-party'."

On the eve of the revolution Brinton points to the importance that the factory committees had in Lenin's thinking:

"Lenin at this stage saw the tremendous importance of the Factory Committees... as a means of helping the Bolshevik Party to seize power. According to Ordzhonikidze he asserted *"we must shift the centre of gravity to the Factory Committees. The Factory Committees must become the organs of insurrection. We must change our slogan and instead of saying 'All Power to the Soviets' we must say 'All Power to the Factory Committees'"*.

Yet at the same time factories committees must be centralized:

"A resolution was passed at the Conference proclaiming that *"workers' control - within the limits assigned to it by the Conference - was only possible under the political and economic rule of the working class"*. It warned against 'isolated' and 'disorganised' activities and pointed out that *"the seizure of factories by the workers and their operation for personal profit was incompatible with the aims of the proletariat"*.

On October 25 the Provisional Government was overthrown. On the next day at the Second All Russian Congress of Soviets the Bolsheviks proclaimed:

"The Revolution has been victorious. All power has passed to the Soviets... New laws will be proclaimed within a few days dealing with workers' problems. One of the most important will deal with workers' control of production and with the return of industry to normal conditions. Strikes and demonstrations are harmful in Petrograd. We ask you to put an end to all strikes on economic and political issues, to resume work and to carry it out in a perfectly orderly manner... Every man to his place. The best way to support the Soviet Government these days is to carry on with one's job". Without apparently batting an eyelid Pankratova could write that *"the first day of workers' power was ushered in by this call to work and to the edification of the new kind of factory"*.

Clearly the revolution was the work of the workers organized in soviets, but also in factory committees. The importance of keeping production going under workers control would be a responsibility of such factory committees but under the centralized laws of the Soviet government. The prospect of central state control over the factory committees is the problem for Brinton. He documents the development of the laws governing worker control which follow. He approves of Lenin's first draft on workers control published on November 3 because it recognizes what the workers have already achieved themselves.

The "publication in *Pravda* of Lenin's 'Draft Decree on

Workers' Control' provided for the "introduction of workers' control of the production, warehousing, purchase and sale of all products and raw materials in all industrial, commercial, banking, agricultural and other enterprises employing a total of not less than five workers and employees - or with a turnover of not less than 10,000 rubles per annum". Workers' control was to be "carried out by all the workers and employees in a given enterprise, either directly if the enterprise is small enough to permit it, or through delegates to be immediately elected at mass meetings. Elected delegates were to 'have access to all books and documents and to all warehouses and stocks of material, instruments and products, without exception'".

Great, already done, says Brinton, only to then condemn the following provisions:

"Point 5: *"the decisions of the elected delegates of the workers and employees were legally binding upon the owners of enterprises but that they could be "annulled by trade unions and congresses"* (our emphasis). This was exactly the fate that was to befall the decisions of the elected delegates of the workers and employees: the trade unions proved to be the main medium through which the Bolsheviks sought to break the autonomous power of the Factory Committees."

"Point 6: that *"in all enterprises of state importance"* all delegates elected to exercise workers' control were to be *"answerable to the State for the maintenance of the strictest order and discipline and for the protection of property"*

"Point 7: Enterprises *"of importance to the State"* were defined - and this has a familiar tone for all revolutionaries - as *"all enterprises working for defence purposes, or in any way connected with the production of articles necessary for the existence of the masses of the population"*.

Brinton complains:

"In other words practically any enterprise could be declared by the new Russian State as *"of importance to the State"*. The delegates from such an enterprise (elected to exercise workers' control) were now made answerable to a higher authority. Moreover if the trade unions (already fairly bureaucratized) could 'annul' the decisions of rank-and-file delegates, what real power in production had the rank-and-file? The Decree on Workers' Control was soon proved, in practice, not to be worth the paper it was written on."

So the new workers state must not attempt to coordinate and discipline the working class other than by following the decisions taken at the level of factories (not to mention the farms, military, post-office etc). Here the direct democracy of the workplace is the universal panacea to the authoritarian state and the bureaucratized unions. What, then, of the role of workers in electing delegates to soviets and officials to unions? It seems these are not within the scope of workers democracy because they, state and unions, are by definition alien to workers control. Workers therefore confine their democratic decision making to the workplace. In which case how would those decisions be coordinated into an overall plan for a socialist economy?

These questions were central to the debates on Lenin's draft document on worker control.

"...Lozovski, a Bolshevik trade unionist, was to write: *"To us, it seemed that the basic control units should only act within limits rigorously determined by higher organs of*

control. But the comrades who were for the decentralisation of workers control were pressing for the independence and autonomy of these lower organs, because they felt that the masses themselves would incarnate the principle of control". Lozovski believed that *"the lower organs of control must confine their activities within the limits set by the instructions of the proposed All-Russian Council of Workers Control. We must say it quite clearly and categorically, so that workers in various enterprises don't go away with the idea that the factories belong to them"*.

A compromise position was arrived at:

"Milyutin, who presented the revised decree ...explained somewhat apologetically that *"life overtook us"* and that it had become urgently necessary to *"unite into one solid state apparatus the workers control which was being operated on the spot"*. *"Legislation on workers' control which should logically have fitted into the framework of an economic plan had had to precede legislation on the plan itself"*. There could be no clearer recognition of the tremendous pressures from below and of the difficulties the Bolsheviks were experiencing in their attempts to canalise them... The new decree started with the ingenious statement that: *"In the interests of a planned regulation of the national economy"* the new Government *"recognised the authority of workers' control throughout the economy"*. But there had to be a firm hierarchy of control organs. Factory Committees would be *"allowed"* to remain the control organ of each individual enterprise. But each Committee was to be responsible to a *"Regional Council of Workers' Control"*, subordinated in turn to an *"All-Russian Council of Workers' Control"*. (58) The composition of these higher organs was decided by the Party...For instance the All-Russian Council of Workers' Control was to consist of 21 'representatives': 5 from the All-Russian Central Executive Committee of the Soviets, 5 from the Executive of the All-Russian Council of Trade Unions, 5 from the Association of Engineers and Technicians, 2 from the Association of Agronomists, 2 from the Petrograd Trade Union Council, 1 from each All-Russian Trade Union Federation numbering fewer than 100,000 members (2 for Federations of over this number)... and 5 from the All-Russian Council of Factory Committees! The Factory Committees often under anarcho-syndicalist influence had been well and truly 'cut down to size'."

The reason, says Brinton, was the antagonism between the centralized party apparatus and the democratic national federation of factory committees. He quotes Deutscher on the Bolshevik position:

"anarchic characteristics of the Committees made themselves felt: every Factory Committee aspired to have the last and final say on all matters affecting the factory, its output, its stocks of raw material, its conditions of work, etc., and paid little or no attention to the needs of industry as a whole". Yet in the very next sentence Deutscher points out that *"a few weeks after the upheaval (the October revolution) the Factory Committees attempted to form their own national organization, which was to secure their virtual economic dictatorship. The Bolsheviks now called upon the trade unions to render a special service to the nascent Soviet State and to discipline the Factory Committees. The unions came out firmly against the attempt of the*

Factory Committees to form a national organization of their own. They prevented the convocation of a planned All-Russian Congress of Factory Committees and demanded total subordination on the part of the Committees".

Brinton seems to think that the national organization of factory committees would somehow represent an adequate basis for national economic planning. Deutscher however is clear that the federation of factories would be a virtual 'economic dictatorship' i.e. impose the economic decisions of the factories for the whole of Russia as a parallel structure to the soviet state.

Brinton claims this is why the Soviet state prevented a federation from forming to coordinate the national economy:

Some comments are called for in relation to these developments. The disorganization created by the war and by the resistance of the employing class (manifested as sabotage or desertion of their enterprises) clearly made it imperative to minimize and if possible eliminate unnecessary struggles, *between Factory Committees*, such as struggles for scanty fuel or raw materials. There was clearly a need to co-ordinate the activity of the Committees on a vast scale, a need of which many who had been most active in the Committee movement were well aware. The point at issue is not that a functional differentiation was found necessary between the various organs of working class power (Soviets, Factory Committees, etc.) or that a definition was sought as to what were local tasks and what were regional or national tasks. The modalities of such a differentiation could have been - and probably would have been - determined by the proposed Congress of Factory Committees. The important thing is that a *hierarchical* pattern of differentiation was *externally* elaborated and imposed, by an agency *other than* the producers themselves.

For Brinton a Congress of Factory Committees had it not been stopped by the imposition of the hierarchical All-Russian Council of Workers Control, could have overcome the local, parochial interests of the factories, farms and post offices and arrived at a national planned economy. Thus, at the first meeting of the Council:

"Zhitovov, spokesman of the Factory Committee movement, declared: *"In the Factory Committees we elaborate instructions which come from below, with a view to seeing how they can be applied to industry as a whole. These are the instructions of the work shop, of life itself. They are the only instructions that can have real meaning. They show what the Factory Committees are capable of, and should therefore come to the forefront in discussions of workers' control"*. The Factory Committees felt that *"control was the task of the committee in each establishment. The committees of each town should then meet... and later establish co-ordination on a regional basis"*.

In December with the formation of the Vesenska (Supreme Economic Council) the All-Russian Council of Workers Control, in which the Factory Committees were already buried, was put to rest. It became one of many organs that underwent a transition from *"workers control to the Supreme Council of National Economy"*. Brinton sums up what he sees as:

...a process which leads, within a short period of 4 years, from the tremendous upsurge of the Factory Committee movement (a movement which both implicitly and

explicitly sought to alter the relations of production) to the establishment of unquestioned domination by a monolithic and bureaucratic agency (the Party) over all aspects of economic and political life. This agency not being based on production, its rule could only epitomise the continued limitation of the authority of the workers in the productive process. This necessarily implied the perpetuation of hierarchical relations within production itself, and therefore the perpetuation of class society.

Incredibly what is missing from this analysis is the seizure of state power and the formation of a Soviet state representing the workers organized in Soviets. The Bolshevik Party is referred to a "bureaucratic agency...not based on production". Counterposed to this "bureaucratic agency" imposed on "production" is the "authority of the workers in the productive process". But what is that "authority" in isolation of the Soviet state? The Party that wins the support of the workers, poor peasants and soldiers in the Soviets now lacks "authority" and instead imposes a "rule" over workers and a "perpetuation of class society"! How can a Party which represents the revolutionary majority that overthrows the ruling class and creates a workers government now "perpetuate class society" over the workers? Let us see how Brinton's arrives at this conclusion.

...The problem can be envisaged in yet another way. The setting up of the Vesenska represents a partial fusion - in a position of economic authority - of trade union officials, Party stalwarts and 'experts' nominated by the 'workers' state'. But these are not three social categories 'representing the workers'. They were three social categories which were already assuming managerial functions - i.e. were already dominating the workers in production. Because of *their own* antecedent history each of these groups was, for different reasons, already some-what remote from the working class. Their fusion was to enhance this separation. The result is that from 1918 on, the new State (although officially described as a 'workers' state' or a 'soviet republic' - and although by and large supported by the mass of the working class during the Civil War) was not in fact an institution managed by the working class.

Brinton states that the Vesenska is the creation of the 'workers state'. The trade union "officials", Party "stalwarts" and "experts" appointed by the state don't represent the workers because they are already "managers...dominating the workers in production". The state cannot supply such 'managers' because they are drawn from "social categories" "remote from the working class". He thinks Workers Committees alone should have the authority to appoint managers. But this is a utopian position contradicted in the very next sentence. If the state managers are so "remote" from the workers, then what can be said of former Tsarist officers recruited to the Red Army to fight the Civil War which Brinton claims was "by and large supported by the mass of the working class."?

Despite the urgent overwhelming task of organizing the wrecked economy and fighting a civil war, notwithstanding the support of the working class, Brinton persists in claiming that the Soviet state usurped and trampled on the "authority" of the factory committees. He may as well say that the Red Army trampled on the democratic rights of the rank and file to elect their officers and debate military strategy! In fact he does so that later in his pamphlet. Here we have the utopia of the parallel syndicalist state versus the dictatorship of the proletariat. **To Be Continued**

What We Fight For

Overthrow Capitalism

Historically, capitalism expanded world-wide to free much of humanity from the bonds of feudal or tribal society, and developed the economy, society and culture to a new higher level. But it could only do this by exploiting the labor of the productive classes to make its profits. To survive, capitalism became increasingly destructive of "nature" and humanity. In the early 20th century it entered the epoch of imperialism in which successive crises unleashed wars, revolutions and counter-revolutions. Today we fight to end capitalism's wars, famine, oppression and injustice, by mobilising workers to overthrow their own ruling classes and bring to an end the rotten, exploitative and oppressive society that has exceeded its use-by date.

Fight for Socialism

By the 20th century, capitalism had created the pre-conditions for socialism – a world-wide working class and modern industry capable of meeting all our basic needs. The potential to eliminate poverty, starvation, disease and war has long existed. The October Revolution proved this to be true, bringing peace, bread and land to millions. But it became the victim of the combined assault of imperialism and Stalinism. After 1924 the USSR, along with its deformed offspring in Europe, degenerated back towards capitalism. In the absence of a workers political revolution, capitalism was restored between 1990 and 1992. Vietnam and China then followed. In the 21st century only Cuba and North Korea survive as degenerate workers states. We unconditionally defend these states against capitalism and fight for political revolution to overthrow the bureaucracy as part of world socialism.

Defend Marxism

While the economic conditions for socialism exist today, standing between the working class and socialism are political, social and cultural barriers. They are the capitalist state and bourgeois ideology and its agents. These agents claim that Marxism is dead and capitalism need not be exploitative. We say that Marxism is a living science that explains both capitalism's continued exploitation and its attempts to hide class exploitation behind the appearance of individual "freedom" and "equality". It reveals how and why the reformist, Stalinist and centrist misleaders of the working class tie workers to bourgeois ideas of nationalism, racism, sexism and equality. Such false beliefs will be exploded when the struggle against the inequality, injustice, anarchy and barbarism of capitalism in crisis, led by a revolutionary Marxist party, produces a revolutionary class-consciousness.

For a Revolutionary Party

The bourgeois and its agents condemn the Marxist party as totalitarian. We say that without a democratic and a centrally organised party there can be no revolution. We base our beliefs on the revolutionary tradition of Bolshevism and Trotskyism. Such a party, armed with a *transitional program*, forms a bridge that joins the daily fight to defend all the past and present gains won from capitalism, to the victorious socialist revolution. Defensive struggles for bourgeois rights and freedoms, for decent wages and conditions, will link up the struggles of workers of all nationalities, genders, ethnicities and sexual orientations, bringing about movements for workers control, political strikes and the arming of the working class, as necessary steps to workers' power and the smashing of the bourgeois state. Along the way, workers will learn that each new step is one of many in a long march to revolutionise every barrier put in the path to the victorious revolution.

Fight for Communism

Communism stands for the creation of a classless, stateless society beyond socialism that is capable of meeting all human needs. Against the ruling class lies that capitalism can be made "fair" for all; that nature can be "conserved"; that socialism and communism are "dead"; we raise the red flag of communism to keep alive the revolutionary tradition of the *Communist Manifesto* of 1848, the Bolshevik-led October Revolution; the Third Communist International until 1924, the revolutionary Fourth International up to 1940 before its collapse into centrism. We fight to build a new, Fifth, Communist International, as a world party of socialism capable of leading workers to a victorious struggle for socialism.

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