Paper of the Communist Party of Great Britain

### Capitalists are not the wealth makers. Moshé Machover defends the labour theory of value

weekly

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Italy: strikes
Iran: war danger
Eric Pickles
Occupy London

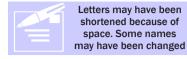
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## Bourgeoisie fears spread of political contagion

### LETTERS



### **Frustration**

"How can anyone still suggest we fight within the Labour Party to pull it left?" asks comrade Dave Vincent, full of frustration. "Labour is not even promising to reverse the pension increases. It agrees with privatisation, is against strikes, supports making savage cuts - it even supports the public sector pay freeze" ('Striking on March 28 is not enough', March 8).

After enthusiastically reporting the "euphoria" of united strike action on N30, Dave ridicules the idea that "this climate and the struggles will force Labour to talk and move left". Yet Mick Loates, reporting the Campaign for Labour Party Democracy conference (Letters, March 8), tells us - without any details, unfortunately - that the trade union representatives on the Labour Party's national executive committee are "a vast improvement upon previous years" and the Parliamentary Labour Party is "now much improved".

Comrade Loates's official optimism does display illusions in the Labour leadership, begging them to understand that "a strong stand against the coalition's cuts could win the next election". But much more is needed. Such illusions should not be shared by Marxists in the party. We should have no faith in "the next Labour government" running British capitalism. On the contrary, we must fight to transform Labour into a party of working class struggle for socialism, and win active majority support across Europe for implementing a full socialist programme.

Perhaps comrade Vincent's home truths about the present Labour leadership's anti-working class politics are a good antidote. But comrade Vincent has his own illusions - in the present array of "working class anti-cuts independent candidates" on offer. "I think this time an election challenge will take off." Really?

When Dave says, "Who needs the joke Labour Party ... ?" he is inviting us to abandon the struggle to democratise both the trade unions and the party, and to leave the bureaucracy in control of our organisations.

Stan Keable Labour Party Marxists SWP Iran

### change

Further to Peter Manson's interesting article about the increasing degeneration of the Stop the War Coalition ('Expulsion and exclusion as war threat grows', March 8), I found an additional aspect worth commenting on: the role played by the Socialist Workers Party. As Peter noted, they only sent a skeletal crew of about four or five members, led by Judith Orr. Most of them made a contribution and most of those were centred on Iran: all SWP speakers went out of their wav to talk about the "horrible regime" in Tehran and how we should actively support the people fighting against the theocracy. A young woman was telling the meeting that her parents were active participants in the green movement - and was told off by the bureaucratic chair, Jane Shallice, for talking about the issue in a session that was supposed to be about local campaigning (though the agenda was so badly put together that often nobody knew what was going on).

Rather amusingly, most of the war

SWP speakers also insisted that their organisation "always had this line". Apparently, they "consistently" supported those below, while criticising the regime in Tehran. This is not quite true, of course. Readers of the Weekly Worker will remember how, just a few years back, the SWP rejected all criticism of Mahmoud Ahmadinejad in the name of the 'unity' of the anti-war movement. The affiliation of Hands Off the People of Iran to the then SWP-run Stop the War Coalition was rejected because Hopi opposes not only any imperialist intervention in Iran, but also the theocracy, arguing instead for active solidarity with the tens of thousands of women, worker and student activists who have been fighting against their regime.

It is worth remembering that at the October 2007 STWC annual general meeting, Iran-born SWP member Somaye Zadeh was wheeled out to oppose Hopi's request for affiliation. She went on to tackle "five lies" that were being peddled against Iran, including "No5: Iran is an undemocratic and repressive country". She admitted that homosexuality was banned, "but, at the same time as homosexuality is not allowed, Iran does allow sex changes and in fact the average number of sex changes in Iran is seven times that in the whole of Europe". To wild cheering from SWP members in the audience, she explained that "the literacy rate amongst women is 98%. And 64% of university students are women. This is unparalleled in the Middle East and beyond." Also, there had been "a flourishing of magazines, newspapers, theatres, books, arts and websites". The situation in Iran "clearly isn't so black and white" as Hopi suggests (see Weekly Worker November 1 2007).

But then June 2009 happened and the SWP has been 'adjusting' its line on Iran ever since. Good for them: better late than never. Unfortunately, they are not quite confident enough of their position to actually fight for the STWC to adopt it or to support the affiliation of Hopi to the coalition (though some, if not all SWP members present, also didn't vote *for* the continued exclusion of Hopi. In fact, they seem to have abstained on the matter). And even though they're not admitting to it, at least the comrades are capable of shifting from their disastrous previous political line.

Not so their former comrades, John Rees, Lindsey German and Chris Nineham. These key members of Counterfire (who are now running the STWC) are sticking to their antidemocratic guns, come what may. Not a single word critical of the regime in Tehran passed their opportunist lips. Their continued close relationship with Iranian state television company Press TV might have had something to do with their cowardice: there were two TV cameras in the hall. Possibly, of course, it is the continued existence of Hopi itself that actually stops the comrades from changing their line: as long as we keep coming to STWC AGMs, insisting on Hopi's affiliation and fighting for an internationalist position, it might look like they were admitting we were right all along, that Hopi had 'won', if they actually change their line. I wouldn't put it past the current STWC leadership to be that sectarian.

war".

However, I think in his article Peter Manson misses another reason why: war is integral to imperialism. Imperialism - and especially the imperialist powerhouse, the USA - needs the threat of war to sustain itself: ideologically, militarily, geopolitically and also financially. The arms and defence industry is a major part of the US economy. In 2011, the defence budget was a staggering \$698 billion, or 4.8% of the US GDP (http://en.wikipedia.org/wiki/List\_of\_ countries\_by\_military\_expenditures). Add to that the cost of increased security concerns - for example, to combat the 'terrorist threat' within imperialist countries - and you have a major chunk of the economy being reliant on the continued existence of enemies within and without

It's a form of military Keynesianism to keep a faltering economy going. The further capitalism sinks into decline, the more irrational the drive to war becomes and the more ludicrous are the reasons presented by imperialism (weapons of mass destruction, nuclear capability, etc).

The Wandsworth motion made no mention of any of that. It represented a very naive view of how the world is run, reading as if David Cameron, Barack Obama and Benjamin Netanyahu just 'happen' to be spending 'too much' on the military, which on the surface seems deeply illogical at a time of official austerity. But, of course, the opposite is true: it is their way of staying in power.

Of course, we should fight against such ridiculous spending on increasingly refined machinery to exterminate humanity. But we should be clear why.

#### Mary Shalesworth London

### Softener

Tony Greenstein's latest reply to me is riddled with inconsistency and flagrant denial of reality (Letters, March 8). One minute he attacks 'anti-Semitism' from Jews like Paul Eisen. The next he flatly exonerates Hamas of the same thing, despite its charter evoking the *Protocols of the Elders of Zion*, and the Hadithderived injunction: "if you see a Jew, kill him". He puts the existence of Hamas down to a Zionist plot - an absurdity reminiscent of both anti-Semitic and Islamophobic conspiracy theories.

He is right though to refuse to equate Hamas's attitude with racism. This implies recognition that this is an ideology of the oppressed. But he still can't explain why it is correct to treat almost as Nazis a small but significant Jewish trend that misguidedly, but courageously, has gone over to the Palestinians and embraced this ideology (or some of it).

In this regard, his comparison with pre-World War II Zionists is completely wrong, as they wanted a Jewish state at the Palestinians' expense, whereas these Jews have gone over to the side of the Zionists' victims. They are opposites. His Garvey point is also foolish and does not get better with repetition. The evocation of the Pan-Africanist Congress hardly supports Tony's case either. It would have been appalling if the anti-apartheid movement had been convulsed with a witchhunt orchestrated by white activists against the 'anti-white' PAC. I'm not aware of that happening. Tony does not even try to counter my criticism of his support for joint campaigns with Zionists, like Hope Not Hate, who also target Palestinian militants for 'no platform' campaigns. He denies the existence of widespread soft-Zionist sentiment in the British labour movement, and pretends that presumably 'not-soft' anti-Zionist trade unionists, who are no doubt more sophisticated than Tony thinks, are likely to confuse a few pro-Palestinian Jews and associates who doubt or disbelieve the Nazi genocide with a Nazi threat. But no-one not influenced by soft-Zionist conceptions would be so soft-headed as to think that. He thus patronises not only Palestinians, but also trade unionists.

If there is no widespread soft-Zionism in the British labour movement, why has it taken more than 60 years for the TUC to adopt a half-decent position on the Palestine question? Why is it that for decades after World War II, right up till the late 1980s, the Labour Friends of Israel held a hegemonic position in the Labour Party, including on the Labour left? It still is pretty powerful; it's the Labour left that has largely melted away and the remainder has hardened up against Israel a bit.

It's not as if it was not known that Palestinians were victims of massive ethnic cleansing; rather it was overlooked because of a belief that the Jews 'deserved' their own state and the Palestinians were just unfortunate. That is the soft-Zionist tradition of British Labourism to which Tony is capitulating.

Rather than exchanging polemical barbs, however, some historical perspective is useful. Tony and Gilad Atzmon are actually both very interesting political personalities whose conflict reflects ideology struggling to catch up with one of the most remarkable turnarounds ever achieved by a formerly oppressed people. Jews have gone from being a persecuted people and the victims of one of the worst crimes in human history into a very powerful force, with a state at their disposal that could even conceivably blow up the world if it felt threatened.

Jews today are an oppressor people in the Middle East. And it is also true that Jews in the west, in the US and elsewhere, are a material factor in that oppression through the power of communal lobbying organisations, such as the American Israel Public Affairs Committee, and also through the partial internationalisation of Israeli citizenship by the 'law of return'. This long-lasting Zionist measure has in effect conscripted all Jews, irrespective of their views, into the quasi-national formation that oppresses the Palestinians. For a more extensive treatment of this, see 'The Jewish question and racial oppression' on my blog (http:// redscribblings.wordpress.com).

Tony, honourable in many ways as he is, fighting for the rights of the Palestinians in the way he considers correct, acts as though he believes or half-believes - that the Jews are still an oppressed people. If he did not have this mindset, he would not be campaigning just as energetically against 'anti-Semites'- mainly Jewish ones - as he is against the Israeli government itself! Atzmon makes a symmetrically opposite error. Born and raised in Israel, he sees Jews as purely an oppressor people and finds it impossible to imagine that they were ever anything else. So he looks back in time for signs of Jewish supremacism and interprets history to fit around his own revulsion at the crimes of today. In the process he comes up with some quite startling insights, as well as some things that really might be better quietly forgotten.

case simply will not work. For, while it is very unlikely that Israeli racism will produce an anti-Semitic backlash among western gentiles that ideology really was completely discredited by Hitler's crimes - Israeli crimes are almost certain to increase Jewish angst and produce more Atzmons and Eisens.

#### Red Scribe email

### Fit of peak

Recently I finished reading Paul Mattick's *Business as usual*, having taken Mike Macnair's advice ('Clear economics, weak politics', February 23). However, I came away with a different conclusion to Macnair's. I certainly wouldn't bother to argue that this book needs to be widely read.

Firstly, Mattick seems to believe that the present and deepening crisis of global capitalism is merely the latest in a long line of cyclical downturns, which has been a feature of capitalism since its beginning. Mattick, associated with anarchism, makes the usual mistake of believing that this crisis can only be explained from within the circulation of capital itself, a viewed also shared by Marxists. This is wrong.

What the left in general fails to understand is that economic theories developed in the 18th and 19th centuries, including Marxism, were developed in isolation from understanding the role of energy in society. These theories cannot explain the present crisis of world capitalism, rooted as it is in the peaking of global oil production. Three hundred years of expansion of capitalism through the up-and-down business cycles has now come to an end.

Although peak oil is behind the present crisis, there are other related factors; for instance, the industrialisation of China and India is keeping oil prices high at a time of stagnating oil production.

Industrial capitalism is a growth economy that was only possible on the basis of abundant, cheap energy to power constant expansion, which was necessary to service debt and keep the system going. Rising fuel prices prevent any return to economic growth. When motorists spend more on petrol, they have less to spend on other things, hence recession. This is a simple example of one consequence of rising fuel costs. The reader will also get the general idea that rising fuel costs will undermine businesses, which need to make a profit.

Although Mattick mentions peak oil towards the end of his book, he does not relate it to the present crisis of the system. People who like complicated theories may find it hard to believe that capitalism can be brought down by oil shortages and rising fuel prices related to the peak in world oil production. The coming collapse of capitalism may have little to do with what Marx wrote in

#### Tina Becker Sheffield

### Cost of war

I agree that CPGB delegates at the Stop the War Coalition AGM were right to vote against motion 13 from Wandsworth STWC on the "cost of

But this is something to be dealt with politically, not by means of bureaucratic measures that in any *Capital*. The important question is: can the left deal with this reality or will it cling to dogma?

### **Tony Clark**

email

### Piping up

In relation to Mike Macnair's review of *Discovering imperialism* ('Imperialism before Lenin', March 8), I'd like to point out as one of the editors of the *Historical Materialism* book series that every book we now publish will appear 12 months later with Haymarket. So *Discovering imperialism* will soon be available in paperback.

Shameless puff: we have many more volumes like this in the pipeline.

### **Steve Edwards**

y email

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## Strike boosts resistance

The engineering workers' eighthour strike on Friday March 9 and the national demonstration linked to it were both resounding successes for Fiom, the engineering workers' union. Neither the centreleft daily *La Repubblica* nor the centreright *Corriere della Sera* made any attempt to dispute Fiom's estimate of 50,000 participants at the march and rally which filled the large Piazza San Giovanni in the centre of Rome.

Inevitably, there was rather more dispute about the proportion of the total Italian engineering workforce participating in the strike. Fiom claimed 70% support, while the engineering employers' federation, Federmeccanica, pretended only 17% of their workers were involved. Fiat, which has been waging an all-out war against Fiom over the last year or so, said that only 5.7% had participated. It should be stressed that Fiom, whilst traditionally the strongest and most militant (and part of the traditionally left-led CGIL confederation), is not the only union in the sector. Those linked to the other two major confederations were not only not involved in this strike, but had been systemically favoured by Fiat, gaining a monopoly on official recognition in return for a no-strike deal

Fiat is so determined to exclude Fiom from its factories that, when the southern plant of Pomigliano recently reopened, of the over 2,000 workers who were taken on again none at all were Fiom members. In the more traditionally militant Turin Mirafiori plant, recognition has been withdrawn and Fiat is now refusing to deduct union dues.

The strike was called not only in support of Fiom's demand to represent its members at Fiat, and against the national contract the engineering employers wish to impose on the sector's workforce, but in defence of article 18 of the workers' statute of 1970, which has been at the very centre of the national debate about labour relations since the installation of the government of Mario Monti in November.

The demonstration also included students, casual workers, unemployed and temporarily laid off workers, as well as environmentalists, anti-

syndicalist variant of political trade unionism, saying that "metalworkers have the ambition of advocating their own project for social transformation" and there are "no areas reserved for the parties".

Partito della Rifondazione Comunista banners were prominent on the demonstration, second only to those of FIOM itself - the party had spent weeks doing its best to mobilise as much of its reduced membership as possible. Rifondazione's secretary, Paolo Ferrero, was not the only party leader participating: Nichi Vendola of Sinistra Ecologia e Libertà and Marco Ferrando of the Partito Comunista dei Lavoratori were there to represent both the right and ultraleft splits from the PRC. Interestingly Antonio Di Pietro of the populist Italia dei Valori (IdV) was also present, showing that his opposition to Monti's austerity policies is not confined to the parliamentary arena.

The Partito Democratico, dominated by former 'official communists', was almost entirely absent because of its rabid opposition to Fiom's invitation to 'No Tav' campaigners against a proposed high-speed rail link, who were very noticeably present in Piazza San Giovanni. One of the few PD members present was the former minister of labour and one-time mayor of Naples, Antonio Bassolino. In an interview with La Repubblica, Bassolino said, rather aptly: "The PD should not forget the workers' question. To win and change the country, political alliances are not enough." He added: "I am marching because I am on the side of workers' rights."2

Landini has never been on particularly good terms with CGIL general secretary Susanna Camusso and is understandably anxious that she does not make some last-minute compromise with the government and the employers over article 18. Landini not only spoke of "the protection of the constitution and of article 18", but demanded the "extension of layoff pay, making the enterprises who don't pay today pay in the future" and a defence of pensions. On article 18 he concluded: "I hope an agreement is reached, but if a serious negotiation does not start, we are ready to launch a general strike." Whilst Camusso would be very reluctant to go that far, the PD would be totally appalled by the idea of taking such militant action against the Monti government, which it has so far consistently supported (despite the claims of those like comrade Bassolino to be "on the side of workers' rights"). Camusso gave an interview to Corriere della Sera which was published after the demonstration.<sup>3</sup> Her response to Fiom's call for a general strike was to say, rather cryptically: "I have the impression that somebody has already taken into account a general strike on our part." However, she predicted a struggle that would be "far from short", including strikes that are "targeted" and "lasting". An editorial in La Repubblica gave an indirect but very revealing indication of the intense irritation felt by those close to the PD's right

wing in the wake of Fiom's mass action. The demonstration had shown not only the combativity of the most advanced section of the working class, but its ability to hegemonise the more fragmented social movements and turn the amalgam into a wider, but more coherent and united opposition to austerity. La Repubblica's leader writer stated: "I read in certain newspapers that the No Tav movement and Fiom will increase their pressure and their force until they produce a shift. One does not understand what this shift, described as decisive. consists of ... To push this government into crisis and replace it with another one? ... Or to abolish both government and parliament and create a republic based on referenda? Is there a Winter Palace to storm? A tsar to overthrow? A soviet to install ...?

In its weekend press briefings<sup>5</sup> the Monti government has made it clear that it is aiming to close the negotiations on labour market issues, whether or not all the 'social partners' reach agreement, by March 25, when the premier leaves Italy for a series of engagements in Seoul, Tokyo and Beijing. Controversy has surrounded the latest proposal for "social shock absorbers" (ammortizzatori sociali), as the various types of unemployment benefits and temporary lay-off pay schemes are known, with welfare minister Elsa Fornero proposing to replace the existing system by 2015 - which had led to objections not just from the CGIL, but from the 'moderate' CISL and UIL union federations so favoured by Fiat.<sup>6</sup>

Such proposals have received implied support from the European Central Bank, which has once again been asserting that article 18 is an "anomaly" in the European context. It seems increasingly likely that Monti and Fornero will propose that workers sacked "without just cause" can be given financial compensation, but will lose their right to reinstatement. There is every indication that the CISL and the UIL will accept this total emasculation of article 18 and that the government will either ask them to sign the agreement regardless of the CGIL's opposition or impose the change in the law through its majority in parliament without bothering with the formal assent from any of the trade union confederations. The assumption is that the PD would collude in this further betrayal of the working class. Fiom's demonstration will make it more difficult for Camusso to follow PD leader Pier Luigi Bersani down such a road, but we cannot tell if it will be enough to ensure that the CGIL fights to the bitter end on the question of article 18 •



### **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.

### **London Communist Forum**

**Sunday March 18, 5pm:** 'The transformation problem', using Ben Fine's and Alfredo Saad-Filho's *Marx's Capital* as a study guide. Caxton House, 129 Saint John's Way London N19. Followed by weekly political report.

Organised by CPGB: www.cpgb.org.uk.

### **Northern Communist Forum**

Sunday March 25, 3pm: 'Class-consciousness'. Speaker: Paul B Smith. Room 3, Friends Meeting House, Mount Street, Manchester

Organised by CPGB Northern Communists: http://northerncommunists.wordpress.com.

### Marx's Capital

**Thursday March 22, 5.30pm:** Reading group, Open University, Milton Keynes. Discussing *Capital* chapter three. Organised by Milton Keynes Capital reading group: milton.keynes@cpgb.org.uk.

### **Radical Anthropology Group**

**Tuesday March 20, 6.15pm:** 'The hunter Monmaneki and his wives' (Tukano Indians). Speaker: Chris Knight. St Martin's Community Centre, 43 Carol Street, London NW1 (two minutes from Camden Town tube).

Organised by Radical Anthropology Group: radicalanthropologygroup.org.

### **Political street art**

**Thursday March 15, 6.30pm:** Illustrated talk, 57a Redchurch Street, Shoreditch, London E2. 'Rear view mirror - public art and politics'. How the murals of Northern Ireland legitimised Irish republican struggle in Belfast and Derry. Speaker: Cherry Smyth. Organised by Studio 1.1: www.studio1-1.co.uk.

### **Palestine and the uprisings**

**Saturday March 17, 9am:** Conference, Brunei Gallery, SOAS, Thornhaugh Street, Russell Square, London, WC1. Discussing the location of Palestine in the Arab uprisings. Entry: £12 (£10 concessions). Booking required.

Organised by SOAS Palestine Society: www.soaspalsoc.org.

### Media freedom

**Saturday March 17, 10am:** Conference, Congress House, Great Russell Street, London WC1. 'Taking on the media barons - how can we make the media fair for all?'

Organised by NUJ and TUC: http://mediaownership.eventbrite.co.uk. **Festival of Dangerous Ideas** 

Saturday March 17, 10am: Day school, Rich Mix, Bethnal Green, London E16. Speakers include: Tony Benn, Owen Jones, Nina Power, Paul Mason. Organised by Counterfire: www.counterfire.org.

### No to Health and Social Care Bill

Saturday March 17, 2.30pm: Picket, department of health, Whitehall, London SW1.

Organised by Keep Our NHS Public: http://hackneykonp.org.

### **Challenging Labour**

**Monday March 19, 7.30pm:** Election campaign launch, Rugby United Railwaymen's Club, 102 Railway Terrace, Rugby. Speaker: Nick Wrack (Tusc steering committee).

Organised by Rugby Trade Unionist and Socialist Coalition: http://rugbytusc.blogspot.com.

### **Budget day**

Wednesday March 21, 11am: Demonstration, 10 Downing Street, Westminster, London SW1. Protest against George Osborne's austerity budget.

Organised by UK Uncut: www.ukuncut.org.uk.

### **Cooperative Schools**

**Wednesday March 21, 7pm:** Public meeting, Carnegie Hall, Central Library, Northampton. Speaker: David Boston. Discussing cooperative solutions to education issues.

Organised by Cooperative Party: nptncoopparty@yahoo.co.uk.

Trade Unionist and Socialist Coalition Wednesday March 21, 7,15nm: Bally 235 Shaftesbury Avenue

nuclear protestors, opponents of water privatisation. There were also autonomists and members of radical left parties and no doubt many other groups anxious to seize the chance to register discontent with the austerity policies of the Monti government the bourgeois press had to recognise the clear class character of the demonstration.

Whilst it is undoubtedly a positive that Piazza San Giovanni has been reclaimed for its traditional role as a site for mass mobilisations of the working class, it is also all too evident that Fiom is, as *Repubblica* describes it, "a bit of a trade union, a bit of a party, a bit of a movement".<sup>1</sup> In other words, a militant trade union is in effect substituting itself for the mass workers' party that Italy no longer possesses. Fiom general secretary Maurizio Landini spoke of an "absent left" at one point in his speech. But he seemed to take pride in this almost

### Toby Abse

### **Notes**

1. *La Repubblica* March 10. 2. *Ibid*.

3. Corriere della Sera March 11.

4. *La Repubblica* March 11. A few lines earlier the article had stressed the need for totally uncritical support for Monti's government: "This is still the moment of 'no ifs, no buts'."

5. See *Repubblica* March 12 for an account that clearly has come from the government's press of-fice

6. See *La Repubblica* March 13.

**Wednesday March 21, 7.15pm:** Rally, 235 Shaftesbury Avenue, London WC2. Launch of Tusc GLA campaign with Bob Crow. Organised by Trade Unionist and Socialist Coalition: www.tusc.org.uk.

### **Defend the right to protest**

**Tuesday March 21, 7.30pm:** Public meeting, Parliament, Westminster, London SW1. 'Is protest becoming a crime?' Speakers: Tony Benn, John McDonnell, Susan Matthews, Alfie Meadows. Organised by Defend the Right to Protest: www.defendtherighttoprotest.org.

**Defend the NHS** 

Wednesday March 21, 7pm: Public meeting, Christ the Cornerstone Church, 300 Saxon Gate West, Milton Keynes. Speakers: Christina Sosseh (Unison), Stephen Bell, John Burnett.

Organised by Milton Keynes Against the Cuts: http://anticuts.org.uk.

### Roma nation day

Sunday April 8, 12pm: Demonstration, Hyde Park Corner, London W1. International solidarity to defend the Romani communities. Organised by Traveller Solidarity Network: travellersolidarity@riseup.net.

### **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.

## GREECE

# Bourgeoisie fears spread of political contagion

Despite the bailout, Greece remains the weakest link, argues **Savas Michael-Matsas** of the EEK (Workers Revolutionary Party)



t is well established, following Edgar Allan Poe and his short story *Purloined letter*, that the best place to hide a secret is the most exposed one. Today's Greece undoubtedly is the most exposed place in the world to hide the purloined letter containing her majesty's secret confession: the announcement of the bankruptcy of the entire European Union project.

Neither the flood of propaganda by the mainstream media nor the racist obscenities spread in northern and western Europe about the Greeks as 'lazy and congenital crooks' can convince anybody that the neverending saga of the Greek debt crisis - still unresolved despite the latest bailout - represents just a 'national exception'. If that was so, why has the future of a relatively tiny economy representing only 2.7% of the entire European GDP hovered like a phantom over all the metropolitan centres of global capitalism and preoccupied so intensively - and unfruitfully - one EU conference after another over the last two years? The high degree of interconnectedness developed under the conditions of finance capital's globalisation has become, after its implosion in 2007-08, the nemesis of the global system itself. "The strength of a chain depends on the strength of its weakest link," said an official of Goldman Sachs in an interview to a Greek newspaper<sup>1</sup> in relation to the financial and banking crisis in Europe - and Greece is the weakest link in the international and European chain. For this reason the Greek tragedy was soon followed by the similar fate of Ireland and Portugal, with similar bailouts under similar draconian austerity terms, and then by the far more dangerous sovereign debt crisis of Spain and above all Italy. Furthermore, the downgrading of the creditworthiness of a large number of EU countries, including the loss of the triple A position of France, has demonstrated that it is no longer just the periphery, but the very core of the EU, the French-German axis of the European economy, that is under threat.

From the other side of the Atlantic, the US authorities and US banks overexposed to Europe have not been able to hide their growing worries. It was no longer taboo for state officials, financiers or mainstream analysts to speak openly not only of a Greek default, but of the break-up of the entire euro zone, provoking a global financial meltdown and accelerating an already deepening global great recession. In such an apocalyptic view, a Greek default would play the catastrophic role of a Lehman Brothers II. to face major repercussions and contagion risks, thanks to the workings of the European Financial Stability Fund (EFSF) and the forthcoming European Stability Mechanism (ESM). Apparently the firewall has been further strengthened by the European Central Bank's policy of providing low-cost liquidity to banks through the Longer Term Refinancing Operation (LTRO). In the memorable words of Herr Schäuble, to provide another "rescue package" for Greece would be "to throw billions of euros into a bottomless pit".

The Schäuble line was strongly opposed by a bloc of EU memberstates that have lost their triple A credit rating, stressing the enormous dangers of either a "disorderly" or "orderly" Greek default: the peripheral EU countries, and above all Sarkozy's France and Monti's Italy, would be prime candidates to fall victim to a contagion tsunami after a Greek bankruptcy. Even Germany's chancellor, Angela Merkel, was forced to distance herself from her finance minister's position - revealing that the deep split among the European ruling classes extends into the German bourgeoisie itself.<sup>2</sup> In a sense the two opposing lines were both partially right and equally wrong. The deal finally reached, after an agonising process, proves it. It involved a €130 billion package to bail out Greece, linked to an agreed PSI (Private Sector Involvement) of the private bondholders - a 53% 'haircut' of the nominal value of Greek state bonds.<sup>3</sup> It is tied to a horrendous

package of social cannibalism in the shape of new 'austerity' measures to be imposed on a society already devastated by the memorandum linked to the first bailout in May 2010.

The previous memorandum was a catastrophe in social terms (more than a third of Greeks are now surviving under the poverty line, and half of the youth is unemployed) and a miserable failure in economic terms. In 2010 the debt stood at 120% of GDP, and in 2011 has increased to an unsustainable 169%. The goal of the new bailout is to shrink the magnitude of the debt to 120.5% by 2020 - slightly up from the level where it was at the starting point

of more hospitals, schools and universities, etc - in an economy where the recession hit seven percent in 2011 and another six percent fall is expected in 2012?

From the other side, the opponents of Schäuble's line are right to insist on the horrifying consequences of a Greek collapse for a euro zone crushed by an unbearable mountain of debt, with an extremely fragile banking system and an economy in contraction. The total resources of the EFSF and ESM combined - between €750 billion and €1 trillion - would be unable to contain the consequent inescapable contagion spreading to Italy, which has a national debt of  $\in$ 1.9 trillion and is propped up by Spanish toxic bonds, as well as to a crumbling Spain, which is propped up by Portuguese toxic bonds, while Portugal itself has already asked for a haircut on its sovereign debt and to be bailed out again. Insofar as the ECB's LTRO is concerned, it represents a kind of quantitative easing in disguise - "a useful fiction", to use the words of James Mackintosh<sup>4</sup>: producing some very short-term results obtained by printing money and providing liquidity, but insufficient to deal with a generalised insolvency problem, in conditions where Europe's banks remain among the world's riskier assets and the debt crisis is exacerbating by the recession in the euro zone. The central problem is not lack of liquidity, but an historic crisis of overproduction of capital: "The

### **Bailout split**

During the long debates leading to the last crucial episode in the protracted Greek debt saga, the second bailout of Greece, German finance minister Wolfgang Schäuble and his co-thinkers in Germany, Netherlands and Finland opposed the apocalyptic scenario and promoted the case for a Greek default. They claimed that the EU is now much better equipped

#### in 2010.

Schäuble, from his side, is right to speak, with his usual Teutonic elegance, about billions of euros thrown into a "bottomless pit". The entire second Greek "rescue plan" is totally unrealistic - according to the figures produced by the International Monetary Fund debt sustainability analysis, the level of Greek debt in 2020 would be at least 160%.

The impossible goal of 120.5% has a precondition, according to the memorandum: a constant increase in annual primary surplus (after the payment of debt obligations) within the Greek economy, starting from 2013. How could that be possible in view of the introduction of the most savage recessionary measures - a 22% cut in all wages, a 20% reduction in pensions, a cut of 15,000 jobs in the public sector up to April 2012 and a total of 150,000 civil servants jobs gone by the end of 2014, closure

enormous pile-up of money which remains uninvited is doing so because there is no place to invest with a reasonable hope of return," Hillel Ticktin rightly stresses.<sup>5</sup>

Both positions - Schäuble's and his opponents' - were short-term attempts to win time, and did not provide any real solution to the crisis. As a matter of fact, the divisions and bitter infighting among the ruling classes of Europe, including the split in Berlin, the most powerful centre of the EU, reflect the lack of any coherent longterm strategy to solve the systemic crisis: a strategic void, expression itself of an historical impasse in which capitalism in decline is irretrievably trapped in Europe.

### Decline of the nation-state

Greece's obvious but undeclared bankruptcy and the failure of the EU to deal with it or even to control the implications of a default, despite numerous summits, interminable deliberations and two bailouts, are a manifestation of the historic incapacity of the European bourgeoisie to overcome the crisis of the nationstate and unify, economically and politically, the continent.

In an early period of the imperialist epoch, when the universal development of modern productive forces was already starting to suffocate within the straitjacket of national borders, Briand expressed the need of the ruling classes by raising the goal of a "United States of Europe" on the basis of capitalism. A century later, either by the barbaric means of two world wars or by 60 peaceful postwar years of attempts by the western European governments to integrate the European capitalist economy, the goal has proved to be beyond reach.

After the collapse of the Soviet Union and the end of the cold war, the European Union project, based on a common Euro-currency established by agreement between German and French imperialisms in the Maastricht Treaty, had as its aim an integrated capitalist Europe under the French-German condominium - a powerful competitor for world hegemony in the post-cold war chaotic world.

Twenty years later, despite the extension of the EU to incorporate 27 member-states and a common currency in the euro zone, the whole project is breaking into pieces. The future of the euro itself and of the euro zone is rather bleak, and all the old national imperialist antagonisms and nationalisms that have so often transformed Europe into a hell are returning, with German nationalism one more time playing the fatal role of the protagonist.

Germany is too small to play a global role, but at the same time is more powerful than any other European country - although not all European countries put together. Twice an historically constrained German imperialism has tried to establish a German Europe to provide *Lebensraum* - a living space for its capitalist development - by military means and failed. Now, as the most powerful economic engine of Europe, it is trying again to establish a German European Union, subject to iron fiscal discipline imposed by Berlin through Brussels, and ejecting from the EU or reducing into the status of protectorate over-indebted peripheral countries like Greece. It will fail again, as this can only fuel all the centrifugal forces that are breaking apart the euro zone, while Germany's actual Lebensraum has permitted its export-led economy to accumulate enormous surpluses thanks to the deficits and encouraged indebtedness of the now demonised European south.

World War II, ordoliberalism was introduced in Germany, but within an international Keynesian framework of capitalist expansion, not in conditions of global recession, as today. It cannot but be catastrophic for Europe - and suicidal, in the last instance, for Germany itself.

The second bailout of Greece represents, as Wolfgang Münchau has written, its transformation into 'the euro zone's first colony".<sup>6</sup> It is true that the terms of the new package are of a colonial type, eliminating any trace of economic sovereignty. An escrow account has been created for the deposit of loaned sums so that the lenders can be paid at any moment, thus bypassing Athens. The proposal by Schäuble to appoint a fiscal *Kommissar* on the Greek government with the power of veto over economic policy decisions - a provocative proposal that produced an indignant response in Greece and internationally - was withdrawn, only to be accepted and extended into a task force of EU commissars surveying the finances of all Greek ministries. A special article will be included in the Greek constitution making mandatory all payments to foreign lenders. The pusillanimous Greek bourgeoisie and all bourgeois parties of the country accepted these terms of total submission

As other countries with sovereign debt crises, such as Portugal, Spain and Ireland, fail to meet the targets set by Brussels and Berlin, similar commissars are preparing to take charge of their finances. It is quite understandable that furious national reactions have been ignited everywhere within the imperialist European 'Union'.

To speak of "euro zone's colonies", as does Münchau, is to use a good metaphor, which is just that - a metaphor with all its limitations. The euro zone is not an empire, even less a German empire under a unified, imperial political power. It is a union of dominant, antagonistic European imperialisms, which has now proved to be temporary, disintegrating and passing away. "Europe's 'proud empire'," the title of an article by Andrew Roberts remarks, "is entering a cul de sac of history." And the article concludes: "... Europe's fire has gone out".<sup>7</sup>

To remain in the iron cage of the EU is unviable. But neither is a return to the national state and national currencies in today's conditions of advanced capitalist globalisation any solution. A nationalist turn inwards would be a blessing for the growing far right and a recipe for economic and political disaster.

Greece and the other over-indebted countries in the EU cannot take any steps out of the current impasse without cancelling foreign debt owed to the international usurers without compensation. But such a first step has its own necessary logic: it cannot be taken without a break from the EU and the euro zone, and it has to be linked immediately to a series of other absolutely necessary measures: nationalisation of the banks and all strategic key sectors of the economy under workers' control, a reorganisation of the entire economy on a new socialist basis. The political precondition for such a revolutionary change is the overthrow of the capitalist government and repressive state apparatus by the action of the masses themselves, organised in their own, independent organs of struggle, which will become the organs of a new power - workers' power. The consolidation of the power of the working class and its work of reorganising the ruined economy is possible only through the extension of the social revolution all over Europe and internationally.

much more mature than in 1917. The interconnectedness of the social economic processes determines not in a linear way, but displaying unevenness and contradictions - the combined international character of the coming European social revolution. Revolutionary developments can spread all over the continent much more rapidly than in the past. The key question is once again the timely subjective preparation and organisation of the revolutionary vanguard within a combat party of the working class, armed with an international perspective and programme - a party of the permanent revolution.

The fundamental, driving contradiction is between the universal development of the productive forces on the one side and, on the other, a declining capitalism, the barriers of capitalist relations and its necessary basis, the nation-state. The working class should not buy into either the social democratic fallacy of a 'reformed, democratised' EU or into nationalist isolation and exclusiveness. The only road forward is the common struggle of all European workers and impoverished masses for a socialist revolution to destroy the imperialist EU and build a United Socialist States of Europe.

### Decline of parliamentary democracy

It is noteworthy that the new, vicious, anti-working class, antipopular memorandum of the EU, ECB and IMF, imposed by the EU in November 201, was signed by a non-elected Greek government under the technocrat, banker and former vice-chairman of the ECB, Lucas Papademos. At the same time, the same forces imposed on Italy a nonelected 'government of technocrats' under Mario Monti. Both events mark not the triumph of technocracy, but the death agony of parliamentary democracy.

The political framework most suited to the needs of capitalism is a liberal bourgeois parliamentary democracy. Purely technocratic rule is a fiction: even the Monti government, composed exclusively by technocrats, needs the support of the centreright Popolo della Libertà and the centreleft Partito Democratico, although this parliamentary majority no longer reflects the current social political reality or the will of the voters.

In Greece, 'technocratic rule' has proved inevitably to be a farce: the government of the technocrat, Papademos, stands or falls on the support in parliament of the discredited bourgeois parties of the 'socialist' Pasok and the rightwing New Democracy - polls repeatedly show that these two parties currently enjoy the support of a rapidly shrinking minority, now less than 30% of voting intentions. In other words, fictitious technocratic rule relies on a fictitious parliament that is totally discredited, hated and openly challenged by a huge majority of the people now rebelling against its savage measures. It is not an accident that the movement of the Greek indignados that occupied Syntagma Square and elsewhere in the capital and all over the country in 2011 overwhelmingly demanded not parliamentary, but "direct democracy" - democracy from below. Despite the vagueness of the call, it represents both a critique of the actually existing bourgeois parliamentary democracy and a still abstract demand for the democracy of the self-organised, popular masses. It is not yet a call for a seizure of power by the working class. It finds itself at the crossroads: either the mainly petty bourgeois forces demanding direct democracy will be won for the struggle for workers' power or they will return to the cage built for them by the bourgeois politicians: the parliamentary fraud.

Greece shows, at that level too, the road to be followed by all other European countries, which also face, to one degree or another, a deep crisis of bourgeois rule. It is the decline of capitalism - globally and particularly in the continent that was its birthplace - a decline which manifests itself explosively in the current world crisis, which is the driving force of the decline of parliamentary bourgeois democracy.

Parliament is reduced to a rubber stamp for decisions taken behind closed doors by EU bureaucrats, IMF directors, bankers, finance investors, and their subservient political personnel. All the dearly acquired democratic gains and social rights of the working class (collective bargaining is formally abolished in Greece by the second memorandum) are being destroyed. State repression is escalating to levels not previously seen, as social despair and mass anger become uncontrollable and explode in occupations of public buildings and squares, street fights, riots and popular revolts, from Athens to Madrid, Rome, Lisbon and London.

The question of democracy and of its relation to the struggle for socialism is posed again in a form even sharper than in the 1930s. The experiences and bitter theoretical and practical lessons of that period, incorporated first of all in the struggle between Stalinism and Trotskyism, have the most urgent strategic actuality.

Sectarian dismissal of the relative differences between democratic and openly dictatorial forms of bourgeois rule, in the name of an abstract propagandist appeal for a socialist future, would be disastrous and should be opposed. But, on the other hand, any subordination of the political independence and activity of the working class to blocs with bourgeois liberal and petty bourgeois democratic forces, in the name of the defence of bourgeois democracy and "European liberal democratic values", as we often hear these days, would be suicidal. It could lead to a tragicfarcical repetition of the popular fronts of the 1930s that paralysed the revolutionary masses, betrayed the Spanish revolution and precipitated the victory of fascism and the descent into the abyss of world war

The defence of freedom has to be advanced by revolutionary means, in a united front of the working class and all the deprived people against capital's rule, in a struggle for

workers' power and socialism.

### Towards a European spring

When Schäuble again, this Tiving embodiment of Ordoliberalism, proposed to postpone indefinitely elections in Greece until the terms of the new bailout had been fully implemented, he not only showed his cynical disdain for parliamentary or any other democratic decisionmaking; he also expressed his deep fear that the rebellion of the masses is far more powerful than the extremely weak bourgeois political system of the country, which despite state brutality could be wiped out.

In the polls, a strong and growing majority of the people are turning to the parties of the left to resist the memorandum and the EU-ECB-IMF troika. In the streets, above all, nonstop mass mobilisation of workers and from the rapidly impoverished popular strata, despite the obstacles placed in its way by the trade union bureaucracies, the reformists, the Stalinists and the centrists. represent a growing threat to bourgeois rule. General strikes, mass rallies, occupations - particularly of Syntagma Square in front of parliament, but also of ministries and other public buildings - popular assemblies, formed as rallying points of deliberation and struggle in every popular and working class neighbourhood, make clear that "those below cannot be ruled as before and those above cannot rule as before", according to Lenin's famous definition of an emerging revolutionary situation.

The German finance minister may no be longer afraid of the risk of economic contagion caused by a Greek default. But he is terrified, nevertheless, of the risk of *political* contagion following a revolutionary explosion in Greece. It could set alight the whole continent, initiating, as the Tunisian and Egyptian rebels did in the Middle East last year, a spring of revolutions, this time in Europe.

As in the 1848 European spring of the peoples, our battle cry should be: *Revolution in permanence!* •

### Notes

 Vima January 15.
G Wiesmann and Q Peel, 'Berlin split on Greek bailout' *Financial Times* February 17.
P Spiegel and A Beattie, 'Euro zone looks to pare back €170 billion cost of second Greek rescue package' *Financial Times* February 20.
See 'The short view' *Financial Times* February 17

5. H Ticktin, 'Critique notes' *Critique* February 2012, p8.

 W Münchau, 'Greece will have to default if it wants democracy' *Financial Times* February 20.
'Europe's "proud empire" is entering a cul de sac of history' *Financial Times* February 17.



The policies of German Ordoliberalismus have now been imposed all over Europe. After

The historical material basis for this epochal change in Europe is

### Dailleu

The mystery continues. Last week I put the sudden drop of over 5,000 in our online readership down to problems with accessing our website. But, as far as I know, this week there have been no such problems, yet the number of readers has gone down by a further hundred or so (to 14,942). 'Baffled' is a good way of describing my feelings.

I am less puzzled by this week's low figure for contributions to our fighting fund, though. The second week of every month sees the lowest amount of income from standing order donors - just £105, compared to the £270 we get in week one. Nevertheless, let me thank comrades AM, DW, DV and ST for their donations - £105 is not

t bad for just four of you.

This week we also had three PayPal contributions - from HJ (£25), FS (£20) and EL (£10). Thank you all. Then there was a very handy £30 cheque from PL and another for £20 from JK. All that comes to £210 and takes our running total for March to £549. But, with half the month gone, we are way below where we need to be if we are to make our £1,500 target.

Time to step up the pace, comrades! ●

### **Robbie Rix**

Fill in a standing order form (back page), donate via our website, or send cheques, payable to *Weekly Worker* 

## IRAN

6

# Our duty to Iran's working class

Speaking at a CPGB meeting in Manchester in support of Hands Off the People of Iran, Yassamine Mather makes the call for urgent and principled solidarity

seems such a long time that there have been threats of military action against Iran without them being followed through that some people may have become a bit blasé. It is a bit like the boy who cried wolf too many times perhaps. However, the reality is that his time the threats are very serious.

The reasons why there are serious threats now have very little to do with the Iranian nuclear programme. Most people agree that the Iranian government exaggerates the stage it has reached and the west also exaggerates this - in regard to uranium enrichment, for example - both for their own reasons. I am not dismissing the nuclear issue altogether, but I do not think it is the reason why we are facing these serious threats.

There are other reasons. First and foremost there is the world economic crisis and the fact that the United States is in economic decline. It is feeling the pressure of both the crisis and the partial erosion of its hegemonic position - not to the extent that its hegemony is threatened by some competitor seeking to take over that role, of course. Because of that it cannot tolerate states like Iran - despite the fact that it follows every neoliberal instruction dictated by the World Bank, the International Monetary Fund and so on. The problem is that politically Iran is not playing the game that the hegemonic power wants it to play. For that reason it has to be taught a lesson

Let me stress here - because within the Iranian left and opposition in general there is some confusion on this issue - I am not saying that the United States is threatened by China as a new emerging political power. China's economic dependence on the US is well known, but, most importantly of all, China's economic reserves are held in US dollars and in US banks: it would not be in the interest of the Chinese to wage an economic war against the United States; quite the reverse. And China too is very much affected by the economic crisis, just as many countries in the developing and emerging economies are facing its effects

Leaving aside the effects of the economic crisis, the political reason the US needs to exert its power in the region arises from the fact that its position has been damaged by the two wars it has waged in Iraq and in Afghanistan. I am not using the word 'defeat' in this context, as it is more complicated than simply saying the US was defeated in Iraq: clearly it was not. But the outcome is certainly not what anyone in the US political establishment would have wanted: a political regime totally allied to the Iranian government. That must have been the worst-case scenario for American strategists. Saddam Hussein's Iraq under the Ba'athist regime was a staunch opponent of the Iranians and its downfall has strengthened Iran. The same is also true of Afghanistan. Iran was no friend of the Taliban, but the Karzai regime has distanced itself at times from the US and has moved to find better relations with Iran - both with the supreme leader and with Ahmadinejad. The rapprochement between Iran and Afghanistan gives Iran influence in a very strategic part of the world. This strategic importance is not simply about oil (though there is the additional issue of the oil-rich Gulf region), but about its geopolitical significance.



Oil: Iran's main source of income

As the Saudis keep telling the US, the two wars have produced Shia governments all the way from the borders of Iran to the Levant, and that is a serious matter. In the regional context I know that some people in the Stop the War Coalition have said that if Iran is attacked we will see demonstrations in every Arab country, not least Egypt, where the Muslim Brotherhood will be up in arms. The reality is that there is now another very forceful voice in addition to Israel telling the United States to go to war against Iran, and that voice is Saudi Arabia - and, by extension, some of the Sunni Islamic groups, including the Muslim Brotherhood in Egypt. Anyone who has any understanding of the Gulf, who knows the history of the Muslim Brotherhood, will understand that would be their position as well - the MB has expressed this in various interviews. The opposition to Iran from the Saudis and the Gulf Cooperation Council countries is poisonous and vehement: you can hear it and you can feel it if you watch Al Arabiya television for 10 minutes. For them it is clear that Iran is the main enemy: they have forgotten about Israel. In fact Israel, Saudi Arabia and the GCC now have a common enemy: Iran Also we have now seen Hamas distancing itself from both Syria and Iran, contrary to what hopeful, and I assume uninformed, members of the STWC are telling us. Hamas has been issuing statements saying that if there is a war between Iran and Israel it will stay neutral. As someone who has never supported Hamas it frightens me that it would make such a statement. But that is the reality of the regional context and no manner of wishful thinking can change this. Iran has influence in the Middle East, but also many enemies, and the United States knows it.

In addition to all this the US is in an election year and there is not a single primary where the Republicans do not voice concern about Obama's 'irresponsible' attitude and 'softness' on Iran, which adds to the pressure. It is not simply a matter of the American Israel Public Affairs Committee supporting a Republican candidate instead of Obama: I assume AIPAC-influenced votes are divided between both parties. But constant allegations in an election year that the administration is not doing enough, that it is not showing its muscle and that it is displaying weakness can be added to the reality of a superpower feeling threatened by the economic crisis and its political position.

### Sanctions

So the threat of war should be taken seriously. The people of Iran are certainly taking it seriously and for them it is a nightmare, a disaster. Whatever political opinion Iranians may hold, they consider the threat of military action a terrible reminder of the Iran-Iraq war - but they realise that this time it could be far worse and on a far larger scale. And in many ways it seems the war has already started because the majority of the people are suffering from the severity of the sanctions. These are not sanctions like those applied against South Africa. They are really affecting ordinary people in their day-to-day lives. The effects are both psychological and material. For a few years there have been shortages of surgical equipment, of medication, of certain types of spare parts for cars and planes and so on. If your car needs a spare part and the part is on the US list of equipment which could potentially be 'used for nuclear arms acquisition', you will just have to write off your car. Alternatively people have attempted to make their own spare parts - and

the state has attempted to do the same thing for aircraft - which has made things extremely unsafe. There have been serious accidents, with people endangering their own lives and their surroundings, as they try to work round the sanctions in various ways.

However, the most serious effects of the sanctions have been felt since January and there are two reasons for this. One is that the banking and foreign exchange measures have really hit home. Swift (the Society for Worldwide Interbank Financial Telecommunication), through which credit/debit transactions are run via member-banks, is now removing Iran from its list, which means that credit cards can no longer be used in Iran from next month. This is problematic for ordinary Iranians, but also makes it difficult for industry to buy raw materials. I was talking to some people who work in a factory and they were saying that the owner cannot get any of the material he used to buy. They said that usually the capitalists make up such stories as an excuse to sack workers, but in this case the stories are true - they cannot perform the necessary transactions. There have been some smaller banks prepared to bypass these sanctions, but these are being forced to comply. Banking sanctions have affected the Iranian currency dramatically since January of this year. This was added to the EU decision to stop buying Iranian oil from July. But just the announcement of the banking sanctions brought the Iranian currency to its knees - it lost half its value in 10 hours. Apart from the psychological effect, this shows us how the capitalists both within and outside government circles have been losing confidence in their own state - so much so that suddenly nobody wants to keep their money in tomans (one toman equals 10 official Iranian rials). One dollar

is now worth 2,000 tomans - up from 1,200 before the announcement. The state intervened, restricting currency trading and increasing interest rates, but, of course, none of this has had the desired effect and the value of the rial has almost been halved.

Iran's economy is now one of an importing country, apart from oil. This has resulted from neoliberalism, as well as the land reform and privatisation that has taken place. Agriculture in Iran has been destroyed. The country now imports most of the fruit and vegetables that used to come from within. In most 'third world' countries you can usually say, at least food staples are relatively cheap, but this is not the case in Iran. Land reform has driven the peasantry off the land and into shanty towns in the urban areas. What is left of mechanised agriculture is utilised for export crops, which provide good foreign currency returns. Privatisation has resulted in widespread destruction of sections of the food industry, affecting staple foods. The price of rice doubled in January and the same is true for other grains. In addition to that, imported food is being held up. Shipping companies have been told that if they offload their goods in Iranian ports they will be put on sanction lists. They are taking this very seriously and mostly complying. There are reports, for example, of a ship full of grain from the Ukraine refusing to offload its goods once it had docked. Its owners had second thoughts and told the crew to leave. It was better for the company to do this than be on the US blacklist. These sanctions have nothing to do with stopping Iran's nuclear programme. They are for regime change. The US has made up its mind to flex its muscles in the region and install a more compliant regime in Tehran. Now, many Iranians are very

sympathetic to the idea of regime change, but they most certainly do not want this to come about through outside interference. Ironically a notion that is so distasteful to ordinary people inside Iran has appealed to certain organisations in exile, some of whom are so desperate for regime change that they do not stop and think about the implications of military action, or what would come afterwards. Could it be worse than the current situation? Yes, it could. The examples of Iraq and Afghanistan prove it.

### National fragmentation

Things are indeed very bad for workers in Iran. Unemployment has rocketed, with youth unemployment particularly serious. Many workers are on contracts that allow for instant dismissal, and are often not paid for months. In addition to this, the struggle of Iranians against their own religious state is intensifying. What was, in some senses, a pluralistic dictatorship, is now becoming much more monolithic. This can be seen in the recent election results, combined with the defeat of the green movement in 2009.

Of course, there is strong opposition to the regime. But people do not want another state to decide the fate of their country, and in that sense I think the opposition to the war is so strong that it might actually strengthen the regime and help it survive. It is one of those cases where one does not know how far that process might go. Some say that the US is betting on the fact that the stepping up of sanctions will make the people so desperate they will rebel. But in my view they are wrong: it could have completely the reverse effect.

In some ways we saw this in the election results at the beginning of March. Of course, the regime exaggerated the turnout - I would say that at most one third of the electorate voted. This was despite the fact that the government did its best to make it an election against the war, claiming that voting was a matter of honour, of preserving the nation. One can see the how serious the situation is by the following conundrum: on the one hand, the regime stays in power and the threats increase. On the other hand, the regime change planned by the US would almost certainly involve the dismantling of the country we currently know as Iran.

Take Balochistan. The US is clearly looking to separate it off. It has emerged that Israeli Mossad agents have approached the Balochi opposition pretending to represent the CIA and it was only a year later that the US found out. Then, of course, there was the flood of denials. The US is doing this with more subtlety than the Israelis, but the idea remains one of creating a 'greater Balochistan' employment in Tehran or Azerbaijan.

I would argue for a united socialist Iran with a united, autonomous Kurdistan as a federated part of it. That is a much more attractive proposition for the Kurdish working class than the establishment of a small independent country based on three separate, economically undeveloped regions all with a very weak proletariat. Because of the absence of a strong working class, the Kurdish nationalist parties tend towards pre-capitalist, feudal methods in order to maintain their support. It would be possible to unite these three enclaves into a single state, but that state would be dominated by reactionary forces. Would that be progress for the Kurdish people or the Kurdish working class? I do not think so. As much as I defend the right of the Kurdish people to self-determination - and it *must* be their choice - I would advocate a federal arrangement within a socialist Iran. That would be better in the long run than a small, impotent

Kurdistan state. Similarly the separation of the Arab regions of Iran has always been on the agenda of neighbouring Arab countries. There is strong sentiment involved: Iranian Arabs speak a different language, they have been repressed. Even when oil prices were at their peak the region was deprived, with people being racially abused and so on. However, becoming part of Saudi Arabia or other states of the Gulf Cooperation will not do them any good either, yet that is the plan. And then there is the idea that a big chunk of Iran should be incorporated into Azerbaijan - there is an understandable sentiment amongst some Azeri Turks in Iran that the idea of joining a bigger Azerbaijan republic would be better than remaining part of Iran.

But all of these scenarios would be profoundly negative - not just for the Iranian peoples, but for the broader region and the world as a whole. Decimating a country in order to make sure that the hegemonic state remains powerful and has no headaches in the region is not a solution. The fact that national minorities in the region have been badly treated is well established and this is a serious issue that must be resolved through the right to self-determination. However, as communists we must be honest and state clearly that the fragmentation of Iran into small, weak units would produce a far worse situation than the present one. As in occupied Iraqi Kurdistan, it is likely that lackeys of the US would be in charge - no-one can claim that Kurds in Iraq are in control of their own destiny. The demand should be for the *voluntary* union of Iran's peoples on the basis of democracy and equality.

### Anti-regime, anti-war

There are those on the left who say that now is not the time to raise our voices against the Islamic Republic. But opposing this war does not mean suspending our opposition to the theocracy. Within the Iranian opposition there are very few whether on the left or right - whose opposition to the war leads them to cease opposing the regime. It is the Islamic regime which has created this appalling situation for its own people. The regime itself has imposed neoliberal economic policies that have produced the situation where sanctions are so effective now. It is the state that is responsible for this economically disastrous situation, where the country is becoming utterly dependent on imports for every basic food item. So we cannot say that it is

Islamic Republic in Tehran, but I was forced into exile. I fought the Islamic Republic in Kurdistan, but I could not stay because of the war being waged there. It is my right and my internationalist duty to fight the Islamic republic on the streets of London and no-one from Stop the War can tell me otherwise. Yet it is very often the same people who then tell us that "We are all Greeks today" when it comes to the protests in Athens and elsewhere. What is the logic of that? How come we are "all Greeks", or "all Egyptians", but we must not be all Iranians. Oh no - better not say anything about the Islamic regime! Needless to say, I do not accept this argument.

However, I also do not underestimate those sections of the Iranian opposition that are soft on the threat of war. The danger posed by such oppositionists is a very serious one for the Iranian people. I have no expectations otherwise of the right - the royalists have been dreaming from their comfortable homes in Washington or California of regime change imposed by the US for 33 years. But there are groups even among left opponents of the regime that now say, maybe the sanctions are a good idea, because perhaps it will force the hand of the Iranian government. Whether they have that effect or not, they may well destroy the country and starve millions of Iranians in the process. Hardly a useful way to change a regime. You might end up with one that is even worse - perhaps a military dictatorship with a 'reformist' Islamist figurehead. Would this be a solution to the problems facing Iran?

There are also sections of the Iranian left that take the opposite stance. Time and time again we have told organisations that defend the Iranian working class - and there are many who have done a good job in raising the issue of workers being attacked and arrested, etc - you cannot do this effectively unless you also raise the issue of war and sanctions. They never took this seriously until this year. However, I am very glad that the International Alliance in Support of Workers in Iran has now issued a very clear statement against war and against sanctions. That is a good step. However, I must say that if they had joined us two or three years ago to build a serious campaign in defence of Iranian workers, while at the same time opposing war and sanctions, we would have been in a much stronger position.

I think, because of our principled position, Hands Off the People of Iran is in a unique position to lead the fight against this war. Now is the time to build Hopi, not as an alternative to the Stop the War Coalition what a ridiculous suggestion - but as an organisation that has built up a reputation precisely because of that principled position. Personally I thought there was no point in Hopi applying yet again to affiliate to STWC, to be honest. But we can build Hopi because the Iranian working class needs us to and it is our duty to provide them with internationalist support and solidarity. But this is not just about Iran. It is about maintaining principle in terms of internationalism, in terms of dealing with the crisis, in terms of not falling for superficial slogans. This is not just a repeat of the Iraq war: it is perhaps even more serious in some ways. These threats come at a time of economic crisis and it could turn out to be a war aiming to save capitalism. So let us build Hopi, make it stronger. Let us go nationwide. We have the politics, we have the comrades who have stayed loyal to the campaign and we have the correct arguments •

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7



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standing between and in opposition to both Iran and Pakistan.

The Kurdish issue is also an obvious one. There is strong opposition to the repression of the Iranian state. But some of the Kurdish groups would be happy to see a Kurdish republic created under US supervision, presumably not realising where that would lead. It would be a worse outcome for the Kurdish people than the terrible situation they already have to endure under Iran, Iraq and Turkey.

It goes without saying that I support the Kurds' right to self-determination. Kurdish areas in Turkey and Iraq, as well as in Iran, have been deliberately kept more undeveloped than any other part of those countries, first by western client regimes and then by subsequent governments. As a result there is a very small working class in these regions. For example, working class Iranian Kurds tend to seek

not about the regime. Then there is the idea that I hear from some Stop the War people that the streets of London are not the place to fight the Islamic Republic. This is an insult to us Iranians. I fought the

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### MULTICULTURALISM

# **Eric Pickles puts in the knife**

Communists reject a British identity based on the crown and the imperial past, writes Eddie Ford



**Citizens: would you pass the test?** 

ast month the government launched its so-called "integration strategy" in a paper entitled *Creating the conditions for integration.*<sup>1</sup> According to the document, "integration means creating the conditions for everyone to play a full part in national and local life" and "our country is stronger by far when each of us - whatever our background - has a chance to contribute". Very worthy sentiments indeed.

In order to advance integration, the paper argued (albeit rather tautologically) that "core values and wider civic society". In this way, the authors conclude, "we want to inspire and enable civil society and local areas to take action on integration issues that are important to them".

In other words, the sort of 'big society' garbage we have heard so much about from David Cameron - which itself is an ad hoc or improvised 'philosophy' designed, to a very considerable degree, to act as a cover for cuts and austerity. The central government will implement a policy of economic scorched earth, whilst the private sector and "local communities" will do their patriotic duty - if all goes to theory - and step in to supply the appropriate, and prudent, level of sticking plaster, balms and palliatives to the unfortunate victims.

on the margins of "public life" - but it serves them right, we suppose, for subscribing to those quixotic, unBritish ideas.

In pursuit of this goal, he vowed to "stand up" for "mainstream" values by "strengthening national identity" *contra* state-sponsored multiculturalism, which only stresses, as Pickles put it, "what divides us". In fact, as he saw it, multiculturalism was responsible for a situation where incoming migrants in some areas had shown themselves "unable or unwilling to integrate" - meaning there were just "too many people still left outside" or "choosing to remain outside" mainstream society. But those who "advocate separate lives are wrong", he emphasised. For Pickles this is how to achieve 'integration', more "inter-faith activities" uniting around the 'shared' figure of the monarch and the imperial system she represents - something that the Smiths, Patels, Adebayos and Khans can mutually enjoy and appreciate. Therefore, as far as Pickles is concerned, religious faith should be "part of the solution" in easing community tensions rather than being seen as a "barrier" to better relations it needs to play a more visible role in "public life".

Indeed, Pickles tells us that the dark days of the state "trying to suppress Christianity and other faiths should be over" - echoing the paranoiac tone of Baroness Warsi, the Muslim Conservative Party co-chairwoman, who informed us that in "recent years" a "succession" of governments have "undermined" or even "attacked" religion.<sup>4</sup> A fantasy history, of course, set in an alternative Britain, where the ungodly forces of "militant secularisation" have eroded all decency and common sense - if not set up a semi-totalitarian state determined to crush the faithful and devout. More practically, or antidemocratically, the number of official documents translated into languages other than English will be reduced. No more, Pickles declared, will we see public bodies "bending over backwards to translate documents up to and including their annual report into a variety of foreign

languages" - monolingualism is the future. Furthermore, he informs Daily Mail readers, "new education standards" will "bar" schools from teaching anything which "undermines fundamental British values". Like perhaps anything which sheds a less than favourable light on the role or history of British imperialism or maybe suggests that Jesus was not actually a man-god born of a virgin? Additionally, the "diversity" targets or "national indicator" system introduced under Labour will be scrapped - which had been set up with a view to measure how well people from different ethnic and religious backgrounds got on with each other in various parts of the country. Naturally, Pickles was committed to "tolerance" and insisted that the government remained vigilant in relation to any manifestation of racism or "hate crimes" directed at Muslims and Jews - by banning, for instance, marches which could "cause racial tension". This will not be tolerated. Needless to say, the new 'integration' strategy - if you can call it that - is a pristine example of institutional antiracism: an ideology built on the post-World War II appropriation of antiracism by the bourgeoisie. Equally, Pickles has "no truck whatsoever" with bed and breakfast owners who claim their faith should allow them to turn away gay couples, as "in my way of thinking" you do not "create equality by persecuting a particular religion or a particular race" - or gays

experience must be held in common" - values like democracy, the rule of law, equality of opportunity and treatment, freedom of speech, etc. It is these, we read, which "make it possible for people to live and work together" and to "bridge boundaries between communities". Going on, the publication notes that there are five "key" factors which "contribute" to integration - common ground, responsibility, social mobility, participation and empowerment, tackling intolerance and extremism.

The paper asserts that the government's role in achieving a more integrated society is "strongly shaped by localism and the Big Society", as opposed to "past approaches" based on "expensive programmes dictated from Whitehall", which "made integration the preserve of narrow interest groups" instead of the "everyday business of communities, public services, the private sector and

### **Shared values?**

Creating the conditions for integration was, of course, spearheaded by the communities secretary, Eric Pickles - who only a couple of weeks ago boasted about how he had "fasttracked" the 2011 Localism Act so as to defend the 'right to prayer' at local council meetings in the light of the Bideford ruling at the high court.

Explaining the scheme to the *Daily Mail* - which should immediately alert you to the reactionary nature of the project - he said the fundamental aim was to "restore" the English language and "Christian faith" to the "centre of public life".<sup>2</sup> Bad luck then for non-Christians, secularists and atheists, who presumably will find themselves Rather, he claimed, we should instead "celebrate" what "people in England" (forget the Scottish or Welsh) "have in common" and unite around "shared values".

What are these "shared values"? You guessed it - faith/religion, the crown and by extension the glorious imperial past of bloodshed, plunder and robbery. Therefore he called upon "local communities" to use events such as the June 3 Big Lunch (the aim of which is to "get as many people as possible across the whole of the UK to have lunch with their neighbours in a simple act of community, friendship and fun"<sup>3</sup>) or the queen's diamond jubilee - happily the two events coincide this year - to "bring together" people of "different backgrounds".

### presumably

Pickles further elaborated his ideas in an interview for the weekly *The House Magazine*, a publication which some Weekly Worker readers might previously have been unaware of. Pickles warned of a developing "sub-class" in Britain made up of people unable to speak English "like a native" and hence are "virtually unemployable" or "stuck in a ghetto" - this needs to be urgently reversed by "encouraging people to be part of British society".

Trying to scare us with numbers. the communities secretary pointed to official statistics which suggest that around 17% of pupils in state primary schools and 12% in state secondary schools do not speak English as a first language. The equivalent figures six years ago, it is claimed, were 12% and 10%. Hence he announced a £10 million grant to "actively encourage" the teaching of English.

Other initiatives include programmes run through the National Citizen Service, Youth United and A Year of Service. By such methods, Pickles stated, the government can bring an end to "politics of division" - the malign legacy of statesponsored multiculturalism - and "real integration" in a society where people "mix" and are generally engaged in activities "beyond their ethnic group".

For this to happen, crucially, schoolchildren should be educated in a "common culture" - with the diamond jubilee and the Olympics, of course, a golden opportunity to "fly the flags of Britain" with pride. Encouraging national pride will help to overcome ethnic and racial differences, he optimistically forecasted, as part of the process - now getting to the heart of the matter - of constructing a "British identity" that "crosses *class*, colour or creed" (my emphasis). Putting nation before class is the rallying cry of reactionaries and exploiters everywhere.

### Divisive

The first thing to say about all this is that communists think that some of comments made by Pickles contain a kernel of truth, no matter how twisted or disingenuous the intent. State-sponsored multiculturalism has sowed the "politics of division" amongst the working class - that is surely self-evident.

For more than a decade the bourgeois ideology of multiculturalism has acted to divide the British working class into numerous, and seemingly ever-subdividing, supplicant groups competing for the largesse and favours of central government. This required the bureaucratic machinery of tickbox multiculturalism and 'equal opportunities' schemes (which in some respects are a parody of what genuine equality is or should be about). In turn, this acceded a disproportionate amount of political influence to all manner of democratically unaccountable petty patriarchs and local power-brokers operating from the local community centre or church/ mosque (or whatever). Such people, for the most part, were then viewed as a valuable asset by the establishment - for the ability to 'deactivate' local militancy. We should hardly be surprised by such a political phenomenon, whereby the politics of top-down establishment anti-racism and multiculturalism has generated divisive communalism. After all, that was exactly the result the Thatcher government intended when it introduced the beginnings of multiculturalism as deliberate state policy in reaction to the 1980s innercity riots.

years the establishment consensus on multiculturalism has broken down - as personified by Eric Pickles. To put it crudely, multiculturalism has now lost its usefulness for large sections of the bourgeoisie: in fact, many now regard it as dangerously counterproductive. Maybe even a Frankenstein's monster. The ideologies of state-sponsored multiculturalism and official antiracism have parted company.

Therefore, we profoundly disagree with our Socialist Workers Party comrades when they say the experience of multiculturalism has been "overwhelmingly positive" (Socialist Worker December 21 2001), because it "means the desire to live in a society rich with cultures and people from across the world" (April 17 2004) and other such blatant nonsense.

Yes, as time has passed, the SWP has come out with a few minor quibbles or mild criticisms of official multiculturalism and some of its less than desirable effects for working class politics. But these occasional reservations are normally predicated on the assumption that in and of itself multiculturalism is an inherently progressive idea that has somehow become 'corrupted' - whether due to insufficient rigour when it come to implementation or a treacherous departure from the original ideal.

In this manner, for those like the SWP the debate around multiculturalism often becomes an unsavoury proprietorial scrap over 'authenticity' and who can claim to be the most 'holier than thou' practitioner or advocate. More damaging still, as we graphically saw with the Macpherson report into so-called 'institutional racism', the SWP ended up constituting itself as the extreme left - or conscience - of bourgeois or establishment anti-racism, instead of acting as the voice of independent proletarian anti-racism. Multiculturalism is not just another word for 'anti-racism', however much the SWP comrades may imagine it to be. If it was and nothing else, then we in the CPGB would obviously be the most militant and consistent defenders and advocates of multiculturalism. But we are not. We oppose it.

### Citizenship tests

Now, it goes without saying that communists do not subscribe to the notorious Norman Tebbit citizenship test. Namely, which cricket team do you support - England or Pakistan? And you better give the right answer otherwise you are disqualified as a 'proper' English citizen (or subject of the crown, to be more exact). This noxious form of chauvinist 'anti-multiculturalism' we utterly reject. And we also reject the citizenship tests first introduced by David Blunkett in 2005 - the New Labour legacy, if truth be told

As our readers will know, this takes the form of a 45-minute written test on 'Life in the UK'. There are 24 questions requiring examinees to demonstrate knowledge of "how the nation developed, an appreciation of its institutions and an awareness of its customs and laws".6 Applicants must also demonstrate progress in speaking English (or, very oddly, Welsh or Gaelic) in order to be rewarded with the status of British citizen. They must answer 75% of the questions correctly to pass and anyone who fails the test will be denied a British passport and the right to vote. No matter if you have been a resident of the UK for many years and may have contributed to the local community or paid your taxes just like everybody else (well, quite unlike the 'indigenous' wealthy and super-rich, as it so happens). You will not be permitted any formal voice in the decision-making or democratic process, insofar as we have one in Britain.

questions are essentially a random hotchpotch that just anybody can fail, whatever their surname, regardless of how long they may have lived in the UK. You could get asked how many parliamentary constituencies there are, the year in which married women got the right to divorce their husband, what the definition of a 'quango' is or the circumstances that trigger a by-election. After quickly taking the test, this journalist discovered that he was no longer fit to be classified as a British citizen - and the same would go for a great many other people in the UK, white-skinned or not.

A point usefully made by the recent Channel Four documentary, Make Bradford British, in which over 100 people were asked questions taken from citizenship tests. True, those from the "Muslim community" only got about 20% of the questions right. But more or less identical results were achieved by the white Bradford residents: those 'born and bred' in the UK (that actually applied to most of the Muslims too) were just as ignorant - or insufficiently British, if you like - as those who originated from the Indian sub-continent (or rather whose parents or grandparents did). Yet it seems very unlikely that the coalition government will announce in tomorrow's Daily Mail that henceforth 80% of the British population will be disqualified as British citizens and will no longer have the right to vote.

Of course, communists strongly favour the assimilation of all migrants: an entirely positive goal and outcome. For us though, this process must be entirely voluntary - there must be no oppressive tests designed purposely to exclude or the *imposition* of an unfamiliar language.

In actual fact, it is totally natural and normal for newcomers to learn the language - and the customs (in the broadest sense) - of their adopted country, so they can operate effectively within an

unfamiliar and perhaps initially unsettling environment. But in order to aid this process assistance in learning to speak, understand, read and write English is of vital importance and should be available as an elementary right. At the same time, though, everybody must have the right to use, and be educated in, their first language

In reality, however, if you go to Bradford or Southall, the Asian-British can speak English perfectly well. What was noticeable about Make Bradford British was that virtually everybody featured spoke the language fluently and idiomatically in a broad Yorkshire accent. Yes, it does happen that some people born in the Indian subcontinent - usually women and often elderly - spend most of their time at home or with others who share their first language and so have a poor grasp of English.

It was the Thatcher government which abolished the various special schemes to teach English to such people, and respective governments since have savagely cut adult education classes - thereby denying these people the opportunity and right to learn and speak English "like a native" (as their children do). So communists are fully entitled to denounce the ardent Thatcherite, Pickles, for being a hypocrite as well as an obnoxious little-England bigot when he waves around his paltry £10 million to "encourage" the learning of English - yeah, sure, that will really go far.

Being internationalists and militant democrats, communists too have an "integration strategy" - but it is one that would horrify both Eric Pickles and Norman Tebbit, not to mention David Blunkett and Tony Blair. We aim to integrate people, no matter where they are from, into our working class culture, inspired by a vision of a

different Britain and a different world. A red world million of miles away from the nightmarish imperial Britain that Pickles still longs for in the dead of night, where the empire imposed 'civilisation' on those "lazy' and "childish" Africans and Indians (as school textbooks doubtlessly would have put it up to the middle of the 20th century) and where the monarch reigns supreme over us for the rest of time. No, our vision - and programme - is the diametric opposite: one that is thoroughly and consistently democratic, republican and truly modern •

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### Notes

1. http://conservativehome.blogs.com/ files/20921031.pdf. 2. Daily Mail February 21 www.thebiglunch.com. 4. The Daily Telegraph February 13. 5. The House Magazine March 9: www.politicshome.com/uk/article/48272/?edition\_id=998. 6. www.ukcitizenshiptest.co.uk

Eric Pickles: Christian values



For a moment, back then, parts of the black and Asian population looked dangerously out of control and some way had to be found to put them back into the box. Many boxes, in fact. However, over the

The central absurdity - irrationality - is that the 24 multiple-choice arge numbers of workers live

in Britain who have come from other countries. Migration is often the result of poverty, lack of opportunity, war or persecution.

Capital moves around the world without restriction. As a matter of principle communists are for the free movement of people and against all measures preventing them entering or leaving countries. Simultaneously, we seek to end poverty, lack of opportunity, war and persecution everywhere.

The bourgeoisie uses migrant workers, especially illegals, as worst-paid labour. That is ensured through immigration laws, and quotas, lack of security and police raids, detention centres and deportations.

The capitalist state in Britain now has an official ideology of anti-racism. That in no way contradicts the national chauvinist consensus which champions British imperialism's interests against foreign rivals and sets worker against worker.

Migrant workers are not the problem. The capitalists who use them to increase competition between workers are. The reformist plea for non-racist immigration controls plays directly into the hands of our exploiters. It concedes the right of the state to bar workers from entering Britain.

It is in the interests of all workers that migrant workers and ethnic communities are integrated. Assimilation is

progressive as long as if is not based upon force. In order to encourage integration and strengthen the unity of the working class the following demands are put forward: • The right to speak and be educated in one's own language. The right to conduct correspondence with the state in one's own language.

• The right to learn English for all migrant workers and their families. Employers must provide language courses.

• The right to become citizens with full social and political rights for all workers who have resided in the country for six months. • Fight all discrimination based on race, ethnicity or culture by state or private bodies •

### THEORY



# The centrality of labour-power

### Moshé Machover begins his examination of the labour theory of value by looking at the preliminaries

This is an edited version of the first half of a talk given on January 21 at a weekend school on the 'Fundamentals of political economy' sponsored by the CPGB. I am indebted to the CPGB for inviting me, and to comrade Michael Copestake, whose transcription of a recording of my talk forms the basis of this text. The second part of this article, containing the second half of the talk, will be published in the next issue of the *Weekly Worker*.

My opening talk, on the labour theory of value (LTV), was the most abstract in the two-day school, and quite rightly so: you start with the abstract and then move to more concrete questions. I had asked CPGB national organiser Mark Fischer whether I should pitch it at an elementary, intermediate or advanced level and he said "intermediate"; which I think is appropriate. I assumed that everyone knew the basics of Marx's LTV, so my intention was just to give an outline. In this first part I am going to make some general introductory remarks. Then, in the second part, I will concentrate on the problems of the LTV, the difficulties. I will mention several difficulties, but I will concentrate in more detail on one - a very old difficulty: the so-called 'transformation problem' and the solution Emmanuel Farjoun and I proposed in 1983.<sup>1</sup> At the time it had very little impact, but more recently it has become the starting point for a whole field of research. There was even an international conference based on the ideas in our book, organised in 2008 by Julian Wells, a Marxist economist at Kingston University.<sup>2</sup>

least in outline, our very radical solution. 'Radical' in the sense that we would like to reject some of what Marx says in his attempt to resolve the transformation problem, but we nevertheless want to preserve the core of Marx's LTV and rescue it from this difficulty that has bothered people for a long time. Because the LTV is absolutely central, not only to Marxist theory, but also to the very notion of political economy; as it is the key to demystifying what is in appearance very deceptive: the capitalist system. We live in it, so we do not usually notice how mystifying it is; but sometimes, things happen that are quite puzzling in the way 'the economy' works.

### Metabolism of

of production assumes the form of *constant capital*) was itself produced earlier using three kinds of input: gifts of nature, labour, and means of production produced still earlier ... and so on. If we push this analysis back further and further, the third kind of input dissolves and resolves itself into the other two. And we are left with two ultimate inputs: gifts of nature and human labour.

In all forms of human society, from the very beginning of Homo sapiens, this process was a social one. Humans never produced mainly for their personal, individual consumption and they never did it in isolation. The Robinson Crusoe myth is exactly that: a myth, a nice story (and even Robinson Crusoe needs a companion/ slave to live more comfortably ...). So political economy should be about the study of this metabolism; and, specifically in capitalism, the complexity of this process. Originally in human society the metabolism is very transparent. I am not an anthropologist, but all the evidence I have seen provides a very sound basis for assuming that from the beginning of our species as hunter-gatherers there was a division of labour. First, a sexual division. whereby women did the basic food gathering, which produced the staple of consumption; and men did the hunting, which added the very useful optional extra of meat. And this requires some form of exchange. It is done by custom and is a natural process - there is nothing mysterious about it; you put everything in a pool and share it out. There is another original, very ancient way of sharing the products of human labour: gifts. In fact, in

some surviving societies trade is still glossed as though it were an exchange of gifts. Present-giving is very deep in human nature; we enjoy giving and receiving presents. There is every reason to assume that it has always been like this: since the very beginning of *Homo sapiens*, presentgiving is basic.

### Commodity production

Where it is a matter of presents, it is very transparent - whether it is an exchange where one expects to get a present in return, or where it is onesided and it is fully understood that the receivers are not expected to return presents because they are sick or it is their birthday, or whatever. But then, mean what Marx calls 'exchangevalue'. Marx discusses two kinds of value: use-value and exchange-value. Use-value is simply the usefulness, the functionality of this or that good (or service), and it does not have to be a commodity in order to have usevalue. A commodity will not be sold if it does not have any use-value, if it has no use; but not all things of use are produced as commodities. Use-value is primarily a qualitative attribute, whereas exchange-value is a quantitative measure that is common to commodities of all types. While the use-values of different commodities are all different, exchange-value is a common denominator that all commodities appear to have.

What is this common denominator? How is it quantified? As I shall show, the LTV was proposed by mediaeval thinkers; some people have even attributed the LTV to Aristotle, although I think this is very doubtful. But certainly Aristotelian philosophers in the middle ages, both Christian and Muslim, proposed versions of the LTV in both civilisations.

So I would like to explain, at

### human labour

The basic observation - Marx may not have been the first to discover it, but was the first to put it clearly - is that political economy is about the social metabolism of human labour. I say 'metabolism' because it is comparable to biological metabolism. In his Critique of the Gotha programme Marx corrects the assertion that all wealth comes from labour; he says, no, all wealth comes from *nature and* labour. But labour is metabolised in production and through this process simple or complex, depending on the society - the product of human labour is finally consumed.

Let me spell it out. The inputs required for producing any product are of three kinds: raw 'gifts' of nature, directly performed labour, and previously produced means of production. But this third kind of input (which in the capitalist mode as class society arises, it seems to get very complicated.

First of all, there is commodity exchange. Instead of sharing immediately with one another, people produce for selling, and they buy things. This is a rather opaque process because a person produces something - say, a shoemaker produces shoes - without necessarily knowing who, if anyone, will wear them. Whether the shoes are actually of any use depends on whether they can be sold. This whole process - an indirect way of cooperating, mediated by objects - is quite mysterious and is discussed in the early chapters of the first volume of Marx's Capital on 'commodity fetishism'. It is an opaque process that is difficult to unravel. But various thinkers have thought about it and have proposed a labour theory of value. Marx was not the first to propose such a theory; it is quite old. By the way, when I say 'value' I

### Forms of surplus extraction

Then there is another relation that intrudes: the exploitation of labour. Rather than an exchange of gifts or trade on equal terms, there is a surplus that is produced and is not given as presents, but is extracted from the direct producer by one means or another. Extraction of the surplus product has several different forms and socio-economic formations are classified according to which of these modes of extracting the surplus product is *dominant* (not which form *exists*: because the various forms have coexisted in many different societies). Let me enumerate the main modes of the extraction of surplus product.

*Slavery*. X works for Y who owns X. Human beings have become objects, commodities, sold and bought. This form existed in many societies, from very ancient times right down to the present, but was the dominant form of surplus extraction in classical antiquity,<sup>3</sup> as well as in the much later plantation economies of the West Indies and America.

Serfdom. This was of course dominant in mediaeval Europe, and lasted in some countries, notably Russia, well into the 19th century. There is also a form of serfdom that was very widespread outside Europe: *state serfdom*. The peasants here are serfs not of individual landowners, but of the state. This form of the extraction of surplus predominated in ancient Egypt.

The story of Joseph in the book of Genesis (beginning in chapter 37) contains a mythical explanation of how this strange mode of production came about. It is a very fascinating novella, a thriller; it has sex, sibling jealousy, love, deception - you name it. Joseph, a Hebrew teenager pampered by his dad, is sold into slavery by his jealous brothers, but rises by a combination of luck and inspiration to become viceroy of Egypt. By dint of his talents for divination and statecraft, he has the foresight to arrange for the state to buy up all surplus grain during seven years of plenty, and then during the ensuing seven-year famine he gets all the peasants to sell their animals, their land and their own bodies to the state in exchange for grain. And since then the land in Egypt belongs to Pharaoh, the 'Big House',<sup>4</sup> and the peasants have to give him one-fifth of the harvest. Only the priests are exempt, because the temples had grain allocated to them by the state, so they did not have to sell their lands.<sup>5</sup> This was actually the form of society in Egypt when this story was composed. It must have looked exotic to the author, who lived in a different kind of society, so it required some explanation, which is supplied by the fictional story.

Under state serfdom, most of the surplus is extracted as tax. If the state bureaucracy is not sufficiently strong and efficient for this task, it is done by tax farmers - local notables who collect the tax on behalf of the state, and keep some of it for themselves. Where this class is very strong in relation to the central state, it becomes something like a feudal class.

Another form of surplus extraction is *debt bondage*. There is a moneylender who lends the producer money - typically for buying seeds - but who charges very high interest; the direct producer gets deeper and deeper into debt and the lender gets the surplus through usury.

### Wage-labour

Then finally there is hired wage-labour. This form predominates in our modern capitalist economy, but it is by no means new. There is clear evidence of it being very ancient. About 3,800 years ago the king of Babylon, Hammurabi, promulgated the famous Laws of Hammurabi, the first legal codex that we know about, and in it he specified the wages of workers of various skills (sailor, tailor, rope-maker, mason, field labourer, ox-driver, herdsman ...) hired for a whole year or for a day. For example, article 273 says: "If anyone hire a day labourer, he shall pay him from the new year until the fifth month [April to August, when days are long and the work hard] six gerahs in money per day; from the sixth month to the end of the year he shall give him five gerahs per day.' The Old Testament, many of whose civil laws are based on the Hammurabi codex, does not specify how much hired workers must be paid; but it warns the employer that it is sin to delay payment. A hired worker (sakhir) - whether he be "of thy brethren" or a foreign worker - must not be cheated; his wage must be paid before sunset.<sup>7</sup> So wage-labour existed; but it was not the dominant form. When it comes to the *capitalist system*, it is characterised by two things. The first is generalised commodity production: almost everything is produced for sale rather than for immediate consumption. This includes

labour itself, which is - or appears to be - a commodity. And so, in addition to the opaque relation of commodity production, the dominant way of extracting surplus is through the command of hired labour. Compared to all other ways of extracting surplus this is the most opaque, the least transparent and the most mystifying. For example, when it is a slave who is exploited it is clear what is going on: it does not take any analysis to see that the slave works, and the owner appropriates the produce and keeps the surplus left after what the slave is allowed to consume. Similarly in other forms - in serfdom in debt bondage in taxation - it is clear that the surplus is actually extracted by coercion. But in capitalism there is usually no overt coercion and everything is done on the basis of apparent freedom and equality. This makes things very misleading. Exploitation is disguised. So the media can tell us that it is the capitalists who are doing their workers a great favour: the former 'create jobs' for the latter and enable them to make a living. In this upside-down world it is the capitalists who are the 'creators of wealth', and some of the wealth they 'create' trickles down to

### Older versions of the LTV

the lucky workers.

Here is where Marx's contribution to the labour theory of value becomes very important in unravelling what is going on. I said before that versions of the LTV had been proposed by mediaeval thinkers. Thomas Aquinas says in his *Summa Theologiae* (circa 1270) that "value can, does and should be increased in relation to the amount of labour which has been expended in the improvement of commodities". In the Muslim world, the great Arab thinker, arguably the world's first sociologist, Ibn Khaldun, wrote in the 14th century in his monumental work, the *Muqaddimah*, that:

... the wealth a person earns and acquires, if resulting from a craft, is the value realised from his labour ... If the profit results from something other than a craft, the value of the resulting profit and acquired [wealth] must [also] include the value of the labour by which it was obtained. Without labour, it would not have been acquired.<sup>8</sup>

Fast forward to Adam Smith and we are in the early stages of industrial capitalism.9 Then it begins to become tricky. The idea of these early labour theories of value - that the price according to which commodities exchange is determined by the amount of labour they have taken to produce - encounters a conceptual difficulty. Whether it was ever like this, under simple commodity exchange, in precapitalist commodity exchange, that price was proportional to value, I am not sure. Certainly there must have been a strong correlation between the amount of labour needed to produce something and the price it would fetch in market exchange. Otherwise people would not have come up with this idea. They must have observed that, in general, there is a strong correlation. How strong that correlation was is a serious

which is paid for that labour."

### Labour-power

Then here comes Marx with a very crucial conceptual and terminological distinction, which is really the key to Marx's LTV: the distinction between *labour* and *labourpower*.<sup>10</sup> The commodity that the capitalist buys or hires is not labour, but labourpower, the capacity to do work. Labour is what the worker contributes in the process of production, where the capitalist consumes the commodity, labour-power, that has been bought. This is a crucial distinction, which was originated by Marx and is really a key to the whole thing.

In addition, of course, there are other qualifications. An obvious one is that the value of a commodity is the *total* amount of labour embedded in it and needed to (re) produce it; you have to count not only the labour directly done in producing it, but also the labour embodied in all the other inputs that go into the commodity - the raw materials, etc; all the inputs that have been used up also embody labour, which is indirectly added and must be included with the direct labour in order to make up the total value of the commodity.

Then there is the crucial proviso stressed by Marx, that the labour has to be *socially* necessary, which means two things. First, that if a worker works on producing a commodity much more slowly than the norm, this does not mean that the commodity is worth more: it has to be the socially normal amount of labour. Second, and very crucially, if a commodity does not get sold, then the labour has not turned out to be socially necessary. This unsold commodity has no exchange-value; it is wasted. The labour must be socially necessary in both these senses. Of course, in the latter sense you can only tell after the event: it depends on the commodity actually getting sold.

Now, each unit of labour-power has value, just like other commodities: the total amount of labour needed to (re)produce it. But the whole point is that the amount of labour performed by this unit of labourpower, and hence the value contributed by it to the product, is in general greater than the value of that unit of labour-power itself. In other words: the productive use of labour-power yields a surplus, a surplus value appropriated by capital as profit. So, according to Marx, the exploitation of wagelabour does not consist in capital deceitfully 'undervaluing' labour-power, but in the fact that the value *created* by labour-power and appropriated by capital is greater than the value of that labour-power as a commodity.

This is where we get to in the first volume of *Capital*: to clarifying this notion of the exchange-value of the commodity. This theory, the LTV as Marx leaves it, has certain difficulties, certain problems arising in connection with it. I will deal with these in the second article. There are two kinds. First, problems concerning how to measure the quantity of value itself. Some of them are, in my opinion, relatively slight difficulties that can be fairly easily resolved (one of them in at least two different ways). The second kind of difficulty relates to the exact connection between the value and the price that you pay: this is the most serious difficulty ●

#### latas

# 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 EUwide 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 readied 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 highquality 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.

question for economic historians.

The conceptual difficulty is this: if the value of a commodity is equal (or proportional) to the amount of labour needed to produce it, what about the value of labour itself, which is apparently also a commodity like any other? The price of a commodity must in general be greater than the price (that is, wage) paid for the labour that was required to produce it - otherwise there could be no profit. But if price is supposed to be proportional to value, then we get a contradiction: the value of a commodity must be *greater* than the amount of labour embodied in it. Adam Smith gets entangled in this; in his Wealth of nations (1776) he makes contradictory statements about it. David Ricardo is much clearer. In his Principles of political economy and taxation (1817) he states: "The value of a commodity, or the quantity of any other commodity for which it will exchange, depends on the relative quantity of labour which is necessary for its production, and not as the greater or lesser compensation

#### 10165

1. F Farjoun and M Machover *Laws of chaos: a probabilistic approach to political economy* London 1983. See also Farjoun and Machover, 'Probability, economics and the labour theory of value' *New Left Review* No152, pp95-108, 1985.

 See http://sites.google.com/site/iwright/probabilisticpoliticaleconomy; also: http://en.wikipedia.org/wiki/ Econophysics.

3. GEM de Ste Croix *The class struggle in the ancient Greek world* New York 1981.

 Literally, 'Pharaoh' means 'big house' - just as we of ten refer to the US president by the metonym, 'White House'.

5. Genesis 47:13-26.

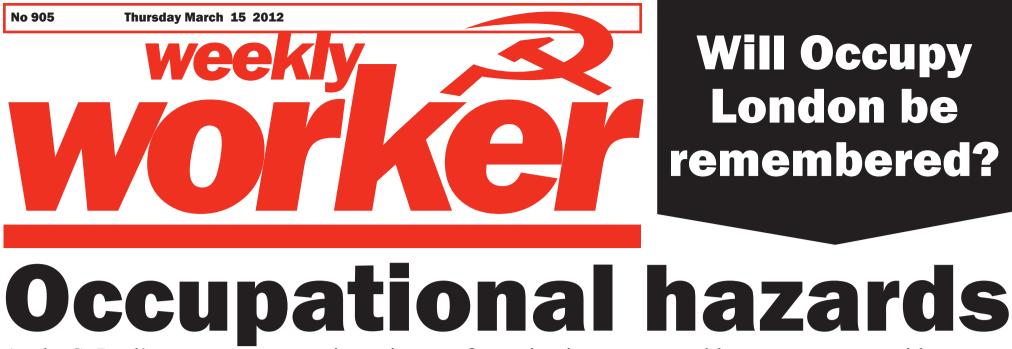
 LW King (translator) *The laws of Hammurabi*: http:// eawc.evansville.edu/anthology/hammurabi.htm. The Babylonian year started in the spring month, just like the English financial year. A gerah was one-20th of a shekel. 7. *Deuteronomy* 24:14-15.

8. Ibn Khaldun *The Muqaddimah: an introduction to history*, translated by Franz Rosenthal, Princeton 1967, Vol 2, chapter 5, section 1.

9. 'Capitalism' is a term that we use; but, as far as I know, Marx never used it. He speaks of 'capitalist relations of production', the 'capitalist mode of production etc. but never uses the noun 'capitalism'.

10. By the way, by 'labour' here I mean what Marx call 'abstract labour', as opposed to concrete labour, which is the creator of use-value.

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As the St Paul's protest camp continues its transformation into a respectable pressure group with mainstream support, James Turley draws a few lessons

ccupy, it must be said at the outset, is not quite yet over. Zuccotti Park is cleared, and - now - so are the steps of St Paul's Cathedral; but its lexical quirks (the 99%-1% division, most obviously) still linger in the shared vocabulary of the left, and its iconic images (the tents, the 'human megaphones', the Guy Fawkes masks of the 'hacktivist' collective, Anonymous) still glimmer on our collective retina.

Certainly, the sundry forces thrown together by one brilliantly simple idea camping on the doorstep of the central apparatuses of high finance - do not yet consider it time to withdraw from the public stage: "You can't evict an idea," declares one amateur filmmaker<sup>1</sup> Giles Fraser, the right-on canon of St Paul's who resigned in support of the camp, declares in The Guardian that "Occupy LSX may be gone, but the movement won't be forgotten."

Yet, in a sense, these two impeccably clichéd statements of defiance sum up the problem. Firstly: you cannot, indeed, evict an idea. Occupy, however, was not driven by ideas; ideas began to intrude, but have hardly coalesced into a coherent political programme that unites all the Occupiers. What exists instead is the old, burning need to 'do something'; well, the police have successfully stopped Occupy LSX from doing the particular something it had been engaged in.

### Short-memory syndrome

As for Fraser's comment, Occupy will - when it finally dies out completely be forgotten. It will be preserved, all things being equal, in the kitsch form of nostalgia documentaries about the year 2011 when the time comes for the latter to be produced; in the intervening time, it will be relegated to what one historian, in another context, quite brilliantly calls "the trough of oblivion that accommodates old news before it is resurrected as history".

There are many ways to evade that



What ideas?

value, however, we should not be overly dismissive of this movement. That was certainly the attitude, for example, of the ex-Revolutionary Communist Party's Spiked, noted generally for its disdain of protest for its own sake and, most especially, banal liberalism. Editor Brendan O'Neill, in a blog for The Daily Telegraph, suggested in the dying days of the St Paul's camp that it had become "a holding camp for the mentally ill", and gently proposed that it was time to "call it a day".<sup>4</sup> (This was a somewhat disingenuously gentle suggestion from a man who had a few months earlier declared in the same forum that Occupy made him ashamed to be leftwing.<sup>5</sup>)

Increasingly rare though such occasions are, it is worth prying a little more into the Spiked analysis here. O'Neill is right, to a point, to indicate that the discourse of Occupy was a little intellectually undercooked and morally overblown. Yet the ideas were not the point. To read, as O'Neill does, into naive statements about the media 'brainwashing' the masses a snotty contempt for those masses is, before anything else, to take it for a theoretically precise and worked out position, rather than a simple

here

explanation for the *fact* (which O'Neill has to deny) that, were the Occupiers right, it genuinely is the case that great masses of people stubbornly insist on acting against their own interests.

Occupy, for many of its advocates, was, more significantly, a 'prefigurative society". In the words of David Graeber, the anarchisticallyinclined anthropologist, Occupy was "a combination of tactics of trying to create prefigurative models of what a democratic society would be like ... a way of organising protest or actions that were directed against an obviously undemocratic structure of governance.'

In short, it is a form of what has come to be known, since Marx and Engels, as 'utopian socialism'; the difference with Occupy is that, while previous utopian projects have tended to take themselves out of physical spaces obviously corrupted by capitalism, Occupy picked as its stage Wall Street and its satellites. The attempt to make 'propaganda by the deed' for democracy had serious limits: anarchistic attachment to consensus, on the one hand, and the accretion of the lost, homeless and disturbed, on the other, with whom the activist 'mainstream' were ill-prepared to deal. Yet it was a courageous move.

Of course, utopian socialism is supposed to have been superseded by scientific - Marxist - socialism; or, in a petulant whine of O'Neill's, "once upon a time, being leftwing meant exposing the structural problems with capitalism and putting forward some solutions for fixing or overhauling them". Yet the brute fact of the matter is that the Marxists have done Marxism few favours in the last 30 years; this particular wheel is reinvented because we have failed in our mission. The RCP of old prided itself on being brash and terribly 'new'. It was not, any more than Occupy is; and the fact that protest against capitalism, as it falls about our ears, has taken a

utopian form is as much a function of the failure of the RCP and groups like it to break the deadlock as it is of anything else.

### Osmosis

Without the utopia, however, all that is left of Occupy LSX is the idea - and, apart from the camp, the only form it has taken is the usual array of leftliberal calls for a financial transaction ('Tobin') tax and greater curbs on the power of banks and corporations.

This is a story familiar to those who know a thing or two about the alter-globalisation movement that preceded Occupy (indeed, David Graeber considers the latter a direct successor). The earlier movement took on fairly radical forms - the battles of Seattle and Genoa, most infamously but ultimately got diverted into safe political channels, principally official greenism and charity-sponsored antipoverty initiatives.

Does the same fate lie in wait for Occupy? The tell-tale signs are there, in London at least. Margaret Hodge, the semi-reformed Blairite MP for Barking, came out in support of the Occupiers on the BBC's Any questions radio panel show - it was "a good thing", she said, somewhat blandly. The rumour mill has it, even, that some protestors have been invited to meet senior people at the Bank of England. Some seem to think that this means we're getting somewhere', but, while there is nothing wrong with a chance to speak one's mind to Mervyn King, we should not expect a Tobin tax U-turn any time soon.

This is exactly the result the ruling class would want - 'sensible' discussions between bureaucrats and protestors; Margaret Hodge as a spokeswoman for Occupy. The sad truth is that this is exactly what the ruling class will probably get. Occupy has hit its limits, which are in the end the old limits of the utopian project. The steady drift of Occupy

discourse, in numerous towns, towards the question of the homeless and desperate, and what to do with them, is testimony to this fact. In the society which, however vaguely, Occupy purports to 'prefigure', it will be necessary to deal with this other 1% - a great deal more than 1%, in fact, and increasingly so. Society as a whole possesses the means to deal with those in the direst material straits, and those suffering from mental health issues, addictions and all the rest. The tent village on the steps of St Paul's did not have a hope of doing so.

Marxism does not deny, except in its more stupid interpretations, that aspects of a successful revolutionary movement will have to be 'prefigurative' to an extent. Cooperatives contain a germ of social production; educational societies pose an alternative to the bourgeois education system, and so forth. There is, however, a qualitative leap between our jerry-built social institutions and the formation of a new political regime. Making that leap requires all the things that the dominant Occupy ideology would wish to dismiss as old hat - principally, a party, and an organised world view based around the central question of the class struggle.

Occupy will not be the last inchoate challenge to political authority in this period; but it is safe enough to say that what cannot be evicted will be coopted

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### Notes

1. http://occupylsx.org/?p=3786.

 Pebruary 28.
Michael Kelly, quoted in G Elliott *Althusser:* the detour of theory London 1987, p7. 4. http://blogs.telegraph.co.uk/news/ brendanoneill2/100139274/occupy-london-is-now-basically-a-holding-camp-for-the-mentallyill-its-time-to-call-it-a-day. 5. http://blogs.telegraph.co.uk/news/ brendanoneill2/100108713/the-teenage-moralismof-the-occupy-wall-street-hipsters-almost-makes me-ashamed-to-be-left-wing 6. *Platypus Review* No43.

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particular fate - one is to have a serious and lasting impact on society (the October Revolution, the Vietnam war). Another is to become socially massive enough that the memories of enough people who actually participated have themselves an effect on the memory of society (May 1968, the anti-Iraq war movement in this country). A third is to give rise to a sustaining institutional form - a political party perhaps, or something else - that propagates the movement's memory.

Occupy did not bring down high finance; it did not organise more than a tiny fraction of the '99%' at its peak; and no institution looks likely to replace the sustaining power of those campsites. The great likelihood is that it will turn out like countless previous protest movements, many very similar in character, that turned out to be less than the sum of their parts.

If we cannot take the off-the-peg defiance of LSX occupiers at face

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