



weekly worker

**Cops, press and capital:
corruption is not just down
to Murdoch - it's endemic**

- Contagion spreads
- Arab awakening
- Labour affiliation
- Half way houses

No 875 Thursday July 21 2011

Towards a Communist Party of the European Union

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Capitalism:
political
suicide or
managed
decline?



LETTERS



Letters may have been shortened because of space. Some names may have been changed

Relevant option

Comrade Chris Jones is the latest to take up the cudgels against the CPGB's long-standing call for the left to adopt a serious attitude towards the Labour Party (Letters, July 14).

He thinks it would be a very bad thing if trade union leaders were forced by the rank and file to demand Labour implement pro-worker policies in exchange for the unions' millions in sponsorship paid to the party. Instead it would be preferable for the affiliated unions to follow the course taken by his own Fire Brigades Union and 'break the link'. But, in the absence of any other mass political organisation of the working class, this can only result in a drift towards union depoliticisation.

Comrade Jones is as consistent in his auto-anti-Labourism as we have been in our view that it is necessary to engage seriously with Labour. Yet somehow he seems to think that the CPGB has adopted a new "line". It is true that for more than a decade we have participated in left-of-Labour formations that stood against that party in elections - Socialist Labour Party, Socialist Alliance, Scottish Socialist Party, Respect - but we never ceased to call for those groups not to oppose any Labour candidate willing to accept pro-working class demands.

We were always against the foolish notion that the unions should disaffiliate from Labour instead of fighting for their money's worth. We welcomed the Socialist Alliance's publication in 2002 of Matt Wrack's excellent pamphlet, *Whose money is it anyway?*, which was for "democratising the trade unions' political funds" and which demanded, "Support only those [Labour candidates] that support our policies". I fail to see why comrade Jones views our position - which used to be upheld by the current general secretary of his union - as "breathtaking arrogance".

Before the SA had been formed as a national organisation we had been urging a rebellion within the Labour Party against Blairism. When in 2000 Ken Livingstone stood as an independent candidate for London mayor (after Tony Blair rigged the selection process to ensure he was not chosen as the official Labour nominee), we called for a vote for Livingstone, who "aims to challenge Blair's control of the Labour Party from the outside, hoping to use his victory [in the mayoral election] as a bridgehead to continue the fight for the support of party members" (*Weekly Worker* March 9 2000). We urged working class partisans to step up their engagement within Labour at that time.

In the 2001 general election we demanded that the Socialist Alliance offer to stand down in favour of Labour candidates who came out openly for the SA's 'priority pledges'; and, because the other SA components preferred not to take the question seriously, we took it upon ourselves to test out Labour candidates when the situation arose. We reported how one Labour left reacted at a hustings meeting and commented:

"Diane Abbott's public commitment to our priority pledges shows an important missed opportunity for the Socialist Alliance in Hackney. There should have been a big Socialist Alliance campaign for her - then she really would have been in trouble with Tony and Millbank In order to win those who at present place their trust in the Labour Party, we need to have a serious strategy towards them. That entails putting pressure on those like Diane Abbott so that they come out openly for definite working class politics" (*Weekly Worker* June 7 2001).

We further developed this approach

in 2004, through our Labour Party theses, which stated: "Communists ... seek to unite with Labour leftwing candidates and crucially their organised mass base of support. But through our political programme - even presented as a set of minimum demands - we seek to simultaneously challenge and offer an alternative" (*Weekly Worker* January 29 2004).

To repeat then, our current approach to Labour represents a continuation, not a break. But comrade Jones imagines that our attempt to further develop this principled approach is somehow in contradiction to our consistent call for a single, united Marxist party. In a rather garbled passage, he writes: "Now we are told we must rejoin the Labour Party because in the past the CPGB has argued that there are no halfway houses and that the only relevant option is a Marxist party."

It remains true that a Marxist party is "the only relevant option" in the sense that it is the only formation that can lead our class to emancipation. But, when it comes to a choice of the tactics we adopt in order to realise the strategic goal of founding such a party, then, self-evidently, participation in all manner of organisations is "relevant". Our dispute with comrade Jones, and co-thinkers such as Steve Freeman of the (erstwhile?) Revolutionary Democratic Group, is not over participation in halfway houses, but whether we consider them a necessary stage that *communists should take the lead in initiating*.

We are against alleged Marxists setting up a new organisation where they pretend to be reformists in order to attract, and unite with, those to their right. That was how the SWP viewed the SA and Respect; how the Socialist Party in England and Wales viewed its Campaign for a New Workers' Party and Trade Unionist and Socialist Coalition; and how the RDG viewed its imagined 'republican socialist party'. Revolutionaries who deliberately set out to establish a party-type formation that is not Marxist will have no option but to water down their Marxism.

Peter Manson
South London

Weird

I am sadly coming to the conclusion that the CPGB has adopted some weird ultra-leftist utopian *superinternationalist* logic, which renders any struggle to save jobs in the British Isles private industry reactionary and 'nationalist'.

Why private industry and not public services? One could be cynical and say because CPGB members who have jobs work in public service and not in private and manual industry, but more likely it is because private manufacturing industry 'competes' with some other countries' manufacturing industry, whereas internal services don't. Superinternationalism means you can't defend or fight for anything produced here - ie, in Britain, by the workers here - because this would be *de facto* 'British jobs for British workers'. So if the company decides to keep your plant open, OK, but if they don't, you can't demand that they do, as this is chauvinistic and nationalist. I say 'the jobs they do' instead of 'their jobs' because some purist zealot is bound to say they aren't 'our jobs' and they belong to the capitalist. Yes, comrades, we know, but that's not what workers mean by 'our jobs'. They mean the jobs and skills that they have.

We see this illustrated in Dave Isaacson's report on the Coalition of Resistance conference: "... an emergency motion proposed by the CPB opposing the job losses at Bombardier in Derby ... caused some consternation." The scandalous resolution apparently talked in

terms of defending these jobs here and not the need for international coordination. Eh? So rail companies drop Bombardier, who have previously made the trains, and throw all those workers out of work with devastation for their families and ongoing impoverishment of the region. And, although this is clearly callous, because the resolution went on to say "for workers in Britain", it was beyond the pale. But they are workers in Britain and they were treated with callous disregard! We can't say that, though, because it mentions 'Britain's workers'. Dave proudly tells us that "Workers Power, the SWP and CPGB voted against" the resolution opposing the job losses at Bombardier.

The contract was won, incidentally, taking the jobs away from the workers who previously had them, because the cost of manufacture here had not been offset against social costs, the dole, welfare payments, benefit entitlements and loss to the ancillary and wider economy, as it is throughout the rest of Europe. That it wasn't signals an agenda which has been in place for the last 30 years and increasingly means the slow, torturous death of manufacturing and growing impoverishment of British workers. Sorry, comrades, but they *are* British workers. Not better workers, just the same as European workers or workers anywhere else, but they live in Britain so they are called 'British workers'. You will know, of course, that Bombardier isn't a British firm, and that was never the point. You insist on branding workers on this island who are fighting for the jobs they do and skills they have as chauvinistic and nationalist when they are no such thing.

So we certainly see the modern CPGB rewriting the leadership slogans of the working class in modern times. Shut UCS! Dole, not coal! Don't fight for your jobs! Take the money, demand redundancy! It seems that, further to my last letter, not only is the fight for employment futile; it is also reactionary, racist and nationalist. One wonders how you will explain this position to workers at Bombardier when you turn up to sell your papers. Fight for our jobs? Well, no, you need international coordination. Does that mean like the United States of Soviet Socialist Europe, and will that happen before we sign on or indeed our kids sign on? Well, there are no short cuts, comrades. Want to buy a paper with your redundancy money?

Like them, I would like to know what your concrete demand would be if you worked in that plant. Yes, occupy it, but to what end? Is your 'leadership' relevant and of practical use to the workers in the actual fight they are engaged in? This new found ultra-leftism of yours comes over time after time as sheer utopian irrelevance, which counsels us basically to accept whatever the boss does because we can't do anything this side of a simultaneous world revolution, led by a single international communist party. I say this with no sectarian axe to grind; the CPGB over the last 20 years has had much strength and shown much maturity. I'm afraid that, as you've lost contact with rank-and-file workers and non-London attitudes, you have started to take on the persona of the council communists and utopian wing of the anarchist movement. The 'holier than thou', sacred and perfect slogan which, although utterly irrelevant to the struggle of the class as it is now engaged, leaves you untouchable in Jesuitical logic and revolutionary purity.

Finally, on an unrelated subject other than its abstract utopianism, what is "masculinist militarism" ('Putting revolution back onto the agenda', July 14) and did Maggie

Thatcher suffer from it?

David Douglass
South Shields

Wonderful

Congratulations to Dave Douglass on such a wonderful and spectacular demolition of Alan Johnstone's case for the Socialist Party of Great Britain! (Letters, July 14).

Alan frequently appears to claim to write on behalf of the SPGB, but it is quite clear from their discussion forum, this latest exchange has exposed severe and sharp divisions within the group. Ranging from those who like Alan would truly abstract themselves from any form of day-to-day struggle against the effects of capitalism to those who take a more balanced approach, like Dave, and in line with Marx, "that those who would cowardly give way in their everyday conflict with capital would certainly disqualify themselves for the initiating of any larger movement" (*Value, price and profit*). One of the SPGB's key writers has in fact declared "game, set and match" in favour of Dave over Alan!

I have for some time felt the SPGB to have been some sort of perfectly formed, but rather peculiar ultra-purist abortion from the Second International period: ie, a formation which claims to be based on pure 19th century Marxism, but is completely abstracted from any comprehension that by the early 20th century capitalism had been transformed from its period of ascendancy into its final phase of imperialism and decadence. You will find no recognition or understanding of even the concept of imperialism in the SPGB, despite this being absolutely fundamental to understanding the nature of 20th and 21st century capitalism, and the programme, strategy and tactics required to overcome it.

The SPGB hate and reject the experience of the world's first successful proletarian revolution in 1917 in Russia. They, of course, totally reject the experience and practice of building the world's first and successful socialist state - a new society, a new civilisation. In this, they apparently know better than arch-capitalists like Churchill (and shooter of striking workers), who, despite claiming the Soviet Union was "a riddle wrapped in a mystery inside an enigma", had absolutely no doubt as to the class nature of Soviet society and in whose international class interests it existed to promote, and indeed famously wanted to "Crush the Bolshevik baby in its cradle". Nice.

The SPGB still hold to Marx's outdated view in 1852 that "universal suffrage is the equivalent of political power for the working class", whereas from experience and scientific analysis, especially following the 1871 Paris Commune (and confirmed later by the experience and course of the 1917 Bolshevik revolution), Marx and Engels developed their thinking to: "Universal suffrage can only be a gauge to the maturity of the working class, nothing more" (Engels, 1884); and "that the precondition for every people's revolution is that the bureaucratic-military state machine must be smashed, not simply transferred from one class to another" (Marx, 1871).

The SPGB represents a peculiar combination of ultra-purist 19th century 'Marxism' (which never existed) with a form of ultra-revisionism from Marxism, which holds that capitalism has not evolved into imperialism, or into decadence, that bourgeois parliaments control the state, and that all the working class has to do to effect socialist 'revolution' is to elect via a general

election (controlled and managed by the capitalist state and capitalist class!) a majority of socialist MPs, who will then proceed to legislate in socialism!

Andrew Northall
Kettering

Equals

Dave Douglass is 100% correct in his reply to Alan Johnstone. But SPGB members are, and always have been, involved in the struggles that Dave Douglass champions, and for the reasons he gives.

We get involved, however, as fellow workers, as equals in the struggle, not as vanguardists trying to take it over for purposes of our own. Hence our policy of not advocating reforms in an attempt to build non-socialist support and win votes, but instead promoting an understanding of the issues and, through that, an understanding of, and support for, socialism.

Stuart Watkins
SPGB

Multi-tasking

While I largely agree with David Douglass's polemic against Alan Johnstone, Douglass could have been more accurate in the deployment of historically derived insults.

The inability to "walk and chew gum at the same time" was never imputed to Richard Nixon, who was always regarded as more devious than dull-witted, as his famous nickname of 'Tricky Dick' suggests. It was Gerald Ford, then Republican speaker of the House of Representatives and president-to-be, to whom this multi-tasking difficulty was attributed by president Lyndon Johnson.

Johnson also remarked that Ford had "played [American] football without a helmet" too often as a quarter-back for his college team. Ford, it will be recalled, lost the 1976 presidential election to Jimmy Carter after claiming in a nationally televised debate that eastern Europe was not then under Soviet domination.

Jim Creegan
New York

Disgusting

Tony Papard follows in the furrow of leftwing anti-Semitism by asserting the false and disgusting conflation of Zionism/Israel and Nazism (Letters, July 14); but he is sure to reach such a conclusion when following the logic of his mentor, Tony Greenstein.

Mr Papard forgets that Arab Israeli citizens are terrified of living in a unitary Palestinian state, especially under Hamas or the Palestinian Authority, and under the influence of Arab states and Iran, because these political entities do not and cannot, given their current composition politically, guarantee the same human rights, equality before the law, freedom of association, a pluralistic and democratic political system, a fair legal system and west European quality of life which they currently enjoy as citizens of Israel.

Perhaps Mr Papard is unaware of the fact that Israel is multicultural and multi-ethnic and that the Jews have a right to national self-determination under the United Nations mandate which led to the creation of the state of Israel in 1948. Before that, Jews and Christians had lived in what was termed 'Palestina' by the imperialist Romans who wanted to deprive the Jews of their country. There never has existed a state called 'Palestine', which is an invention of the Palestinian Liberation Organisation and became part of hard-left ideology after they bought into the PLO/Islamic narrative after abandoning an independent socialist analysis.

The legal constitution of the state of Israel was not just a response to Nazism, but part of the realisation of

the founder of the Zionist movement, Theodor Herzl, during the infamous Dreyfus affair in France, that the best solution to counter anti-Semitism would be a Jewish nation. Perhaps Herzl was naive to think that a nation-state would be the antidote to anti-Semitism, but would the English, French, Italians or Russians feel safer in this world if they were ‘set free’ from the bounds of their nation-states and left to fend for themselves as disparate communities?

The two-state solution is not only the most realistic solution to the Israeli-Palestinian conflict; it is the most just in the circumstances. But not as a stepping stone to a unitary state; rather as a transitional phase to a united federation of socialist states, in which Israel can co-exist with its neighbours in solidarity, peace and prosperity (like Britain in the EU).

But the real task is for the Arab and Muslim states to catch up with Israel and establish the rule of law, plurality of political parties, human rights, freedom of religion, assembly, etc. Thus the real obstacle to the crisis in the Middle East is not Israel - the whipping stick for the ultra-left - but the Arab and Muslim states that have yet to pass through their own reformation and enlightenments and enter the road to modernity and democracy.

Henry Mitchell
London

Idiotic

Mr Papard writes: “... like the British settlers in the Malvinas and other colonised nations, they are living on stolen land. This also applies, of course, to countries like the US, Australia and New Zealand, though ethnic cleansing of the indigenous population has resulted in the latter being marginalised.”

How tedious. For the Falklands to have been “stolen” one must first identify the rightful owners. Are they the Argentines who ethnically cleansed Patagonia of its earlier inhabitants and are themselves nothing but colonisers and usurpers? I think not: these people have no more ‘right’ to the islands than their current inhabitants.

Mr Papard admits that the same ‘theft’ apparently went on in the USA and the antipodes (leaving out, for some reason, all of Latin America). He might like to think a bit more and recall that the British Isles were ‘stolen’ by Normans from their Saxon (and Celtic in Ireland) ‘owners’, who of course had ‘stolen’ them from the original Iberian-origin inhabitants. A glance at continental Europe is even more unclear; we have waves of ‘thieves’ robbing ‘thieves’; Romans robbing Etruscans, who are then stolen from by Vandals and Goths, and so on.

Attempting to unpick the ebb and flow of population migration and sort inhabitants into ‘thieves’ and ‘dispossessed’ is impossible and, quite frankly, idiotic.

Mr N
email

Racist Israel

Surely Zionists are racists and, as such, Israel is racist. As communists, we are anti-racist and we should be united, as we always are, against racism, no matter where it is or who it comes from. If we wish to see a world free from inequality with open borders, opposition to Israel is a must.

Tony Roberts
email

Improvement

There was an inaccuracy in Ben Lewis’ account of Marxism 2011 (‘Impressions from sectarian alley’, July 7). Other organisations *could* have their stalls inside the quad, on payment of £50 - as did *Revolutionary History* and a number of small groups, including Workers Power, Socialist Appeal and the SPGB.

Whether a prohibition would have been extended to the Alliance for Workers’ Liberty or the Spartacists (let alone the BNP), had they tried for a stall, I do not know. There were also a number of people inside the quad wandering around selling their literature, such as the Sparts, who were doubtless hoping to be violently ejected and probably already had a leaflet of denunciation set up. I found this interesting and a big improvement, as it suggested the new-model Socialist Workers Party was far more open and more tolerant than it had been under Mr and Mrs German.

The Bookmarks shop was much bigger and easier than last year and *Revolutionary History* was given a good spot, so we sold well. Bookmarks is undoubtedly, whatever one’s criticisms of the SWP, an asset for the whole left. They claim to have sold more than 500 of Ian Birchall’s biography of Tony Cliff.

I went to only two meetings; Ben did not apparently go to any. I was impressed by the speakers, including Peyman Jafari on Iran. However, I was taken to task when I spoke because, although it was about Iran, some ‘cadre’ insisted on speaking from the floor at length about Egypt. In the course of my intervention, I committed two heinous sins. I pointed out that they were perhaps too optimistic about Egypt, as opposed to Iran. I was more optimistic about Iran, because it is socially more advanced, more urbanised, has a smaller peasantry, etc, and said that in Iran religion would not really be a problem. You cannot say that sharia is the only answer if that is what you are suffering today.

I was shocked that John Molyneux, for whom I have some respect, attacked me in a rather cheap way for being a pessimist and anti-Muslim. (No, John, I have not yet joined the English Defence League.) It confirmed my impression that the SWP is far too optimistic about the Islamists. I hope they are correct, but I fear not.

Ted Crawford
email

Questions

I bought the *Weekly Worker* at your stall at what, with relatively scant justification, was called ‘Marxism 2011’. You also provided me with a copy of the *Draft programme* of the CPGB (and the Kautsky/‘April theses’ supplement). It was good to come across some closely argued Marxist writing.

So, first of all, please find enclosed a cheque for a year’s subscription to the *Weekly Worker*.

Secondly, a question about the *Draft programme*. You mention it will be put before a special conference of CPGB members before the end of 2010, and so it still says on your website. The question is, are comments, etc still welcome, as I may have some.

Thirdly, could you point me in the way of a thorough assessment of the current crisis of capitalism? I have seen the theoretical publications from the ‘7th Interplanetary’ (which to my relatively untrained eye seem erudite and so much more intelligent than the obligatory rants against the - doubtlessly greedy - bankers), but then I see the content of *Workers Power* and I despair.

Lastly, I understand (partly from a somewhat scurrilous article by a Phil Watson, which I found on the internet) that you comrades are pretty serious about stimulating debate among the serious, non-reformist left. My question is about the Communist Party of Britain and its *Morning Star*. After the blight of Eurocommunism eliminated itself, these guys managed to continue a daily newspaper as the official organ of what is happy enough to call itself a Communist Party, more than either the Italian or French comrades managed.

I am not *au fait* with what went on at the time, although I have vague recollections of references to the ‘Chater

faction’ in *The Leninist* - the former, I believe, made off with the *Morning Star*, and did a Rifondazione. I read the *Star* almost on a daily basis, and must admit that I am struck by the almost complete absence of Marxist analysis. However, as an alternative to the bourgeois press (however confused at times - eg, the Chávez-Ahmadinejad conundrum - the complete lack of analysis of the so-called People’s Republic of China and, closer to home, the lack of clarity on the pro-imperialist Labour Party) they are still providing a service no-one else does on that scale. To come to my eventual question, how do you comrades try and relate to the CPB, which allegedly has about a thousand members?

Eric Windgassen
Bowdon

Rebuff for Alex

Weekly Worker readers may be interested to know about the slap in the face delivered to the Socialist Workers Party’s international secretary and senior leader by the July 17 meeting of the SWP national committee.

Alex Callinicos has been claiming that after the June 30 mass strikes the appropriate slogan is now ‘All out, stay out’ - in other words, a call for an indefinite general strike. However, the central committee motion agreed by the NC takes the form of a sharp rebuff.

While it correctly emphasises that “The key task now is to build for a bigger strike in the autumn”, it goes on to state: “We rightly raise the slogan for a general strike ... Five trade union conferences this year passed a motion calling on the TUC to organise a general strike. It is therefore a mainstream idea, even if groups like Coalition of Resistance remain hostile to it. But we should be careful to raise the general strike in a way that flows from the upward curve of resistance, not a demand plucked from thin air that we just repeat in every situation.”

Now, who on earth has been doing that?

Matt Stave
email

New charge

The six International Socialist Organisation comrades facing trial in Harare have been remanded until August 22. They are Munyaradzi Gwisai, Tafadzwa Choto, Tatenda Mombeyarara, Hopewell Gumbo, Edison Chakuma and Welcome Zimuto.

The prosecution has come up with a new charge of “inciting public violence”, which carries a maximum sentence of 10 years’ imprisonment, in place of “subverting a constitutional government” and the original treason. We are not satisfied with this development. We remain committed to our resolve that there should have been no charges in the first place. The meeting on February 19 was legitimate and a democratic right.

These trumped-up charges are coming at a great cost. One of the original 45 treason trialists, David Mpatsi, has now died, following a rapid deterioration of his health arising from his incarceration and denial of medical treatment. We hold the regime responsible for this death and the fate of his three children that he has left behind. He indeed has paid the death penalty.

Comrades, this is a ruthless regime which will not stop at anything to maintain its illegitimate hold on power and serve the interests of the ruling class. Our comrades still face up to 10 years in the regime’s horror prisons, where many have died. Only international solidarity, backed by militant mobilisation locally, will stop this regime. We therefore call for your continued support.

International Socialist Organisation
Harare

ACTION

CPGB podcasts

Every Monday we upload a podcast of commentary on the current political situation. In addition, the site features voice files of public meetings and other events: <http://cpgb.podbean.com>.

Communist Students

For meetings in your area, contact info@communiststudents.org.uk or check out www.communiststudents.org.uk.

Organise the protest

Monday July 18, 6pm: Meeting, room V111, Vernon Square campus, Penton Rise, London WC1. London organising meeting for the Tory and Lib Dem conference protests. Speakers include: Jeremy Corbyn and Mark Bergfeld (NUS).

Organised by Right to Work: www.righttowork.org.uk.

Choose youth

Thursday July 21, 12 noon: Rally, Conway Hall, Red Lion Square, London WC1. Alliance of national youth sector organisations and trade unions working to save youth services.

Organised by Choose Youth: www.chooseyouth.org.

Self-defence is no offence

Saturday July 23, 10.30am: Conference, Khalili Theatre, SOAS, Thornhaugh Street, Russell Square, London WC1. 30th Anniversary of the Bradford 12 - fighting racism and the importance of solidarity. Speakers include: Bradford 12 defendants; Ruth Bunday and Gareth Peirce (lawyers for Bradford 12); Anwar Ditta, Minkah Adofu, Amrit Wilson, Mary Pearson and Leila Khalid on Palestine; Samarendra Das on India; plus speakers on the Arab uprisings. More information: <http://thebradford12.wordpress.com/commemoration-in-london-23rd-july-2011>.

Stop bombing Libya

Monday July 25, 7.30pm: Meeting, committee rooms 3-4, Council House. ‘Stop the bombing of Libya: imperialism and the Arab Revolution’. Speakers include: Chris Nineham and Adam Hanieh (Palestinian academic).

Organised by Erdington and Sutton Coalfield Stop the War: 07775 942841.

East side story

Tuesday July 26, 7pm: Film, Passing Clouds cinema, 1 Richmond Road, Dalston, London E8 (behind Haggerston pub). *Jerusalem: the east side story* by Mohammed Alatar (2007). Followed by a discussion about forced eviction of Palestinians from their homes in occupied east Jerusalem. Free entry.

Organised by Hackney Palestine Solidarity Campaign: <http://hackneypsc.wordpress.com>.

War on terror

Thursday July 28, 7.30pm: Meeting, Broad Green Centre, Swindon. ‘The war on terror - 10 years on’. Speaker: John Rees.

Organised by Swindon Stop the War: 07584 046827.

Asylum rights

Friday July 29, 12 noon: March, St Georges Square, Liverpool (opposite Lime Street station). March to UK Border Agency, Water Street, to hand in a list of demands from those suffering and denied human rights as asylum-seekers.

Organised by Women Asylum Seekers Together (WAST): wastmanchester@yahoo.co.uk.

Marxism 21

Saturday July 30, 1pm: Discussion forum, INCA (General Confederation of Labour), Italian Advice Centre, 124 Canonbury Road, London N1 (nearest station: Highbury and Islington). ‘Capitalism in crisis: causes, consequences and cure’. Speaker: Gerry Gold (author, *A house of cards: from fantasy finance to global crash*). Organised by *Marxism 21*: http://nongae.gnu.ac.kr/~issmarx/eng/eng_index.php.

No to migrant prisons

Saturday July 30, 1pm: Demonstration, Muster Green Park, Haywards Heath. Protest against opening of new detention centre for children and families, run by the infamous G4S security firm. Called by Croydon No Borders: noborderslondon@riseup.net.

Freedom under fire

Wednesday August 3, 7pm: Meeting, Mahatma Gandhi Hall, Indian YMCA, 41 Fitzroy Square, London W1. ‘Freedom under fire: the war on terror and the Arab revolutions from Afghanistan to Libya’. Speeches and presentations from George Galloway and Greg Muttit (author of *Fuel on the fire*) and poetry from Sanasino Al-Yemen. Organised by Central London Stop the War: www.stopthewarlondon.org.uk.

The longest strike

Sunday September 4, 11am: Rally, Church Green, Burston, near Diss, Norfolk. Celebrate the longest strike in history. Students boycotted their school in 1914 to support their teachers, sacked by the rural squirearchy for organising agricultural workers. Entertainment and rally.

Organised by Unite: www.unitetheunion.org.

Solidarity cricket

Sunday September 11, 12 noon: Cricket fundraiser, Wray Crescent cricket pitch, London N4. Third annual match between Hands Off the People of Iran and Labour Representation Committee. All proceeds to Workers’ Fund Iran.

Organised by Hands Off the People of Iran: ben@hopoi.info.

CPGB wills

Remember the CPGB and keep the struggle going. Put our party’s name and address, together with the amount you wish to leave, in your will. If you need further help, do not hesitate to contact us.

HACKING

Cops, press and capital

The scandal at News International reveals a few home truths about the corrupt establishment, writes James Turley

Some starry-eyed commentators have, of late, begun comparing the implosion of Rupert Murdoch's media empire with another spectacular collapse: the Berlin wall.

This is, obviously enough, overstating the case by some considerable margin. Anybody who expects some kind of wholesale social transformation to arise from this affair, as happened for better or worse in the Stalinist countries, is likely to be disappointed. Politicians will continue to squirm and lie; journalists will continue to turn out reams of factually dodgy copy, sometimes from legally dodgy sources.

Yet there is a comparison to be made. The fall of the wall and the closure of *The News of the World* alike opened up a certain space in public consciousness, whereby crimes that, until that moment, had seemed inevitable suddenly presented themselves as intolerable. Just as the bureaucratic regimes appeared strong enough to grope on forever, with their attendant repression and atrocities, there were home truths in the west that seemed unchallengeable - dogs' tails wag; media barons enjoy privileged access to politicians; police take bribes; and above all the establishment is based on nepotism and personal favours.

For the moment at least, all these verities (apart from tail-wagging) have been blown apart. If the reactions of establishment figures - from senior officers at Scotland Yard, to No10, to Murdoch himself - have appeared clumsy and reactive, it is at least partly because the actions and practices for which they are suddenly the object of public contempt had for so long been business as usual at the top - so banal that barely anyone bothered to point it out.

Now, however, there is what seems like non-stop coverage on TV and radio of high-profile resignations, parliamentary committee investigations and special sessions in the House of Commons, where David Cameron and Ed Miliband vie with each other to implicate their rival in wrongdoing because of their respective ex-News International employees: while Tom Baldwin is still Miliband's spin doctor, however, at least he has not been arrested like Andy Coulson, the former communications director at Downing Street.

Cops and Screws

Last week, the spotlight fell increasingly on the Metropolitan Police, and its role in what appears to be a cover-up of the extent to which phone-hacking was employed by *The News of the World*. A steady drip of new accusations against the Met - in particular, the revelation that long-time *NotW* deputy editor Neil Wallis was taken on as a PR man by the Yard - led to the double resignation of commissioner Paul Stephenson and his assistant, John Yates.

Wallis's appointment at the Met would have been bad enough, now that he has joined the swelling ranks of arrested Murdoch luminaries. Then, however, it became known that Stephenson had enjoyed a £12,000 stay at the exclusive Champneys health resort completely *gratis*. Champneys was another beneficiary of Wallis's PR consultancy, and much loved by Rebekah Brooks (whose husband provides hokey alternative remedies to its guests).



Rat race

As for Yates, it emerged that he had apparently given some aid to Wallis's daughter in obtaining a job at Scotland Yard (Yates insists that he merely passed on her CV, "acting like a postbox" - but not many people have assistant police commissioners on hand to deliver their spec letters).

So, while both insist that their resignations are over their failure to properly vet Wallis before awarding him a £1,000-a-day PR contract, it is clear where the public anger lies - the relations between the police and News International are clearly much cosier than is appropriate when the former is supposed to investigate the crimes of the latter. The bungled 2009 investigation now plays out in the public gallery as a stitch-up between different establishment factions - and why should it not? That is exactly what it is.

Stephenson, like Murdoch and Cameron before him, was reduced to desperate and reactive crisis management - indeed, there are even whispers that the arrest by appointment of Rebekah Brooks on Sunday was a last-ditch attempt to divert attention away from the Champneys affair and other improprieties among London's finest. If so, it is only amplified speculation - not least because it gave Brooks a ready-made legal defence against answering tough questions in parliament.

That said, the resignations should not be viewed simply as self-serving - precisely because to save one's own skin in this situation increasingly means to unpick that very stitch-up. Stephenson's statement of resignation was widely - and if *The Guardian's* Scotland Yard sources are to be believed, accurately - viewed as a veiled attack on David Cameron.

By focusing attention on the narrow matter of Wallis's appointment (pushed through at least in part

because it offered direct access to No10), Stephenson was able to draw all manner of comparisons with Cameron's employment of Andy Coulson. The implication was clear - Stephenson was prepared to fall on his sword over Wallis, who had not even been implicated in the original investigation, unlike Coulson. Was Cameron going to take responsibility for his blunder in like fashion?

Under pressure

This, despite its cryptic nature, is in reality a pretty sensational attack. Stephenson got the top job after the resignation of Ian Blair - the latter was all but pushed out by the then new London mayor, Boris Johnson, and widely viewed in Tory circles (perhaps not unfairly) as a creature of New Labour. Stephenson's tenure as commissioner is something he owes entirely to the same political party whose prime minister he now targets in his own resignation. That is how fractious and bitter relations have become in the top echelons of society.

Indeed, it is impossible to predict where this whole farrago will end. It has been a rather dispiriting tendency among the British far left to assume that the government is weak, that 'one big push' from the streets will send it into full collapse. This paper has consistently argued that this is a dangerous illusion.

That said, the events around the phone-hacking scandal have left the government looking very weak indeed. The Liberal Democrats have swallowed an awful lot of bitter medicine in their time in government: they have seen their popularity collapse and candidates humiliated in local and by-elections as a result. Nick Clegg and his colleagues are reduced to clinging onto their ministerial posts for dear life (just as Cameron planned it, no doubt). The worse things get on

the Murdoch front, however, the more a most unpalatable choice poses itself: stay with Cameron and risk going down with him, or break the coalition in the hope of saving some face.

The point may come when bailing out of government will seem like the lesser of two evils; and, indeed, the Lib Dems beat the Tories to taking a firm anti-Murdoch line by some days. Add to that Ed Miliband's sudden discovery of some kind of political purpose, and the very obvious desire among many on the Tory right to junk the coalition government, and the conditions are there for a vote of no confidence. It is not that the government is weak - it is that even the strongest government would have a hard time batting this scandal away.

Coulson's resignation from Cameron's staff has done nothing to stop the latter being sucked into the generalised chaos with each new round of allegations. Not only have Stephenson and Yates alleged before a home office parliamentary committee that a Cameron aide *refused* to be briefed on Wallis's appointment, so as not to 'compromise' the prime minister, but *The Guardian* and other sources have repeatedly insisted that they informed Cameron that Coulson was not exactly squeaky clean - in direct contradiction to Cameron's own statements on the matter.

Apparently, the same aide, Ed Llewellyn, was to blame for blocking those warnings too. His days in politics, it is safe to say, are numbered; but the further revelation that Wallis did some unspecified *pro bono* work for his old boss, Coulson, in the run-up to the election will cause further headaches to the prime minister.

Despite his repulsively destructive political programme and the outbursts of protest it has engendered, Cameron has found it plain sailing in government so far. Now that he

has a real fight on his hands, his performance is pathetic - he stumbles along in the opposition's wake, his lies and evasions exposed almost as soon as they leave his mouth.

If Cameron survives, he will have to do serious work to rebuild public consent for parliament. If he goes, then whoever replaces him will have to do the same. The more fundamental issue ultimately has little to do with the self-justifications, the little lies and half-truths that he, Stephenson *et al* indulge in to save their own skins, but rather the big lies: that to the best of their ability politicians build the good society, the police dispense justice without fear or favour, and newspapers tell the truth.

On one level, of course, anyone with half an ounce of cynicism in their bodies knows these statements to be absurdly out of kilter with reality. Cynicism, however, is passive. The exposure of quite shameless degrees of incestuous schmoozing between a media oligarch, cosseted political careerists and bent coppers has left the way open for it to become something active: anger.

So we must ask: why are the police, the political class and the media so corrupt, and so prone to undignified lash-ups amongst each other? In relation to the media, the answer is obvious. They are owned directly by big capitalists, for whom bribes both within and without the letter of the law are an obvious manner of gaining political acquiescence for their businesses.

As for the police and the politicians, to be sure they play very different roles in society. But both are governed by a strict career structure that rests in the last instance on networks of patronage, which in turn ultimately reward mediocrity - it is bureaucrats, yes-men and self-serving careerists that squirm up these greasy poles, and such elements are both prone to corruption and freed from any measure of popular control that might hold them accountable for it.

It follows, then, that popular control is the answer. We advocate, ultimately, the replacement of the police with a popular militia; but in the meantime there must be full trade union rights for police officers, as well as the right to elect - and ditch - their own superiors. Politicians must equally be accountable to their electors - a skewed election every five years certainly does not count. We demand annual parliaments, elected under the party list system of proportional representation, with parties having the right of recall. Bureaucratic and legal barriers to the standing of candidates must be removed. MPs must be paid no more than the average wage of a skilled worker.

This question is certainly not all about one hate-figure, Rupert Murdoch. The scandal is so sensational not because it has badly shaken an iconic corporate behemoth, but because it demonstrates just how seriously capitalism perverts public life. Murdoch and his coterie have given us an opportunity to expose the endemic corruption of capitalist rule, from the provincial police station to the houses of parliament, and articulate meaningful alternatives to it. This opportunity may last a couple of months, or a year. It will not last forever - and we should seize it ●

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ECONOMY

Contagion spreads to the core

The escalating euro zone crisis and the possibility of the US defaulting on its deficit could trigger another global economic meltdown, writes **Eddie Ford** - and yet more attacks on the working class

In response to the global economic meltdown of 2007-08, governments around the world resorted to massive state intervention in order to prevent a total collapse of the capitalist system. Ideological shibboleths, or manifesto commitments, went out the window, as panic spread.

Following the Lehman's disaster, which was allowed to go bankrupt whilst holding over \$600 billion in assets - thus triggering the subprime-induced world economic crisis - the Bush administration became 'socialist' almost overnight and effectively nationalised large sectors of the banking and insurance industry. Additionally, Bush embarked on a \$168 billion stimulus package, or spending spree - which included an extensive system of state-subsidised mortgages - so as to keep the show on the road.

Similar measures were taken in the UK. After some characteristic prevarication, Gordon Brown nationalised Northern Rock - in the teeth of virulent Tory opposition, of course, with the current chancellor (George 'We're all in this together' Osborne) leading the *laissez-faire* pack. These emergency Keynesian measures temporarily shored up the creaking capitalism system and produced a few "green shoots" of recovery. But the fear was that the recovery, such as it was, could easily be thrown into reverse - whether due to short-term governmental policies on tax and spending or cyclical economic/financial instability. The abyss still beckoned.

The real nightmare scenario, of course, has been that the toxic debt of Greece, Ireland, Portugal and Spain would start to eat away at the major economies: the dreaded contagion. Alarming, but somewhat inevitably, this nightmare seems to be becoming a reality - evidenced over the last two weeks by Italy, the euro zone's third largest economy, finding itself convulsed by a sovereign debt crisis. To date, Italy had escaped the tender mercies of the speculators - appearing to have its deficit under control.

But the chickens are now coming home to roost - that is, Italy's accumulated budget deficit of 120% of national product. However, the country will have, as a minimum, €900 billion (£793 billion) of debt 'maturing' over the next five years. The line now being pushed by advocates of austerity is that such a sclerotic economy would always be extremely vulnerable - a crisis waiting to happen. And now Italy has to take its medicine - a €45 billion (£32 billion) package of deficit-cutting measures to "balance the budget" by 2014 - ie, swinging cuts combined with a hike in taxes. By getting this budget through parliament, finance minister Giulio Tremonti had hoped to "send the markets a strong signal" and avoid joining the "pigs" of Greece, Ireland, Portugal and Spain. Unfortunately for him, the Northern League - Silvio Berlusconi's coalition partner - is deeply unhappy at the very idea of tax rises; what it really wants, like so many in the Republican Party in the United States, is tax *cuts* (for business) to encourage 'enterprise'.

The problem is that, for whatever reason, investors (read speculators) suddenly took fright at the situation developing in Italy. Hence the markets plunged, the practical result being that the bond yields on Italian debt soared to a nine-year high - and, of course,

the rise in yields means that the interest rate Italy must pay to borrow correspondingly goes up - the upshot being that Italy now has to run faster to stand still. Despairingly, Tremonti has likened the euro zone crisis to the Titanic - where "not even first-class passengers can save themselves".

As for Greece, needless to say, its predicament is going from bad to worse to ... even worse still. Currently, the country remains locked out of capital markets, leaving it unable to borrow in order to service its colossal €355 billion debt. Short of divine intervention, Greece is all but certain to default, something confirmed by the latest International Monetary Fund forecast that Greek debt is likely to rise to 172% or more of national income, while GDP would shrink by 3.8% this year. For Greece to come back from the brink of economic destruction, argues the IMF, it is "essential that the authorities implement their fiscal and privatisation agenda in a timely and determined manner" - given that that the "debt dynamics show little scope for deviation". Which is another way of saying that the Greek government needs to mount yet more vicious attacks on the working class and further drive down living standards and conditions.

Now frantic plans are afoot to 'reschedule' or 'restructure' Greece's debt, so as to put it on a "sustainable footing" - like the further lowering of interest rates on bail-out loans and/or a broad-based bond buy-back programme. In particular, Germany, which has spent vast amounts trying to prop up Greece and save the euro zone project, is keen that private bondholders should share some of the pain.

However, all these plans require that the banks take a 'haircut' - that is, a loss on their investments. Which in

turn puts the actual banks in jeopardy, acting to fuel fears that governments will have to bail them out - again. A vicious circle, of course. And a highly undesirable set of circumstances, to put it mildly, for investors of various stripes - beginning to suspect that if things carry on in such a manner they might have to take a very substantial hit on Italian, Spanish, Irish and Portuguese debt. Suspicions that gained weight following a July 11 statement from the euro zone finance ministers, distinctly hinting at an agreement on "enhancing the flexibility and scope" of the European financial stability facility - the mechanism by which they lend to countries otherwise unable to access financial markets or credit. This was seen as a prelude to purchasing 'distressed' peripheral debt back at knock-down prices, thus forcing banks to take a loss. Losses, losses, everywhere - but where are the profits?

This was certainly the view of the credit-rating agency, Fitch, which downgraded Greece even further - this time by three points to CCC status from its previous rating of B-plus. It expressed concern that the €30 billion (£26 billion) Greece hopes to raise from its privatisation programme was based on "largely unquantifiable private sector participation". While asset sales of €5 billion in 2011 "look attainable", the "privatisation programme will become increasingly challenging" after that.² In other words, Fitch does not believe the hogwash about the private sector coming to the rescue. The Greek government claimed that the downgrade was "bewildering", but bullishly maintained that Fitch's rating action "does not affect the Greek banking system and this will become clear as soon as the new programme comes into effect". Dream on.

Other credit rating agencies have taken similar steps, naturally. They hunt in packs. Moody's on July 12 downgraded Ireland's debt to junk status, citing the "increasing possibility that private sector creditor participation will be required as a precondition for additional support". A week earlier it had slashed Portugal's status to junk, calling it the "new Greece". Stung by the development, the Irish government complained that the regrading was "unfair" - whilst Richard Bruton, the inappropriately titled minister for 'jobs, enterprise and innovation', said Ireland had become "caught up" in the problems of "other weaker members" of the euro zone. More than unconvincingly, Bruton maintained that the country was "on track" to hit the targets agreed - or dictated - by the IMF. But Moody's reclassification of Ireland, he bitterly claimed, threatened "the recovery".

The behaviour of the credit ratings agencies so infuriated the commissioner in charge of the EU's single market, Michel Barnier, that he threatened to declare "war" on the three big agencies who dominate 90% of the ratings industry: Standard & Poor, Moody and Fitch. His remarks followed a broadside from fellow commissioner Viviane Reding, who said the ratings agencies' "cartel" should be "smashed up", as they were seeking to "determine the fate" of Europe and its single currency. Barnier even suggested that the agencies be "banned" from delivering ratings decisions on the euro zone countries being bailed out: Greece, Portugal and Ireland - but "it's just an idea", he quickly added. Of course, the unceasing search for surplus value and the system of market speculation itself are entirely free from blame.

US showdown

When one looks at events on the other side of the Atlantic - with the US teetering on the edge of the precipice - it is evident that things could get even worse. We now have high noon between the Obama administration and the Republican-led House of Representatives over the 'debt ceiling', which has reached its \$14.3 trillion legally permitted maximum.

In order to persuade Republicans to agree to increase this as a matter of urgency Obama has put forward a "compromise package", proposing \$4 trillion in savings over 10 years - signalling the definitive end of the neo-Keynesianism of 2008-09. However, part of this involves a \$1 trillion component that would come from increased taxes on the very wealthy. White House budget director Jack Lew said it would "not be fair to ask senior citizens to pay a price", while leaving "the most privileged out of the equation". Whether overconfidently or not, Lew said that the "debt will be extended" by the "responsible" members of Congress - as opposed to the "voices of a few who are willing to play with Armageddon".

But the Tea Party-influenced tax-cutting, budget-balancing fundamentalists in the Republican Party show no signs yet of backing down - either that or they are taking brinkmanship to new heights. One of those "voices of a few" include the Republican presidential candidate, Michele Bachmann - who makes Sarah Palin look like a paragon of progressive liberalism. For instance, Bachmann argues that global warming is a "hoax" and has expressed the opinion that Obama, and other

unnamed members of Congress, have "anti-American views".³ She asserted last week that she would vote against raising the debt ceiling, whatever the outcome of the negotiations. Not much room for manoeuvre then, it seems.

The US treasury has until August 2 to raise the limit on its debt or risk running out of federal money immediately - which in theory could see it effectively shutting down all 'non-essential' areas of government (so that teachers, etc will not get paid, and so on) Analysts say that in order to give Congress time to prepare the necessary legislative paperwork needed to raise the ceiling, a deal would have to be close to fruition by as early as July 22 - leaving the US just days away from a potentially catastrophic default.

Therefore, as the deadline approaches like the grim reaper, the very financial credibility - and credit-worthiness - of the US government is at stake. Incredibly, this conjures up the possibility that the US itself might be downgraded by the credit agencies, wielding their apparently god-like powers. Not that that long ago, this would have seemed like economic science fiction. But Priya Misra of Bank of America Merrill Lynch has warned that the market reaction to *any* sort of default - even if it was only a temporary one - would be "drastic"; indeed, that the US "may also lose one of its most valuable assets, the safe haven nature of US treasuries, which could structurally pressure bond rates higher". The risk, however small, of a default pushed Moody's on July 13 to downgrade the *outlook* on its triple-A rating of US sovereign debt to "negative". Standard & Poor followed the next day, declaring that it was so "unimpressed" by the longer-term budget negotiations that there was a "50-50 chance" of the US losing its triple-A status over the next three months.

The downward spiral of the dual debt crisis in both the euro zone and the US has the potential to reproduce the 2007-08 crisis, but at an even higher level: ruination stares us in the face. Some imagine, or dream, that China - with its 9.5% annual growth for the second quarter - will come to the rescue of capitalism like Superman - or at least act as a "circuit breaker". More like a pipe-dream.

Of course, if the US and the euro zone slip further into crisis - and a double-dip recession - then George Osborne's plans for recovery, sick joke that they are, become junk as well. Meaning he needs a plan B, but of course he has not got one - rather, just more of plan A; more austerity, more cuts, more job losses, more attacks on the working class. Meanwhile, City bonuses totalled £14 billion last year and there were base salary rises for high-earners in City - who are doing very nicely, thank you very much.

The developing crisis on both sides of the Atlantic shows the political class has no real idea as to how to repair the chronically malfunctioning system which they serve ●

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Notes

1. PIGS or PIIGS is an unflattering acronym used mainly by international bond analysts, academics and sections of the economic press when referring to the economies - and debts - of Portugal, Ireland (originally Italy), Greece, and Spain (<http://tinyurl.com/ykbexpk>).
2. *The Daily Telegraph* July 13.
3. www.msnbc.msn.com/id/27297028.

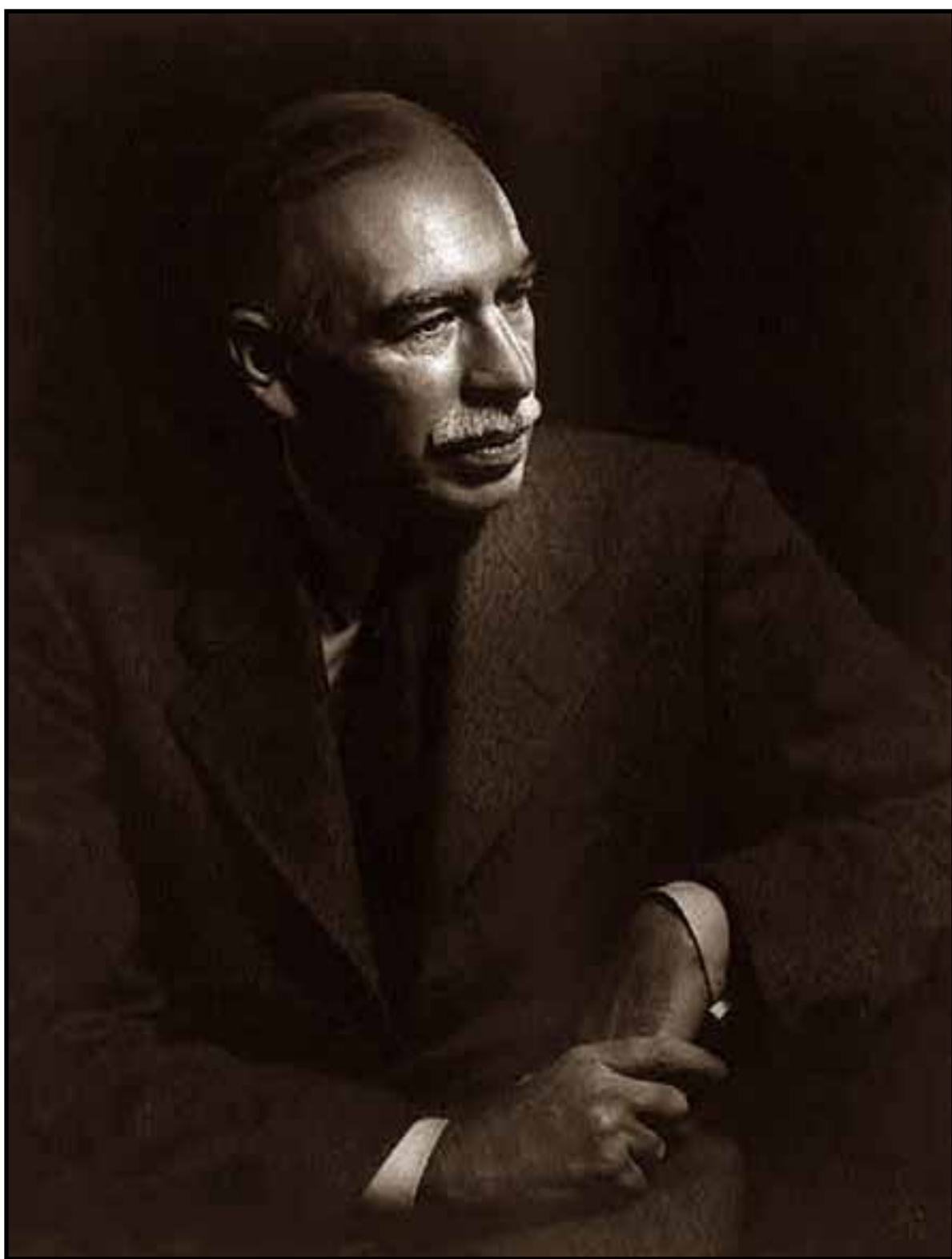
Goya: 'Of what illness will he die?'



KEYNES

Political suicide or managed decline?

With the sovereign debt contagion spreading from Greece, Ireland and Portugal to Spain and Italy, with the euro facing existential crisis, with the possibility of the US losing its triple-A credit rating and defaulting, with the price of gold hitting record highs, there is a real possibility that capitalism is heading for a further sharp downturn. But, asks **Jack Conrad**, does Keynesianism offer a way out?



John Maynard Keynes: the “great saviour” of capitalism

Before he carried the heavy responsibility of serving as shadow chancellor, Ed Balls “cast himself as a latter-day John Maynard Keynes”.¹ The TUC’s industrial investment, job creation and VAT cutting alternative budget proposals are quintessentially Keynesian.² The same goes for the demands of the People’s Charter promoted by the *Morning Star* and supported by Aslef, RMT, FBU, GMB, Unite, PCS, NUR and a range of other trade unions.³ The assumptions, proposals and expectations of many other organisations, campaigns and individuals on the left are either explicitly or implicitly Keynesian too: Labour Representation Committee,

Left Economics Advisory Panel, Respect, Caroline Lucas, Gregor Gall, Andrew Fisher, Green New Deal, etc. All call for deficit financing as a means of slashing unemployment and putting the country back onto the high road to economic growth, as mapped out by the “great saviour” (Robert Skidelsky).⁴

So let us consider Keynes, the man, and the ‘ism’ linked to his name.

Born into a well-read middle class family, he went from Eton to Cambridge, and then, after a short stint at the India office, he pursued a brilliant career: sometime academic, sometime government advisor, sometime sage. Cultured, bisexual, confident, intellectually

gifted, he mixed easily with the high bourgeoisie. Soon he was part of the inner circle of the British ruling class. Always an elitist, he spoke strongly in favour of eugenics. Against the “boorish proletariat” he upheld the white “educated bourgeoisie”.⁵ And Keynes did great things for his adopted class. He was one of the leading architects of the Bretton Woods international monetary system: in many ways it embodied his political economy. Ennobled, in reward for services rendered, Keynes joined the Liberal benches in the House of Lords. When he died in 1946, he was mourned by the entire political, business and academic establishment.

Needless to say, Keynes was no

socialist. He upheld a boundless optimism about technology, capital accumulation and expert knowledge. With the right men at the helm, all problems could be solved *within* capitalism. He contemptuously dismissed the writings of Karl Marx. Eg, *Capital* was an “obsolete economic textbook”. The “decent, educated, intelligent son of western Europe” will reject it out of hand unless “he has first suffered some strange and horrid process of conversion which has changed his values”.⁶

Keynes produced a string of influential studies: *The economic consequences of the peace* (1919), *A tract on monetary reform* (1923), *The end of laissez-faire* (1926), *Treatise on money* (1930). But the most important by far was *The general theory of employment, interest and money* (1936). This book, his *magnus opus*, was published during the tail end of the great depression. Because of it he has been credited with ushering in a “revolution” in economic thought.

Keynes, and a growing band of co-thinkers, challenged so-called “classical economics”: eg, Say’s law and the notion that markets are self-adjusting and supply will create its own demand. Unemployment had one cause - wages were too high. The remedy was obvious: take a pay cut. Such *laissez-faire* doctrines suited capitalism well in its heyday. While capitalism expanded, it needed nothing more than crude apologetics.

However, subsequent events tore to shreds all notions of the self-regulating market. World War I necessitated massive state intervention. Government dictates substituted for market-determined allocation - and not only in war industries. Each belligerent country ran up enormous debts in order to sustain its killing machine. In the 1920s the orthodox economic mantra was paying off accumulated debts and balancing budgets. The intention was to return the system to the halcyon days of the 19th century. However, the result was abject failure. The victory of Henry Ford over Karl Marx proved to be the “shortest-lived utopia on the historical record”.⁷

The 1929 crash was a defining moment in world history. Shares suddenly became worthless. Unemployment soared. Prices sunk. Fortunes vanished. The great depression that followed widely discredited Say’s law, along with the fallacious theory of ‘marginal utility’ (ignoring social and historical factors, marginal utility insists on taking individuals and their atomised decisions as its starting point). With millions joining the dole queues, the assumption that unemployment could only be “voluntary” or “frictional” stood exposed for what it was - the ideological outlook of the complacent bourgeois. Keynes readily acknowledged the existence of “involuntary” unemployment.⁸

Meanwhile, with much fanfare, Stalin and the Soviet Union launched

the first five-year plan. Almost overnight unemployment was abolished and, despite the widely acknowledged brutality involved, the USSR appeared to be on the high road to industrialisation, prosperity and perhaps provided the paradigm for a “new civilisation”.⁹

While mainstream opinion in Britain, including big business and the treasury, initially derided Keynesianism as the “raving of wild and irresponsible extremists”,¹⁰ a rather strange mix of political forces found “scientific” vindication. Eg, both fascists in Nazi Germany and Fabian socialists in Britain enthusiastically embraced Keynesianism, because it purported to offer a cure for all the failings of capitalism while leaving wage-slavery intact (in fact it is probably the case that Keynes developed his theory *ex post facto* - the Stalinite counterrevolutionary revolution doubtless provided him with an example of what could be done through the concentrated application of state power).

Orthodoxy

So how did Keynes propose to lift capitalism out of crisis? Crudely put, to save the system governments ought to greatly extend their remit and purchase extra goods and services (paid for by printing money or issuing bonds and other forms of borrowing). Eg, arms spending, which soaks up unemployment, puts to use otherwise idle plant and thereby boosts aggregate demand. According to Keynes, that would produce a “multiplier effect” (the ratio between extra government spending and the expansion of GNP - the concept was introduced into bourgeois economics by Richard F Kuhn in 1931).¹¹

Higher levels of employment mean more in the way of private income within the system in the form of wages. That in turn augments tax returns for the government and simultaneously expands the “effective demand” for the means of consumption. Profits are revived and that too generates augmented tax returns. Flush with its additional taxes, the government can then pay off debts.¹² Deficit financing therefore seemingly constitutes a virtuous circle, which, if dutifully followed, supposedly eliminates, or at least substantially ameliorates, the negative effects of capitalism’s periodic economic downturns.

Keynesianism became the orthodox theory within the core capitalist countries from the 1940s till the mid-1970s. Not surprisingly Keynesianism was closely associated with the post-World War II social democratic settlement, economic growth and the expansion of the welfare state. Almost without exception the contending fractions of the ruling class accepted that capitalism boomed more or less uninterruptedly following World War II because of the innovative managerial tools provided by Keynes. The status of economists rose and rose accordingly. With their mathematical

models, impressively long formulas, graphs and number-crunching, they were lauded as the equivalents of nuclear physicists. The economy was seen as a machine - typically a car. It did not matter whether the government was Labour or Tory. As long as ministers listened to the experts, and therefore pressed on the appropriate fiscal accelerator, or touched the right monetary brake, the economy would be kept on a steady path and full employment could be guaranteed.

Whether Keynesianism was responsible for the long boom is doubtful, to say the least. Nowadays, of course, bourgeois politicians, economists and historians alike have considerable reservations about Keynesianism. Marxists - authentic Marxists, that is - would first and foremost look to the horrendous destruction of capital in Europe and Japan during World War II and after that the replacement of British by American hegemony. That surely explains the 25 years of economic growth, not the “technical tricks” of Keynes.¹³

Anyhow, one thing is sure: after 1945 Keynesianism triumphed as an *ideology*. It became common sense that the misery of unemployment, chronic economic depression, grinding poverty and violent class conflict of the 1930s had been banished forever. Hence it was claimed with supreme self-confidence - and it was widely believed - that Marxism had lost all relevance. All very well for the last half of the 19th century; utterly irrelevant for the second half of the 20th. To suggest otherwise was to guarantee condescending laughter (I well remember). Indeed capitalism was either deemed to be crisis-free or it was no longer capitalism. Amongst the bourgeois intelligentsia the talk was of the universalisation of modern, industrial or technocratic society: according to the wishful thinking of John Kenneth Galbraith, a disciple of Keynes, the “ostensibly” different systems of the Soviet Union and the United States were converging.¹⁴ And, with uninterrupted economic growth, material shortages, gross income inequality and the conflict between labour and capital would soon be consigned to the pages of history. Despite the imminent future being repeatedly delayed, the promise remained. The world was about to enter the realms of unheard of abundance; from then on, thanks to Keynesian economics, the only remaining problem would be what to do with our ever-growing leisure time. Or so we were told.

Such technocratic ideas were enthusiastically adopted by rightwing Labourism. Thirty-five years before Tony Blair and New Labour, Hugh Gaitskell - leader of the Labour Party from 1955 to 1963 - attempted to rid himself of the old clause four in the name of “classless” common sense, modernism and political wisdom.¹⁵ Though he humiliatingly failed, in 1960 the Labour Party conference agreed to support the so-called “mixed economy” - albeit through a procedural trick.¹⁶

The dominance of Keynesianism impacted on the left too. For the gullable advocates of peaceful coexistence, for the programmatically impatient, for those spellbound by technology, the ongoing economic boom seemed to confound the predictions of Marx and the pre-World War II Marxists that capitalism was undergoing its “death agony” (as Leon Trotsky confidently wrote in 1938).¹⁷ Through state intervention capitalism had apparently overcome all its main economic contradictions. Dogmatists preserved what they saw as the revolutionary faith by the simple device of closing their eyes to the inconvenient truth. The ‘boom’ was put in quote marks or, if admitted at all, was dismissed as fleeting.

That was the position maintained by Earnest Mandel in 1947.¹⁸ Needless to say, he was not alone.

However, others - the overtly opportunist, the revisionists - slowly or quickly, reluctantly or eagerly, were drawn to Keynesian ideas. Keynes had shown how, left to its own devices, capitalism produced a recurring tendency towards chronic instability and devastating crises. But, if Keynes had provided the tools needed to stabilise capitalism, could not those same tools be used to go beyond capitalism? For this reason, if no other, the economics of Keynes have been flatteringly compared with the objective-idealist philosophy of Georg Hegel. Keynes was a thorough-going bourgeois and a loyal servant of British imperialism. But through a leftist “interpretation” Keynesianism could perhaps realise anti-capitalist goals.¹⁹ The pro-Stalinist economist, Joan Robinson (1903-83), was the outstanding theorist of leftwing Keynesianism.

Buffers

Suffice to say, Keynesianism hit the buffers in the late 1960s. One of the unintended consequences of Keynesianism was a decline in the role of money (fundamental to capitalism). Furthermore, because of full employment, social security benefits, council housing, the national health service, etc, the system’s ability to discipline the working class through what Marx called “commodity fetishism” was reduced. Hence, we can say that Keynesianism is a means whereby capitalism manages its own long-term decline through increasing the role of organisation, as against the role of the market. Markets, including the market in labour-power, are retained, but are thoroughly bureaucratised.

Under such circumstances, internal contradictions mount up. Economics is politicised and objectively the power of the working class grows at the expense of capital. Profit and growth rates begin to fall (in no small part because of the organisation and militancy of trade union power).²⁰ Certainly in the 1970s, faced with a loss of control, the bourgeoisie pulled the plug on full employment in order to restore discipline over the working class. With the system visibly malfunctioning, the ruling class, crucially in the Anglo-Saxon world, broke with Keynesianism, downgraded productive capital and sought salvation in financialisation. Inflation was allowed to run hand in hand with the return of mass unemployment (an impossible combination, according to Keynesian theory).

A new bourgeois orthodoxy was put in place. Out went Keynesianism and the social democratic settlement. In came monetarism, neoliberalism, Milton Friedman, the Chicago school and Thatcherism. Paradoxically, however, it was sections of the left, including those who called themselves Marxists, who doggedly clung onto Keynesianism.

Almost by sleight of hand, ‘official communism’ went over to Keynesianism in the 1970s. As the long boom of the 1950 and 60s retreated into memory, Keynesianism became the model for the future. In close collaboration with left Labourite allies the old CPGB conceived, developed and finally gave birth to the Alternative Economic Strategy. The AES was a classic example of Keynesian-inspired nationalist reformism, which, given the needs of the times, had on occasion to be dressed up as a “revolutionary strategy”. Eg, the Eurocommunist, Sam Aaronovitch (1919-98), excused the AES because he claimed it was designed to “advance towards fundamental change in the class and property relationships in society”.²¹

In fact what the AES proposed was the election of a reformist

left government committed to the democratisation of industrial relations, widespread nationalisation and a large-scale investment programme. Such measures, its advocates promised, would “regenerate Britain” - crucially by stimulating aggregate demand.

In the real world, the AES would necessitate, of course, imposing draconian protectionist measures, such as import controls, and “leaving” what was then the European Economic Community. In other words, the AES was a reformist utopia, which, if put into practice, could only but end in banal disappointment - that or social disaster: ie, the flight of capital, national isolation, population exodus and social regression.

Showing how far they have lost their bearings, we now hear similar left Keynesian nonsense spouted by individuals and organisations who call themselves revolutionary Marxists. Hence we have Alex Callinicos, abusing his considerable talents in order to fend off criticisms of the Socialist Workers Party in Ireland (amongst others). Its People Before Profit Alliance electoral front proudly issued an “Alternative Economic Agenda” in April 2009.²² While some of its demands are eminently supportable, democracy, state power and the aim of socialism are noticeably absent.

Nevertheless, the AEA considerably overlaps with the old AES. Callinicos is honest enough to admit as much. However, he says, those who want to “dismiss” it on such grounds “ignore the radically different context from that of the 1970s” - the comrade cites “deregulation” and the “devastating economic slump”. Which is just to say the 2010s are not the 1970s. Recognising the banality of that non-argument, Callinicos latches onto the claims of his youth: the old AES was “a reformist attempt to rescue capitalism”. True - not that the ‘official communists’ ever openly admitted any such thing.

The last resort of the renegade is to invoke “transitional demands”, as “understood by the early Communist International and by Trotsky”. Then, almost by magic, “everything changes”: and that, of course, is exactly what Callinicos does.²³ Yet Keynesianism remains Keynesianism, whether advocated by the Nazis, Fabians or fake Marxists.

Surely letting the cat out of the bag, Callinicos’s Irish comrades write that they wish to “prevent the bulk of the pain of the economic crisis falling onto the shoulders of the working class”. Moreover, their AEA enviously looks to the “stimulus packages” in “the US and some EU countries”, which are designed to “revive their economy”.²⁴ Ireland, they argued, should follow suit.

Austerity

True, in 2008 and 2009 the financial system was bailed out in Keynesian fashion. George W Bush twinned himself with Gordon Brown. The US congress agreed a \$700 billion package to purchase bad debts and recapitalise the financial sector. Britain too poured in government money. Banks and insurance companies were nationalised or part-nationalised one after the other (eg, the Royal Bank of Scotland and Lloyds TSB, and in America Goldman Sachs and Citigroup). Chrysler and General Motors were also rescued from bankruptcy.

The mainstream media, not least the conservative right, was full of laughable accusations that Bush had gone over to “socialism”. Thoroughly enjoying the humiliating ideological U-turn, Hugo Chávez ironically called him “comrade”. The Venezuelan president mockingly announced that “Bush is to the left of me now”.²⁵

However, there was a grain of truth in the media accusations. Across the world, but especially in North

American and Europe, the huge losses suffered in 2008-09 - at least for those concerns deemed ‘too big to fail’ - were socialised. The total sums involved head into the \$trillions. Hence the subprime, banking and insurance crisis metamorphosed into the sovereign debt crisis.

Though borrowing, as a proportion of GDP, is perfectly manageable, at least for the core capitalist countries, and far from being unprecedented historically - eg, the 1940s and 50s saw comparable debt levels - a suffocating consensus has emerged. There is no alternative. Debts must be reduced as soon as possible through deep cuts in government spending programmes. So it is back to the future.

George Osborne’s ‘age of austerity’ involves a savage package of cuts. Benefits, higher education, local government, etc are being butchered. Simultaneously, taxation levels, retirement ages and pension contributions are being ratcheted up. There has been nothing comparable since the ‘Geddes axe’ of the early 1920s. The then coalition government of prime minister David Lloyd George was determined to drive down the debt inherited from World War I. Eric Geddes and his committee duly obliged by recommending cuts totalling £87 million - about 10% of the country’s entire GDP at the time. That translated into a 35% reduction in the number of civil servants and the abolition of entire government departments, including “labour, mines and transport”.²⁶ As we now know, the result could only but be a negative ‘multiplier effect’. The early 1920s produced not a ‘land fit for heroes’, but wage cuts, bitter class struggles and economic failure.

Revealingly Osborne’s Con-Lib Dem austerity programme is welcomed by the Confederation of British Industry, International Monetary Fund, Bank of England, etc. Not that Labour is much different. While Ed Miliband made much of the pain and how it is not working, he too is committed to austerity. Labour cuts would supposedly be slower and less deep. But pain, it is agreed, cannot be avoided.

And this austerity consensus now includes *everywhere* in the EU. Take France - which for a while appeared determined to resist German demands for savage cuts throughout the euro zone. Christine Lagarde, France’s finance minister, agreed deficit reduction plans “worth €40 billion” in September 2010.²⁷ A package that will see the loss of 97,000 civil service jobs. And, of course, Germany’s chancellor, Angela Merkel, is insisting that Portugal, Ireland, Greece and Spain - “peripheral” members of the euro zone - impose ever harsher austerity measures.²⁸ What goes for the ‘pigs’ now, of course, goes for Italy. In order to “balance its budget” by 2014 the Italian parliament voted for Giulio Tremonti’s €45 billion cuts package at “record speed”.²⁹ The pain will doubtless fall “onto the shoulders of the working class”.

What of the US? Barack Obama’s administration is now committed to \$4,000 billion of cuts over the next 10 years. Inevitably Medicare, Medicaid and social security will be butchered. In other words Obama’s soft Keynesianism, inherited from Bush - and so admired by the Irish SWP - has been ditched. True, the Republicans, especially the Tea Party faction, are demanding more cuts ... and faster. Showing whose interests they serve, this goes hand in hand with a refusal to countenance any tax rises, including closing tax loopholes: eg, Amazon’s tax-free business operations in the US.

How to explain the austerity consensus? There are two main factors at play.

Firstly, the financial crisis of 2008-09 was, of course, bad news

for the entire capitalist class. It was not only a blow to profits. Neoliberalism became a busted flush. As an ideology it no longer works. However, the crisis, especially the debt crisis, was greeted in certain quarters as a golden opportunity to further roll back the post-World War II social settlement. Once the madcap dream was of restoring a pristine capitalism. Nevertheless, working class living standards, the share labour takes from the social product, can be screwed down. Not only wages paid by employers, but the social wage too. Necessarily that means constant, unrelenting attacks on negotiated terms and conditions and ever more authoritarian measures. In short, the rate of exploitation is to be ratcheted up under the patriotic rubric of balancing the nation’s books.

Secondly, the capitalist class is increasingly irrational. Its leading sections are acting in a way that not only hurts the majority of the population, but runs counter to their own interests. Galbraith once made the correct point that, “whether a government [faced with the reality of a depression] shall be Keynesian or not ... comes to nothing more or less than the choice of whether or not to commit political suicide”.³⁰ A worry clearly shared by the noted *Financial Times* columnist, Martin Wolf. He darkly warns of the “risk” of the “mother of all meltdowns”.³¹ In the determination to exploit the debt crisis there is not only the danger of the cuts triggering a double-dip recession. There is also the danger of a social explosion. Greece, Spain and France have already seen protest general strikes. Clearly only a hint of things to come.

The bourgeoisie has abandoned its old Keynesian methods of managing capitalism’s decline in a relatively civilised manner. As a class it remembers the 1940s-70s and is agreed - never again. However, the austerity consensus objectively puts revolution and the necessity of socialism back on to the agenda. Does the bourgeoisie really want to “commit political suicide”? ●

Notes

1. *Financial Times* January 22 2011.
2. www.tuc.org.uk/economy/tuc-19346-ft.cfm.
3. www.thepeoplescharter.org.
4. m.thebrowser.com/interviews/robert-skidelsky-on-keynes.
5. JM Keynes, ‘A short view of Russia’ (1925) in *Essays in persuasion* New York 1963, p324.
6. *Ibid* p300.
7. PA Baran *The political economy of growth* Harmondsworth 1973, p114.
8. JM Keynes *The general theory of employment, interest and money* New Delhi 2008, pxxi.
9. See S Webb and B Webb *Soviet communism: a new civilisation?* London 1935. In subsequent editions the question mark was removed.
10. A Bullock *The life and times of Ernest Bevin* Vol 1, London 1960, p437.
11. JM Keynes *The general theory of employment, interest and money* New Delhi 2008, p102.
12. Of course, attempts to balance the budget through cuts in spending reverses the multiplier effect.
13. WW Rostow *The stages of economic growth* Cambridge 1960, p155.
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15. R Miliband *Parliamentary socialism* London 1973, p348.
16. L Minkin *The Labour Party conference* Manchester 1980, p151.
17. L Trotsky *The transitional program for socialist revolution* New York 1977, p111.
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24. www.peoplebeforeprofit.ie/files/PBP%20Alternative%20Economic%20Document.pdf.
25. *The Daily Telegraph* October 16 2008.
26. K Grievies *Sir Eric Geddes* Manchester 1989, p104.
27. *Financial Times* September 14 2010.
28. *Financial Times* March 12-13 2011.
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ANALYSIS



Tahrir Square: the Arab world will never be the same again

The Arab awakening and the prospect of unity

In this edited version of a speech given to the CPGB's Marxism fringe on July 3, **Moshé Machover** examines the global implications of the Arab revolution, not least for Israel-Palestine

The 'Arab spring' or 'Arab awakening' is an important reference. It refers not to the spring of 1968, the 'Czech spring', but to the 1848 'spring of nations'.

The name is not accidental; it is supposed to convey meaning. It implies that in the short term not too much should be expected. The short-term outcome of this revolution - and this is *one* revolution, not a series of weakly connected revolutions - will probably not change very much. But, looked at in retrospect after several years, it will be seen as a momentous turning point. It is not only the region that will never be the same again, but the whole world which will change because of this.

The reason why the current Arab awakening will not appear to achieve very much is, I think, evident. The old ruling elites are still too strong and the forces of the revolution are inchoate, not organised and not clear about what they want. Their programmes are being made up as they go along. But this is not unusual in revolutions: in 1848 it was roughly the same and it ended very badly - no major old regime or empire was actually overthrown; nevertheless we still remember it as a major turning point in world history, certainly in European history. It left a legacy as the first scene in an ongoing drama that evolved during the 19th century. Current events should be looked at in the same way. We are likely to see an ongoing revolution that has not yet

reached its apogee, from which it will probably retreat - these processes have an ebb and flow.

Think of the 1905 revolution in Russia - it went so far and then was defeated - it did not actually overthrow the tsarist regime and it was followed by repression. But later on it came to be seen as the first act in a three-act revolution - 1905, March 1917, November 1917. We can see now that it was one process. (What happened later is another question - how the 1917 revolution was defeated, degenerated and so on.) It is clear that the 1905 revolution cannot be seen on its own, but was the first scene in a drama which took 12 or more years to complete.

Things are similar with the Arab awakening. The balance of forces is still very much against the revolution, even in places where it has apparently achieved the most - Tunisia and Egypt. Even here what has occurred so far is the *decapitation* of the old regime, not its overthrow - the long-term president/president for life was thrown out.

In Egypt, by far the most important Arab state, the current rulers are a continuation of the old regime - the military junta that was part and parcel of it. The political and economic elite under Mubarak was two-headed. There were the generals, who are still in power and are also owners of capital. It is a strange kind of capitalism, corporately owned by the generals - some of them in service,

some of them retired. Then there was the Mubarak family - especially Gamal, Hosni's son, who was the heir apparent, earmarked as the next president. This explains why the generals were not unhappy to get rid of him - he was a competitor.

But the revolution there at least achieved the decapitation of the regime, not only because of the complicity of some of the generals, but for two main reasons: the day before Mubarak was persuaded to go there was a major mobilisation of the working class - this is somewhat under-reported in the western press, although it is more evident on Al Jazeera. The other reason was that ordinary soldiers did not obey orders. At one point the tanks in Tahrir Square received an order to shoot at demonstrators, but the tank commanders, who are junior officers, took off their headphones. This was not reported in the west, but it was an important turning point. Even more significantly, the ordinary soldiers - who are conscripts - refused to obey orders to suppress the revolution and the top of the regime itself is divided.

In Tunisia there was a variation on this situation. Here the small army is not a major part of the repressive forces, unlike in Egypt, where it is a major social force. Then there is Yemen, where there is a contradictory situation. These are the parts of the Arab world where the revolution has achieved the most so far and where the process is still very much ongoing.

In Egypt, now at least it is possible to speak more freely to the organised working class, to be able to organise free trade unions, form parties and so on. There are dozens of new parties being formed, lots of newspapers appearing, etc. What will remain of it, one does not know, but in the short term it is progress.

In other places there are various degrees of stalemate or failure. I would regard the situation in Libya as a failed revolution, because the revolutionary forces were unable to overthrow the regime: they were too weak and the forces around Gaddafi too strong. The former found themselves obliged to call for western help and by that they lost ownership of the revolution, so, whatever now transpires, there will not be a successful popular revolution. It is difficult to guess what the outcome will be, but it will not be a major achievement.

In other places, including Bahrain, there is very severe repression; in Syria the regime is still fighting for its survival and the outcome is not clear at all. This is the overall picture of what is happening.

Revolution

I would nevertheless stress the fact that the process we are witnessing is an all-Arab revolution. Not only because it is played out in the Arab world, but because there is a feeling in some places that it is pointing at the potential unification of the Arab world.

You do not hear this very much in what is shouted or displayed on posters at the demonstrations. People are concentrating on immediate demands, which are common to all. In Egypt there have been raised three slogans: equality, freedom and dignity, but economic demands have also been raised by the massive, highly concentrated working class. However, the movement is not led by organised forces armed with a coherent programme, putting forward a long-term strategy. Nevertheless there is an underlying text. In Egypt and Yemen in particular, there are demands which go beyond 'We want freedom, we want to be able to speak freely'.

It is very significant that people interviewed on demonstrations in Egypt condemned the Mubarak regime not only because of economic and social inequality and political repression, but also because of its shameful subservience to the west. A lot of it is actually phrased in terms of dignity. The Mubarak regime's servility towards the west and United States - helping Israel, for example, in the siege of Gaza - was humiliating. In Yemen again there is the same kind of criticism: the regime was servile to the United States, it is 'shameful', it 'hurts our pride'.

But there is another element - the potential unity of the Arab world. This is not expressed very much, but it is sometimes heard. There are demonstrations in one country in solidarity with what is happening

in another. I happened to listen to a BBC radio report of a solidarity demonstration in Jordan on the border with Syria (the initial focus of the revolution in Syria was in Daraa, on the border). The reporter did not say what the people were shouting, but even with my limited knowledge of Arabic I could make it out: ‘Arab unity!’ That means something.

To return to the point with which I began. The events are being described as the ‘Arab spring’ and this is a reference to 1848. However, especially on Al Jazeera, the preferred term is ‘Arab awakening’. Al Jazeera is based in one of the most reactionary parts of the Arab world, Qatar, but the actual reporters are assembled from all over and many are radicals - lefts of various kinds - and they are very keenly aware of what is happening. The name ‘Arab awakening’ is not accidental: it is a reference to a title of a book published in 1938, whose author was George Antonius, described as “Lebanese-Egyptian” by Wikipedia. He ended up in Palestine and is the major historian/theoretician of the notion of all-Arab nationhood - Arab unification. According to him, modern Arab national identity was dormant for many centuries, but there was an “awakening” - raised by a few intellectuals in the 19th century, it gained momentum in the 20th.

So calling the events the ‘Arab awakening’ is a reference to this - there is no intellectual in the Arab world who does not know what the term means: all-Arab unity. So its use is in my opinion significant. But, while in the short term it is not going to lead to much, under certain conditions - if the elite in power is divided, as it was in Egypt and Tunisia, and if the armed forces are unreliable - it is possible to start a revolution in a spontaneous and inchoate way, where there is no mass organisation, no coherent strategy, etc. This is what has happened. But to actually install a new, revolutionary order you need more than what exists. It could not exist, because it was very difficult to form organisations under the old regime, under conditions of very severe repression.

It is possible that the situation that will now emerge will enable the formation of more coherent organised forces - in Egypt mainly, where the grassroots organisation of the working class is very strong. The working class is also very important in Iraq (in spite of the mess it is in for reasons we are all aware of), but also in Yemen. Yemen is a very contradictory place: a gluing together of two parts. North Yemen is tribal and rather backwards socially, while South Yemen is, social and politically, probably the most advanced part of the Arab world. South Yemen has a very strong working class, mainly around the port of Aden. It actually managed to oust Britain after a long liberation struggle and in 1969 the People’s Democratic Republic was set up in South Yemen, which was to the left of Stalinism. Its leader, Salim Rubai Ali (known as Salamin), was executed in 1978 by his Stalinist rivals within the regime, and from there it started to degenerate. But it had started to go beyond the Stalinist norm, which is not something that has happened in any other part of the Arab world. This has left a legacy, even in North Yemen.

Amazingly in a backward country, the leader of the current revolution in Yemen is a woman - Tawakul Karman, a tremendous organiser and strategist. She insists on peaceful revolution, saying an armed insurrection would be a big mistake, allowing the regime to crush the opposition. So Yemen is not all that backward ...

Global implications

However the process ends in the short term, neither the region nor the world will be the same again. The Middle

East is strategically just about the most important region of our world. That is true for various reasons.

I have recently been reading an unpublished work by Tony Cliff from 1946, written while he was still in Palestine. He lists the reasons why the Middle East is so important and, while today the priorities on the list may have changed, he gets it more or less right. First the Suez Canal - which was and still is a vital trade route between Europe and the Far East, as well as being a more general transit area. Nowadays, however, it is clear that the most important strategic value of the Middle East for any power is oil - it is the most important oil-producing area in the world. When Cliff was writing this book, oil was just being discovered in Saudi Arabia, and Venezuela was still the most important oil producer, along with the Soviet Union and the US. The amount of oil produced in Saudi Arabia in 1946 was miniscule, but now it has the largest reserves by far of any country, ahead of Iraq and Iran.

So the Middle East is a major part of the world in terms of its importance to the powers-that-be. The existing world order is still dominated by the United States, which is clearly in the process of decline. I do not know whether capitalism is declining, but American domination of world capitalism certainly is. On the first question maybe the jury is out, but I do not think that it is at all open to doubt that American hegemony is in decline. The United States first lost control of its own back yard, Latin America. Now it is losing control of the Middle East. Even if it recuperates some of its control - it will clearly not lose its influence completely - it cannot, as it used to, rely indefinitely on repressive regimes to keep the lid on mass discontent. The American elite is very well aware that the masses in the region are not friendly towards it, as is also obvious in Pakistan and various other parts of the world.

The key to US control was ‘stability’ and the regimes were until recently able to preserve stability. But this is no longer guaranteed. However things turn out, whether or not the US is able to recuperate any of its control, it will no longer be possible to sit back and rely on the regimes. In a way, some of the neo-cons were aware of this. Their Project for a New American Century, the loose organisation started in 1997, sensed the potential instability and advocated the desirability of perhaps engendering regime change: maybe the regime in Saudi Arabia can be replaced with one that is better able to do our bidding - one without this extreme form of repression, which in the end is destabilising. The neo-cons’ strategy was to start with Iraq and this is where the invasion actually originates for me - it had nothing to do with 9/11, having been worked out in 1997 or thereabouts.

You can see their reasoning: if we start interfering with Saudi Arabia’s royal house they may retaliate. And they have a lot of power, because they have a lot of oil. So we need first of all to control a country which also has a lot of oil in order to counter any such retaliation - and that country is Iraq, the second biggest Arab oil producer. Once we have control of Iraq, we will be better able to engineer favourable change in Saudi Arabia and the other Arab countries. But we know what happened in Iraq - the strategy failed utterly.

Israel-Palestine

There are long-term implications not only for general American world dominance, but also for the Israeli-Arab conflict. Change in the Arab world - major social and political transformations and especially unification - is the absolutely necessary condition for resolution of

the Israeli-Palestinian conflict. As a Marxist, I never cease to point out that the key is to understand that it is a conflict of colonisation. Zionism is a project of colonisation and Israel is a settler state. But not all colonial projects are similar and not all settler states are the same.

There are basically two models: one is represented by South Africa - where the settlers built their economy on the exploitation of the labour-power of the indigenous people. The settlers formed themselves as a quasi-class and remained a minority, which nevertheless had a vital need for the indigenous people and their labour-power, upon which the economy depended. The other model is represented by Israel - and other places, such as Australia and North America - where the indigenous people were not depended on for their labour-power. Here the settlers formed themselves into a new nation, in most places becoming a majority, and the indigenous people were overwhelmed, displaced, ethnically cleansed.

The Israeli-Palestinian conflict can only be resolved by changing the colonial situation, by decolonising: in this case deZionising. The nature of Israel must be changed so it ceases to be a colonial state - the Zionist project is the last remaining colonising process. Unfortunately, there has not been one single case of successful decolonisation in this type of colonial project, where the indigenous people were displaced, rather than used as labour-power. The typical situation is Australia or North America, where the conflict was resolved decisively in favour of the settlers. The indigenous people were either completely exterminated - as in Tasmania, for example - or were marginalised and became a minority clinging to the remnants of its culture, language, etc. So in the context of this general rule the prospect for the Palestinians is not very good.

However, there is one unique difference that actually works in their favour in the long term and makes the whole prospect of decolonisation actually achievable. That is, unlike places like Australia, North America, etc, the indigenous people are part of a larger national entity with a world language and a world culture. That is different, for example, from Australia, where there were many indigenous languages, each unique and localised to a small area and therefore easily overcome or even eliminated. In the case of the Palestinians, being part of the Arab nation is their strength, providing the only prospect of resolving the Israeli-Palestinian conflict positively, through the unification of the Arab world.

This would change the existing balance of power. It would enable decolonisation - or in this specific case deZionisation - of the Israeli state and the formation of a joint set-up, hopefully within a progressive, unified Arab east, in which both Palestinians and Israeli people can have equal rights, without one oppressing the other. In other words, this prospect of the long-term success of the Arab revolution is also a vital condition for the resolution of this most complicated, longest-lasting colonial conflict in the present-day world.

I am not a member of the CPGB, but I would nevertheless like to support the CPGB theses, ‘The Arab awakening and Israel-Palestine’ (*Weekly Worker* June 30). I think the document is actually a very good one. I would support the idea of Palestinian self-determination in the most immediate sense. In September the Palestinian Authority is going to the United Nations to ask for recognition of the Palestinian state, in the occupied territories of the West Bank and the Gaza Strip. It is going to be opposed by Israel and the United States and their camp followers. Should their

demand be supported? On the basis of self-determination, yes. But do I have any illusions? No, I share the view that in the present circumstances any such state is going to be not so much a bantustan, but an Indian reservation. The difference is significant, because bantustans provided a source of labour-power for the South African economy, while reservations are just a dump.

I do not believe that the Israeli-Palestinian situation can be solved within the box of Palestine. Either as one state or divided into two. It can only be solved within a progressive union, a socialist union of the Arab east, in which both national groups would be accommodated on the basis of equal rights.

I do not think in the absence of Arab unification that two states can resolve the conflict, because of the huge disparity in the balance of power. One - the Israeli state - would dominate. Similarly a single state in an undivided Palestine would be in effect a continuation of military occupation under a different name. The only way the balance of power can be changed is under a larger Arab unity - probably in a federal form.

Certainly this would involve the right of return of the Palestinian refugees. It is, however, quite unlikely that all Palestinian refugees would want to exercise this right. There is certainly no way that every Palestinian can return to the *exact spot* where their ancestors came from, because that would mean dislocating other people who have been living there for decades. So there will have to be some democratic resolution.

The unified Arab entity would have to include an arrangement guaranteeing self-determination for non-Arab national minorities, including for the Israeli Jewish or Hebrew nation. It is true that it is an oppressing nation now, and we are not talking about self-determination for it in the present circumstances - that would be absurd. We are talking about a situation in which Zionism had been overthrown. Then the question arises: does this nation deserve national rights? Is its national existence deserving of being recognised or should it be disregarded?

When one speaks about an Israeli component within a unified Arab federation, there is no question of it having the same borders as the current state of Israel. The territory controlled by the Hebrew nation within this federation will have to be determined at the time - we cannot do it now, ahead of history. The principle remains that, Zionism having been overthrown, there will still be a national entity there called the Hebrew nation, which will no longer be an oppressing settler nation and will have to be accommodated on the basis of equal rights. So, when I advocate self-determination for this nation, this, of course, presupposes the overthrow of Zionism and the overthrow of the colonial and settler nation of the state of Israel.

Today the balance of power is overwhelmingly in favour of the Zionist colonising project. The left exists in Israel, of course, but is extremely weak. Nevertheless, it is active, shows solidarity with Palestinians and demonstrates that a common struggle is possible. The Israeli regime, for its part, is very worried, for obvious reasons, because of the decline of American domination of the region. Israel itself is a kind of subcontracted hegemony in the region, a subcontractor of American imperialism. However, in the short term its position has actually been strengthened, because it is the only remaining absolutely reliable and stable American ally, or junior partner in the region. So it is a contradictory situation.

Analogy

The structure of the Arab world is analogous to that of Germany or

Italy before unification. The closest parallel is Italy, where there were two layers of nationalism: for example, a Sicilian or Venetian nationalism, a local identity, which was very strong, but at the same time a feeling of Italian nationality. The problem was largely resolved by unification in the 19th century (although some Italian-speaking communities remained outside the united Italy).

At the immediate end of World War I the parallel with the Arab world was explicitly made. Britain promised the Arabs that in exchange for support against the Ottoman empire it would foster Arab unification. Of course, it betrayed this promise and that task remains unfulfilled. But the desire for unity was and is common throughout the Arab world, very strongly supported by various classes - not just the working class, but also the middle class and petty bourgeoisie.

It is true that until recently the whole idea of Arab union was discredited, because it had been taken up by repressive regimes in Egypt, Libya, Syria and Iraq. They mouthed the slogans of Arab unification, but actually were concerned with their own power locally.

So people may have tended to identify themselves as Egyptian, Syrian or whatever first of all. But now, with the rising revolution in the Arab world, the idea of unification is back on the agenda. However, it is clear that this task can only be carried out by the working class - experience has shown the bourgeoisie is not capable of doing it.

The Arab working class is very much in favour of it. That is evident, for example, in all demonstrations of Egyptian workers. Support for Palestinian liberation is very prominently displayed, even in demonstrations that are on Egyptian economic issues. So potentially this is on the agenda, but it is a task yet to be completed. And it can only be completed in my view under the leadership of the working class - that is absolutely clear.

However, to say that unification can completely transcend nationhood, in the sense that it will bring together all the peoples of the region, including in Iran and Turkey, is to jump two steps ahead. I look forward to a world in which national barriers will no longer exist, but I think that, for example, the unification of Britain with Ireland will come before the unification of Britain with Germany or France - there is a question of common language and common heritage.

The slogan of Middle East unity suffers from the fact that it has no mass support whatsoever. Arab unity is problematic, because mass support for it ebbs and flows - at times the whole notion of Arab unity falls into disrepute and at times it comes to the fore.

But there is certainly an underlying feeling and demand for it among the masses - the peasants and the working class especially. But I have heard no demand for unity with Iranians, or among Iranians for unity with the Arab world, or for that matter in Turkey (except in a very reactionary form in the sense of re-establishing the Ottoman empire).

It is true there is common religion, but it has not actually played an important role in the revolutionary process - even in Egypt, where the Muslim Brothers are quite strong. They are part of the process, but they did not initiate it. If the Egyptian people choose a parliament with 50% Muslim Brothers, then that is their right - we cannot say that therefore it is illegitimate.

But Islam is not a unifying factor in the Arab world - in Bahrain it is a divisive element. Islam may have been a unifying factor in the 7th century, but not any longer ●

OUR HISTORY

Affiliation tersely rejected

Affiliation to the Labour Party had been a key debate at the Communist Unity Convention, the founding congress of the Communist Party of Great Britain, over the weekend of July 31-August 1 1920. It was endorsed as Communist Party policy by 199 votes to 85.¹

One month after the party's application to affiliate was submitted, the Labour Party's negative reply was received. This was published in the CPGB weekly, *The Communist*, in an article that underlined that affiliation was a *tactical* question for the new party. It also raised the prospect of the CPGB challenging Labour in the ballot box.

Ourselfs and the Labour Party

One of the first items that had to be considered by the executive committee of the Communist Party ... was the resolution in favour of affiliation to the Labour Party. This was done in the communication embodying the whole of the objections, methods and policy of the party as decided upon at the convention ... [Later] it became known that the decision of the [Labour Party] executive was against our application and that a reasoned statement would be forwarded to us ... we print it here:

September 11 1920

Mr Albert Inkpin, secretary, Joint Provisional Committee of the Communist Party

Dear sir

Your letter of August 10, in which you inform me that at a national convention held in London on Saturday and Sunday July 31 and August 1 last, the Communist Party was established, was placed before the national executive of the Labour Party at their meeting at Portsmouth on Wednesday last, the 8 inst.

My executive fully considered the resolutions adopted by the convention defining the objects, method and policy of the Communist Party, as set out in your letter. They also considered your application for the affiliation of the Communist Party to the Labour Party.

After full consideration of the resolutions and your request, it was resolved that the application be declined, and I was instructed to inform you that the basis of affiliation to the Labour Party is the acceptance of its constitution, principles and programme, with which the objects of the Communist Party do not appear to be in accord.

Arthur Henderson
secretary

The reply, it will be seen, is a definite refusal to our request for affiliation on the ground that our objects "do not appear" to be in accord with those of the Labour Party.

To be quite frank, we never supposed they were. Our worst enemy will not accuse us of ever pretending they were. But we thought the Labour Party was a body so wide in its scope, so eclectic in its outlook, that it could embrace in its ranks every section of the conscious working class movement, and even give them freedom to express their particular point of view from its platform. Such a procedure would, of course, be illogical in any party which was tied down theoretically to a rigid line of policy; but we conceived the Labour Party as something different from this; as something that was striving to express politically the half-formed aspirations and ideas of the surging mass of organised workers in this



Arthur Henderson: no thanks

country.

In such a party we conceived we held a place. Perhaps we were mistaken. We prefer to think the executive of the Labour Party is mistaken. But certain it is that, affiliation or no affiliation, the Communist Party will not depart by a hair's breadth from its pursuit of those objects which it has set out to attain, whether they meet with the approval of the Labour Party or not.

The Communist Party is a political party striving to use parliament - while parliament exists - as one among other means for helping forward the social revolution, whose consummation is the sole object of its existence. Inside the Labour Party our power to fight elections whenever or wherever we thought fit would unquestionably be hampered. Those of us who advocated affiliation were prepared to forego this freedom in return for the greater opportunity we obtained of a hearing for our views among sections of the workers who really count in this country. Outside the Labour Party we lose the opportunity, but gain the freedom. We can fight where we like, and whom we like. We can oppose Labour candidates as freely as we oppose ordinary capitalist candidates and, since the Labour Party executive admits that our objects are not in accord with their own, they cannot have the slightest cause for complaint. So be it. It is their funeral, not ours.

It is not clear yet whether the embargo will be held to apply locally as well as nationally. In accordance with the resolution in favour of affiliation carried at the convention, our branches, where affiliated, have been advised to hold on until action is taken compelling them to withdraw. Whether such action will be taken we do not know, but we expect our branches to act in accordance with instructions, which will be issued, from time to time, by the Provisional Executive. In any case, whatever happens, this matter must be considered in its proper perspective as a comparatively minor matter of tactics, and judged accordingly. It is the

communist principle that counts, and from that we will not swerve.

This decision will serve but to consolidate our ranks. We appreciated the loyalty of the comrades who accepted the finding of the convention in favour of affiliation to the Labour Party, although disagreeing from it, and did not waver. In the day of non-affiliation the others will be no less loyal.

The Communist, September 16 1920

The rejection, conveyed in a single bland sentence, was not the end of the matter, however. The CPGB demanded the Labour leadership come clean and explain to the working class its political reasons for excluding the communists. The Provisional Executive Committee's reply, containing a series of questions to the Labour leaders, was also included in an article in same issue of The Communist.

The great taboo

The action of the national executive of the Labour Party in refusing affiliation to the Communist Party has caused considerable stir in all sections of the working class movement.

It is no exaggeration to say that it has forced the question of communism into a position of prominence such as years of ordinary propaganda could not have achieved. Wittingly or unwittingly, the Labour Party executive has compelled their followers, as individuals, to take sides on a matter which otherwise they might have avoided. For that we are profoundly grateful. Communism will not suffer from the discussion. We have everything to gain and nothing to lose from such a course. But it is a good thing for comfortable Labour MPs to be forced to drag their tactics, principles and actions into the light of day, and defend them before the common people.

The Provisional Executive of the Communist Party has instructed the secretary to send the following reply to Mr Arthur Henderson's communication refusing our

application:

September 23 1920

Dear sir

Your letter ... stating that the Labour Party executive had declined the affiliation of the Communist Party was considered at the last meeting of our Provisional Executive. In reply, we were directed to request that the reasons for this decision be more explicitly stated, in order that the relations of the two bodies may be more clearly defined and understood.

The affiliation of the Communist Party to the Labour Party is declined on the ground that its objects "do not appear to be in accord" with the constitution, principles and programme of the Labour Party - a decision which, as you have no doubt noted, had been warmly applauded in the columns of the capitalist press. But the working men and women of this country, to whom both the Labour Party and the Communist Party appeal, will look for a more reasoned explanation of this decision than is given in your letter of September 11.

The object of the Communist Party, as set forth in the resolutions of our national convention already sent you, is "the establishment of a system of complete communism, wherein the means of production shall be communally owned and controlled". Does the Labour Party executive rule that the acceptance of communism is contrary to the constitution, principles and programme of the Labour Party?

Or is it the methods of the Communist Party to which exception is taken? Those methods are the adoption of "the soviet (or workers' council) system as a means whereby the working class shall achieve power and take control of the forces of production", and the establishment of "the dictatorship of the proletariat as a necessary means for combating the counterrevolution during the transition period between capitalism and communism". Does the Labour Party executive decisively and categorically reject the soviet system and the dictatorship of the proletariat?

Does it propose to exclude from its ranks all those elements at present in the Labour Party who hold these means to be necessary in order to achieve the political, social and economic emancipation of the workers, and does it impose acceptance of parliamentary constitutionalism as an article of faith on its affiliated societies?

The Communist Party in deciding to make application for affiliation to the Labour Party did not suppose that the whole of its principles, methods and policy would find acceptance on the part of those who at present constitute the executive of the Labour Party. But it understood the Labour Party to be so catholic in its composition and constitution that it could admit to its ranks all sections of the working class movement that accept the broad principle of independent working class political action, at the same time granting them freedom to propagate their own particular views as to the policy the Labour Party should pursue and the tactics it should adopt.

And, having regard to the past history of the Labour Party, particularly during the war and since the peace, that belief was justified. Since when has the practice of the Labour Party changed in this respect? Is the affiliation of the Communist Party declined because it claims the same measure of freedom as has been granted to responsible leaders of the Labour Party during the last six years? And do the members of the ILP,² who constitute a large section, if not an actual majority of the Labour Party executive, deny the Communist Party the liberty of action inside the Labour Party that was claimed and exercised by them and their organisation during the period of the war?

These are questions that arise out of your letter of the 11th inst. They are questions we are entitled to submit, and feel justified in asking for a reply to.

Yours fraternally

Arthur MacManus, chairman
Albert Inkpin, secretary
The Communist, September 30 1920

So the affiliation issue provoked widespread discussion amongst working class militants and the pro-establishment politics of the leaders of Labour stood exposed. These leaders were well aware that the new CPGB was not intended as some tame debating society and feared its influence in their ranks. To increase their pain, the CPGB demanded consistency from the Labour Party tops: their party presented itself as an inclusive united front of all those who "[accepted] the broad principle of independent working class political action" - so what was the problem? Clearly, the sticking point was that the early Communist Party intended "at the same time ... to propagate [its] own particular views as to the policy the Labour Party should pursue and the tactics it should adopt": in other words, a genuine communist attitude to the united front, in contrast to the opportunist non-aggression pacts of that our contemporary revolutionary left are prone to.

Further correspondence and renewed applications were to ensure that the CPGB kept the affiliation issue alive and made itself a permanent thorn in the side of the venal Labour leadership ●

Notes

1. *Weekly Worker* April 21 2011.
2. Independent Labour Party, established in 1893.

SUMMER OFFENSIVE

Cracking pace

Mark Fischer updates us on the role of zombie Nazis, new gazebos and shithouse rats in this year's CPGB fundraising drive



Our press, our finances

Word reaches my ears this week of two "games parties" that are being organised to raise funds for the *Weekly Worker*. Now before the more luridly minded of you start to feverishly text for the details of the date and venue, I'm assured that these will actually consist of a bunch of our more geekily inclined (ie, generally young, generally male) comrades sitting in a room, humpbacked over computer consoles, blowing the heads off rampaging zombie Nazis and assorted other nasties. The 'party' bit is justified by the fact that they will also have cans of lager in their hands (the comrades, that is, rather than the reanimated and slightly crumbly fascists, of course).

This is certainly the most innovative means to raise funds for our paper so far and congratulations to comrade BL for organising it. The fight to provide a far more secure financial foundation for the *Weekly Worker* is a central component of this year's Summer Offensive, our annual two-month-long fundraising drive (which ends this year on August 20, the last day of our party school, the Communist University) and certainly seems to have inspired comrades to generally up their game. The last week has seen a stonking £2,526 come in, bringing our running total to £12,510. This really is a cracking pace - normally around this point in the campaign we suffer a quiet period before a relatively frenetic rush in the lead-up to and during the Communist University itself.

The first to be mentioned in dispatches this week is comrade MM for a magnificent £960 one-off donation. Not content with that, he has upped his regular £70 per month standing order to the paper by £5! Many, many thanks comrade. Our new comrade EL adds another greatly appreciated £20 to the same pot, while SP has increased his regular contribution by an extra £3 a month. Greatly appreciated, comrades. So, our fight for an extra £300 a month minimum for

the *Worker* was rewarded with £28 this week, taking the new regular commitments to £193 a month - again, greatly encouraging.

And a special mention must go to comrades MZ and EM, who forked out £50 to buy a new party gazebo after they oversaw the mutilation of one at the end of a festival in east London. Your conscientiousness does you credit, comrades!

The urgency of the fight to spread the reach and influence of this paper should be apparent to all of you who read it on a regular basis (last week 10,956 did so via our website, by the way). The ugly, corrupt farce that is the Murdoch/*News of the World* scandal unfolds remorselessly. Apart from the personal venality or the main actors - they have "the morality of shithouse rats", a close relation of mine has observed - it throws an interesting light on the political legitimacy of the ruling elite. Certainly, from my personal experience, people have responded with a quite visceral anger to the revelations - but have actually drawn

politically cynical and abstentionist conclusions from the affair. It should be the job of a rationally organised Marxist left to harness the anger felt by masses of people, and direct it in a manner that will change things - ie, a manner informed by a rational and radical programme. The Marxists should be acting as Marxists, in other words.

The *Weekly Worker* holds the left to account for its lack of ambition, its dismally unsuccessful 'get rich quick' opportunist ruses, its operative contempt for the class it is meant to serve, its stubborn refusal - thus far - to walk the walk and act as Marxists. The voice of this paper needs to ring out louder and clearer in the coming years of harsh struggle for our class. To that end we look to you, our readers, not the nationalisation of the media by the capitalist state, or some other such bureaucratic panacea.

We know there are plenty of you out there that agree with that - so let's hear from you! ●

Mark Fischer

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What we fight for

■ Our central aim is the organisation of communists, revolutionary socialists and all politically advanced workers into a Communist Party. Without organisation the working class is nothing; with the highest form of organisation it is everything.

■ The Provisional Central Committee organises members of the Communist Party, but there exists no real Communist Party today. There are many so-called 'parties' on the left. In reality they are confessional sects. Members who disagree with the prescribed 'line' are expected to gag themselves in public. Either that or face expulsion.

■ Communists operate according to the principles of democratic centralism. Through ongoing debate we seek to achieve unity in action and a common world outlook. As long as they support agreed actions, members have the right to speak openly and form temporary or permanent factions.

■ Communists oppose all imperialist wars and occupations but constantly strive to bring to the fore the fundamental question - ending war is bound up with ending capitalism.

■ Communists are internationalists. Everywhere we strive for the closest unity and agreement of working class and progressive parties of all countries. We oppose every manifestation of national sectionalism. It is an internationalist duty to uphold the principle, 'One state, one party'. To the extent that the European Union becomes a state then that necessitates EU-wide trade unions and a Communist Party of the EU.

■ The working class must be organised globally. Without a global Communist Party, a Communist International, the struggle against capital is weakened and lacks coordination.

■ Communists have no interest apart from the working class as a whole. They differ only in recognising the importance of Marxism as a guide to practice. That theory is no dogma, but must be constantly added to and enriched.

■ Capitalism in its ceaseless search for profit puts the future of humanity at risk. Capitalism is synonymous with war, pollution, exploitation and crisis. As a global system capitalism can only be superseded globally. All forms of nationalist socialism are reactionary and anti-working class.

■ The capitalist class will never willingly allow their wealth and power to be taken away by a parliamentary vote. They will resist using every means at their disposal. Communists favour using parliament and winning the biggest possible working class representation. But workers must be ready to make revolution - peacefully if we can, forcibly if we must.

■ Communists fight for extreme democracy in all spheres of society. Democracy must be given a social content.

■ We will use the most militant methods objective circumstances allow to achieve a federal republic of England, Scotland and Wales, a united, federal Ireland and a United States of Europe.

■ Communists favour industrial unions. Bureaucracy and class compromise must be fought and the trade unions transformed into schools for communism.

■ Communists are champions of the oppressed. Women's oppression, combating racism and chauvinism, and the struggle for peace and ecological sustainability are just as much working class questions as pay, trade union rights and demands for high-quality health, housing and education.

■ Socialism represents victory in the battle for democracy. It is the rule of the working class. Socialism is either democratic or, as with Stalin's Soviet Union, it turns into its opposite.

■ Socialism is the first stage of the worldwide transition to communism - a system which knows neither wars, exploitation, money, classes, states nor nations. Communism is general freedom and the real beginning of human history.

■ All who accept these principles are urged to join the Communist Party.

Become a Communist Party member

Name _____

Address _____

Town/city _____

Postcode _____

Telephone _____ Age _____

Email _____ Date _____

Return to: Membership, CPGB, BCM Box 928, London WC1N 3XX

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weekly Worker

Break up Murdoch's empire

Look to our own strength

The continuing turmoil around News International and the phone-hacking scandal has brought into sharp relief the attitudes of the different sections of the labour movement to the media - as things stand, they are machines for making money, tools for propagating the views of owners and enhancing their power and influence.

In addition, of course, we have seen the character assassination of 'troublemakers' - not least working class militants, such as Tommy Sheridan - in order to directly intervene in the politics of our class.

The response of the Labour Party and Ed Miliband to the hacking scandal has been entirely forced by the strength of public feeling. He did not plan to turn on Rupert Murdoch and News International. Indeed he would have been happy to restore the sort of relationship enjoyed by Tony Blair. In return for the backing of *The Sun*, New Labour did Murdoch's bidding. But now Miliband has come out with ever more bold demands and proposals. First, Rebekah Brooks should be sacked, then there should be a public enquiry and now there is even the suggestion of legislation to break up the Murdoch empire and establish a threshold for media ownership to curb monopolisation and the influence by one person or organisation. That is excellent. What the comrades of the Socialist Workers Party were saying only a couple of weeks ago is now coming from the lips of the Labour leader.

David Cameron is on the ropes. Till the last day of the parliamentary session Cameron was telling all and sundry that Andy Coulson remained a personal friend and that it was right to have given him a second chance. Only after he returned from his South African trip did he hold out the possibility that he might have been lied to. That "with hindsight" he regretted hiring him. However, in all two dozen or so meetings Cameron had with Murdoch he claims there have been no "inappropriate conversations". Believe that and you'll believe anything.

Meanwhile, new revelations, resignations and arrests are announced almost daily. This situation can only be welcomed by communists. The ruling class is showing all the signs of weakness and disarray. So what should be our response to what is a crisis of legitimacy?

The Labour right continues to use the excuse that, since the capitalist press is the only game in town, it is necessary to bow to its agenda. We do not accept that argument. The labour movement needs its own media, through which Labour Party, the TUC, unions and workers' cooperatives, as well as the left groups can express and develop our politics and culture.

Here we can learn from history, not least the *Daily Herald*. Today there is no mass-circulation working class paper - the *Herald* met its demise in 1964, when it was renamed *The Sun* and then finally sold to one Rupert Murdoch in 1969.

It began life modestly, as a daily strike bulletin put out by the London Society of Compositors in 1910.



Rupert Murdoch: once set Labour's agenda - but not now

The idea of an independent working class press of one sort or another - something entirely lacking in Britain, as opposed to, say, the media presence of the SPD in Germany, which got its ideas to millions of workers through numerous papers - was compelling enough to move a number of militants, such as Ben Tillett, the dockers' leader, to raise funds to make the *Herald* a permanent fixture.

Reliant on donations from its readers and local supporters groups, in the early years the *Herald* was a scourge to reactionary thought and featured class-conscious journalism and many a telling headline and cartoon. The paper briefly advocated

revolution, together with syndicalist forms of workers' organisation, and consistently supported the struggles of women and suffragettes, striking workers and those fighting for Irish independence. Labour and the TUC remained vacillating between confused support and hostility, as the *Herald* pulled few punches in attacking backsliding and reformist labour politicians and trade union leaders.

To its credit the paper took an anti-war stance, but this had the effect of cutting off much of its support from the official movement. Forced to go weekly, it supported conscientious objectors and campaigned against

conscription - a position that owed more to pacifism than socialism. In 1917 the Russian Revolution was welcomed. Circulation at this point was audited at 329,869 and its role was critical in combating bourgeois ideas and British military intervention at such a crucial historical juncture.

Today, however, instead of looking to our own strength, what we mostly find on the left is the demand that the capitalist state step in to nationalise the press and media. For example, *The Socialist* calls for the "democratic nationalisation of the printing presses, television and radio under democratic, popular management and control - beginning with the state takeover of

the resources of News Corporation". Right and proper under socialism and the rule of the working class. But under capitalism? Surely not. The paper keeps repeating the word "democratic" and accepts that the "state monopoly of news and information that existed in Stalinist states" was undesirable, but it proposes instead "access to the media in proportion to political support" (July 14). And, of course, this overlooks the possibility that the state, even if fronted by elected representatives, might decide to deny the Socialist Party in England and Wales the oxygen of publicity. After all it has no noticeable popular support.

The CPGB favours the break-up of the News Corp empire, but we place no faith whatsoever in the democratic credentials of the coalition government. In the current situation, in the absence of working class mass media and the domination of bourgeois ideas, we certainly welcome any action taken by workers in the industry to inhibit the anti-working class agendas of the media owners - during the miners' Great Strike workers at *The Sun* refused to print a mock-up of Arthur Scargill giving a Hitler salute under the headline, "Mine fuhrer" (sic). Instead the paper's front page published in large type: "Members of all *The Sun* production chapels refused to handle the Arthur Scargill picture and major headline on our lead story. *The Sun* has decided, reluctantly, to print the paper without either" (May 15 1984).

But, while we support workers exercising as much control as they can, it is utopian to believe that universal nationalisation would be some kind of panacea under capitalism. In point of fact it could prove to be a gift to those bent on rolling back democracy and silencing dissenting voices. We favour demands for banning private/corporate advertising in the media and the democratising of the BBC, etc. But, above all, we say the Labour movement must build its own media in order to fight the battle of ideas - a battle best conducted in the open ●

Michael Copestake

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