

# LIVING

# MARXISM

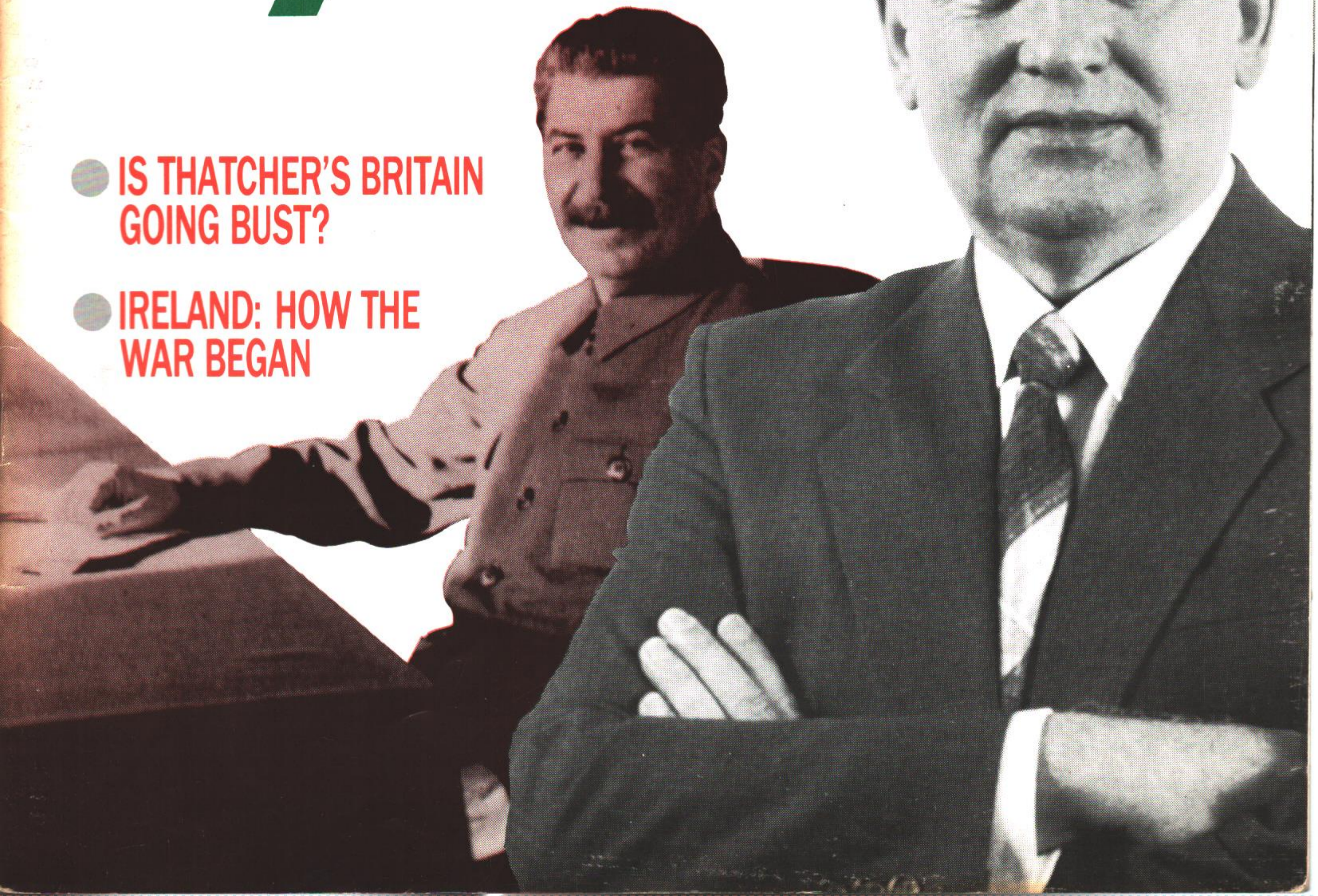
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GORBACHEV'S *GLASNOST*

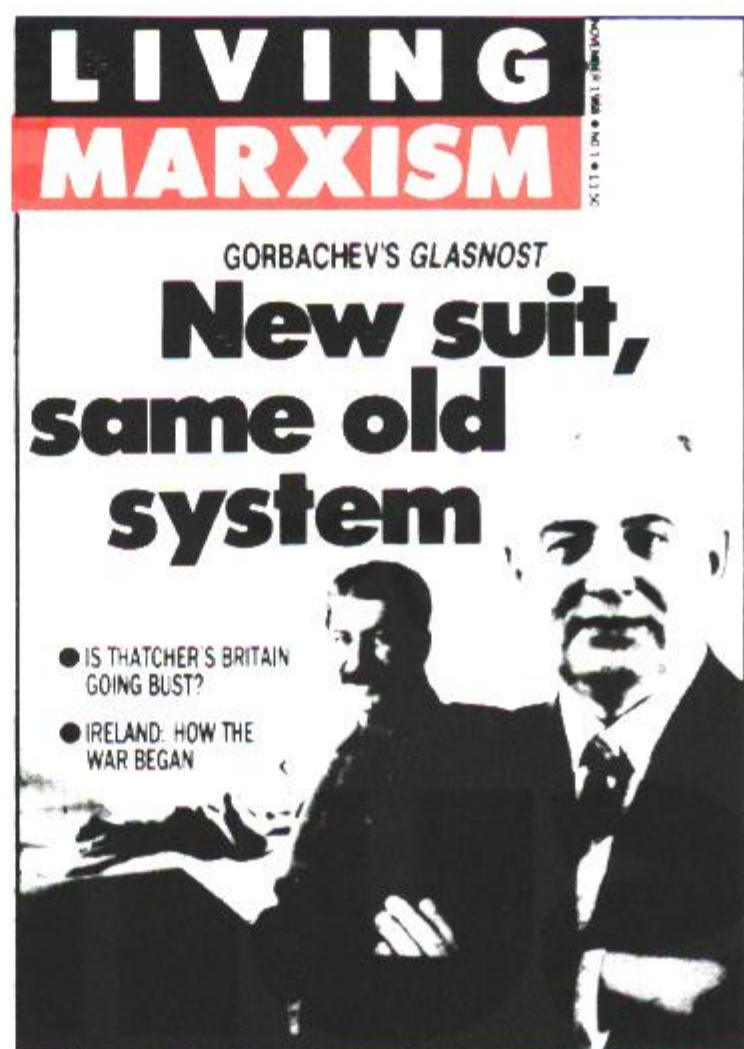
# New suit, same old system

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GOING BUST?

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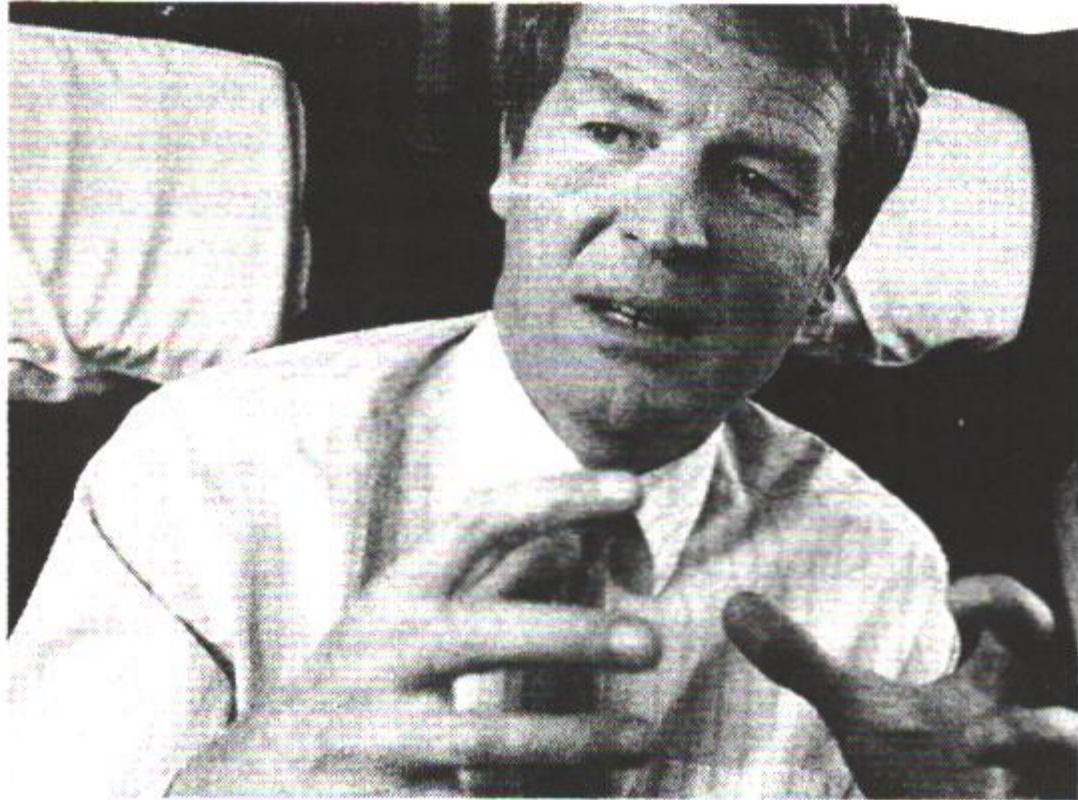
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The opposition's problem

# What's the Big Idea?

'It could be our Big Idea, our very own idea!' What was it that so excited Dr David Owen at the SDP conference in Torquay? He calls it the 'social market', a sort of kindly capitalism, where the economy is run with ruthless entrepreneurial efficiency, while a caring society guarantees justice for all. And it's his very own Big Idea; or so he says.



A week later Owen's former colleagues, the newly-baptised Democrats, met at Blackpool. An influential pamphlet distributed there summed up the hybrid party's dilemma: 'Where is our alternative? Where is that single, all-powerful idea that can end the Thatcherite ascendancy?' The authors answered their own question, defining the Democrats' distinctive creed as the Big Idea that 'economic dynamism and social justice must be combined'—otherwise known, in

Owenspeak, as the social market. Democrat boss Paddy Ashdown and the conference duly endorsed this vision. No doubt it was an example of the deep ideological differences which forced them to split with Dr Death.

Another week, the same windswept seaside town, and Neil Kinnock's Labour Party assembled for its conference. Deputy leader Roy Hattersley told the delegates in Blackpool what their problem was: 'We can't beat her by saying her ideas are repulsive, but we don't have any ideas at all.' Kinnock, however, had an idea for them to grapple with, and it was a Big one. 'Social justice and economic efficiency', he announced; 'the two go together'. Anybody who had managed to sit through all of the opposition party conferences might have concluded that the three go together. It would be over-generous to interpret this as a case of great minds thinking alike.

The Tory 'enterprise culture' has certainly created a free market in political policies. Today everybody feels free to copy everybody else's ideas. In particular, everybody in opposition feels obliged to adapt to the themes which the Thatcherites have popularised over the past decade. So the SDP, the Democrats and Labour all declare support for the capitalist market, and all claim to champion individualism. The trouble is that the Conservatives got there first. The opposition parties thus feel a need to search for what has become known as the Big Idea, which is supposed to distinguish them from the Tories and inspire the public, but stay in step with prevailing middle class opinion.

The conference season showed that the Big Idea is proving elusive. The opposition parties are often reduced to playing word games by sticking 'social' or 'caring' in front of Tory themes like the free market. When pressed on whether this would mean a return to old-fashioned 'welfare capitalism' and the 'nanny state', they say no, they want a new-style community of active, caring citizens. But active citizenship sounds like another way of saying that individuals should take responsibility for social problems by looking after each other—which is the Tories' well-worn excuse for cutting welfare state spending. It makes an unconvincing alternative to Conservative policy—especially after Thatcher devoted half of

her conference speech to the good old British community of charitable, neighbourly individuals.

When the opposition looks further afield for its Big Idea, for example by latching on to environmental issues, they have again been gazumped by Thatcher's conversion to green politics. The circle closes, leaving all the parties huddled together in the centre, without a fresh idea among them. This is what Thatcher meant when she told the Tory conference that her party occupies 'the common ground' of British politics. That ground is a muddy swamp, where the opposition parties flail about for some firm footing, while the Tories keep their heads above the marsh by standing on the shoulders of Owen, Ashdown and Kinnock.

The opposition's search for the Big Idea is doomed to failure. Political battles cannot be won by establishing think-tanks or policy review committees to think up an idea which you then convince Joe Public he wants. Parties succeed when their programmes represent something real in society. The opposition's problem is that it represents little more than itself.

It's not hard to see which forces the fragments of the old Alliance would like to represent. Their aim was summed up at a Democrats' conference fringe meeting addressed by philosophers like professor David Marquand, where a delegate asked how they could sell their Big Idea on the doorsteps. Replying from the platform, Robert Oakshott said it would have to be 'translated into a language that gets across into people's drawing rooms'. Unfortunately for the Oakshotts and the Owens, most middle class drawing room-owners are prepared to stick with the Tories for the present rather than risk backing a B-string version of the same thing.

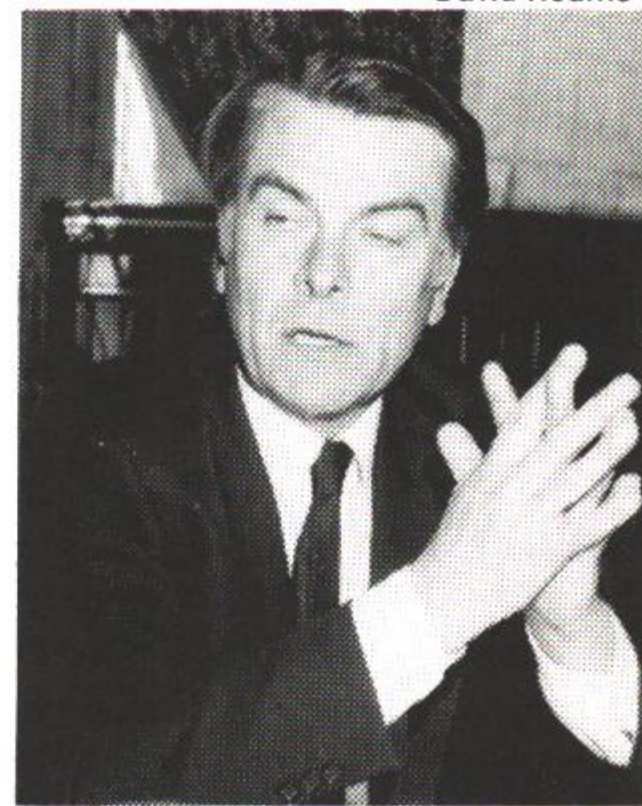
David Rourke

The Labour Party has always represented something—the interests of the professional bureaucracy which leads the official labour movement. But these bureaucrats now represent less in British society than they have for half a century. The high tide of Labourism came after the Second World War, when the labour bureaucracy's plans for nationalisation and state intervention corresponded with the reconstruction needs of British capitalism. Over the past decade, however, the Tories and employers have squeezed the union leaders out of the corridors of power, reducing the union machines from an estate of the realm to a right state. The Labour Party's influence has been undermined and its programme left behind the times. Waiting for a Big Idea to drop from the skies is no solution to this historic crisis of the labour bureaucracy.

An idea which could constitute a genuine alternative to the Conservatives would be rooted in the powerful part of society which has no representation at present—the working class. But representing the interests of workers against the capitalist system is anathema to all the parties of the common ground.

Instead, the opposition allows the Tories to set the pace, while it prays for the mythical Big Idea to materialise. A sign of how long Labour will have to wait for its leading members to dream up a winning vision came in a conference fringe meeting on 'Socialist economics' addressed by Audrey Wise MP, who won a quarter of a million votes in the national executive elections. 'Why', she began, 'are home-grown tomatoes not considered part of the economy, and yet they are better quality than the ones in the supermarket?' They don't come much Bigger than that.

● Linda Ryan



Ashdown (above), Kinnock and Owen show off the one that got away



# The Living and the Dead

According to conventional political wisdom, *Living Marxism* is a contradiction in terms. Marxism, we are forever being told, is an antiquated and discredited dogma which belongs in Highgate Cemetery with its founder. With this first issue of our new review, we launch the counter-offensive to prove that Marxism is alive and kicking.

Right-wing commentators delight in writing off Marxism at every opportunity. Just last month in the *Sunday Telegraph*, Anthony Hartley gleefully noted how 'Marxist' regimes were now in crisis from Yugoslavia to Burma, and boasted that Mikhail Gorbachev's *glasnost* policy meant even the Kremlin had abandoned socialism and embraced capitalist values. For Hartley, current international trends prove that Marxism is just a bad joke:

'A French writer recently noted that Marxism bore the same relationship to sociological science as a comic to a novel.' (16 October)

If they really believe this assertion, perhaps Hartley and his French friend could explain why the leading academics, intellectuals and politicians of the Western world continue to devote so much of their supposedly valuable time to denouncing such comic books as the theories of Karl Marx? And it would surely be a poor reflection on the *Telegraph* and other Tory papers to fill thousands of column inches with critiques of a political approach that was on a par with the *Beano*.

The bravado of people like Hartley is like the false confidence of children whistling in the dark to mask their ill-ease. In truth they appreciate instinctively that, unlike comics, Marxism challenges the assumptions which underpin the capitalist order. This is why the apologists for that system have spent more than a century trying to belittle it. Today, they are especially keen to run Marxism down and brand it as old hat, to divert attention from the increasingly obvious fact that capitalism itself is historically obsolete and in decay.

What dynamic ideas can the new thinkers of the right offer as a modern alternative to 'outdated' Marxism? A glance at the key themes of Thatcherite ideology reveals their thinking as truly backward-looking and locked in the past.

It is hard to think of a more archaic political creed than Thatcher's favourite 'Victorian values'. The Tory government claims to be 'leading Britain into the nineties'—by dragging it back into what Thatcher pretends the nineteenth century was like. Marx might have lived and worked at that time, but you won't hear us offering the Dickensian slum as a vision of the future. The Tories' obsession with their puritanical version of the past is a sure sign that they have nothing new to offer in the present, except for reactionary and repressive measures dressed up as 'a return to traditional morality'.

Another regular in Tory policy pronouncements is the call for 'active citizenship' in the community. This emphasis on the role of the individual in solving social problems is supposed to be a fresh and exciting alternative to the centralised services of the welfare state. Yet stripped of its conference-hall rhetoric, it is little more than a nostalgic appeal for people to look after their neighbours, as Thatcher claims they did in the Grantham street where her father kept a corner shop. This sort of stroll down memory lane, into a world of neighbourhood wise-women and tallymen, hardly qualifies as a revolutionary idea for sorting out the immense problems facing a late-twentieth century society.

Or consider the new right's notion of 'popular capitalism'. The Tories claim that, through the privatisation of state industries, they have helped to transform the old structures of British society and created a 'share-owning democracy'. Now everybody can apparently become a capitalist, and the old class distinctions are meant to be a thing of the past. But there's nothing new about workers buying a few shares; craft trade unionists did it 100 years ago. It didn't alter the character of capitalist Britain then. So why should it do so now? Since the old-fashioned anarchy of the capitalist market asserted itself in the world stock market Crash of October 1987, popular capitalism has become rather unpopular among millions of former small shareholders. The Tories' vision of a new, share-owning society already looks distinctly dated.

The right's thinking is rooted in the past because that's where the capitalist system belongs. It is a mode of production whose time has come—and

long since gone again. British capitalism had passed its peak by the turn of the century, and has been dying on its feet ever since. The protracted death throes of international capital have created suffering and poverty across the globe, and caused two world wars between powers scrambling to save themselves at their rivals' expense. Today, after a couple of years of superficial credit-fuelled boom, Britain is on the brink of another full-blown recession. The deep-seated crisis of the capitalist order finds reflection in the malaise of its political thinkers. They are forced to seek solace in the attitudes of yesteryear, as a comforting alternative to staring a cold tomorrow in the face.

In circumstances where the right's ideology is exhausted, and the Western world is stuck with empty-headed leaders like George Bush and Michael Dukakis, it is little wonder that the defenders of the status quo should seek to make themselves look modern by caricaturing Marxism as a dead idea. Unfortunately, this task has been made considerably easier for them by those who have claimed the name of 'Marxist', only to abuse it.

The major culprits are the Stalinists of the Soviet Union. When Lenin's Bolsheviks led the Russian Revolution in 1917, Marxism was a watchword for human liberation which inspired millions of workers around the world. Since Stalin's bureaucracy usurped power from the working class in the twenties, the word has become associated with corruption, incompetence and the suppression of democratic rights. Some on the left now argue that Gorbachev's more diplomatic style of Stalinism has helped to undermine anti-communism in the West. In fact, as Frank Richards argues elsewhere in this issue, it has confirmed many people's prejudices about Marxism, by giving the impression that even the Soviets consider it old-fashioned.

There are other guilty parties. The crisis-stricken third world regimes, which Anthony Hartley can point to as evidence that socialism does not work, have stolen the language of Marxism to win mass support for their failed policies of state-sponsored capitalist development. And the left within Britain is far from blameless.

The Communist Party here has helped to give Marxism a bad name for 60 years. Its latest policy twist, summed up

in the 'New Times' analysis of *Marxism Today*, is dealt with in detail by Mike Freeman and Gemma Forest (see page 18), who show that this, too, is a rehash of very old ideas. By putting forward its own version of the right's arguments about individualism and citizenship, *Marxism Today* only endorses the belief that the anti-Marxists were right all along. The last outposts of the traditional British left, clustered around figures like Tony Benn, have also played their part in dragging socialism through the mire. For them, nothing ever changes: Benn insists that the workers banned from union membership at GCHQ are the same as the Tolpuddle Martyrs of 1834, and that the solution to today's social problems lies in a re-run of the state interventionist programme of the 1945 Labour government. And then they wonder why the under-40s are uninspired by the idea of being left-wing!

What all of these people and parties have in common is that they have discredited Marxism *without even trying to use it*. It is not Marxism that has been tested and found wanting, but an assortment of radical and liberal notions dressed up as scientific socialism. To begin turning the tide, we have to re-establish what Marxism is all about from scratch, and show that it is as relevant today as it ever was. *Living Marxism* is our tool for setting about this task.

Marxism is not a set of commandments carved in stone. It does not pretend that things are the same today as they were when Marx was

writing. It is an open-ended method of analysis, which examines human society in the context of the historical process. We are the first to acknowledge that there have been important changes in the political landscape over the past few years. Within Britain, the Thatcher government has ended the era of consensus politics and sought to dominate society in a more directly coercive fashion, by politicising every institution from the BBC to the police. Internationally, the tendency towards capitalist collapse and the consequent descent into barbarism has asserted itself everywhere from the Persian Gulf to the Horn of Africa. The articles in this issue of *Living Marxism* show how we can apply the Marxist method to get to grips with current developments.

There are, however, certain essential features of capitalism which do not change, and on which the case for Marxism ultimately rests. Capitalism is a class system, based on the exploitation of the majority of the population—the working class—by a tiny minority which monopolises the ownership and control of the means of production. The contradiction between what society needs and the system's preoccupation with private profit also ensures that capitalism is inherently prone to crisis. It cannot consistently provide us with the basic necessities of a decent life. Mass unemployment in the West and mass starvation in the third world bear grim testimony to this central proposition of the Marxist worldview.

None of the changes on the surface of

society, crucial though they be, can alter these defining features of capitalism. That is why Marxism will never be out of date. Today the spokesmen of both the new right and the new left reject this analysis. They point to such phenomena as the decline of large-scale factory production, or even the fact that people no longer wear cloth caps, to argue that the class analysis is now redundant. Some of these observations are not even true; in the more dynamic sectors of international capitalism such as South Korea, rather than in decrepit corners like Britain, the mass manufacturing industries are still king. And in any case, our critics' argument avoids the point.

Capitalism is not a technical method of producing things. It is not dependent on any particular form of workplace organisation or on any specific customs. It is above all a *social relationship* between capital and labour. The jobs people do and the lifestyles they lead will change. But, whether they wear the hard hat of a miner or the suit of a bank clerk, workers' subordinate relationship to capital does not alter. Nor does the common interest they share in overthrowing the old order and establishing a new and efficient way of running the world under their control. From this starting point, we can begin to work out the political strategies and tactics necessary to deal with the new problems presented by our times.

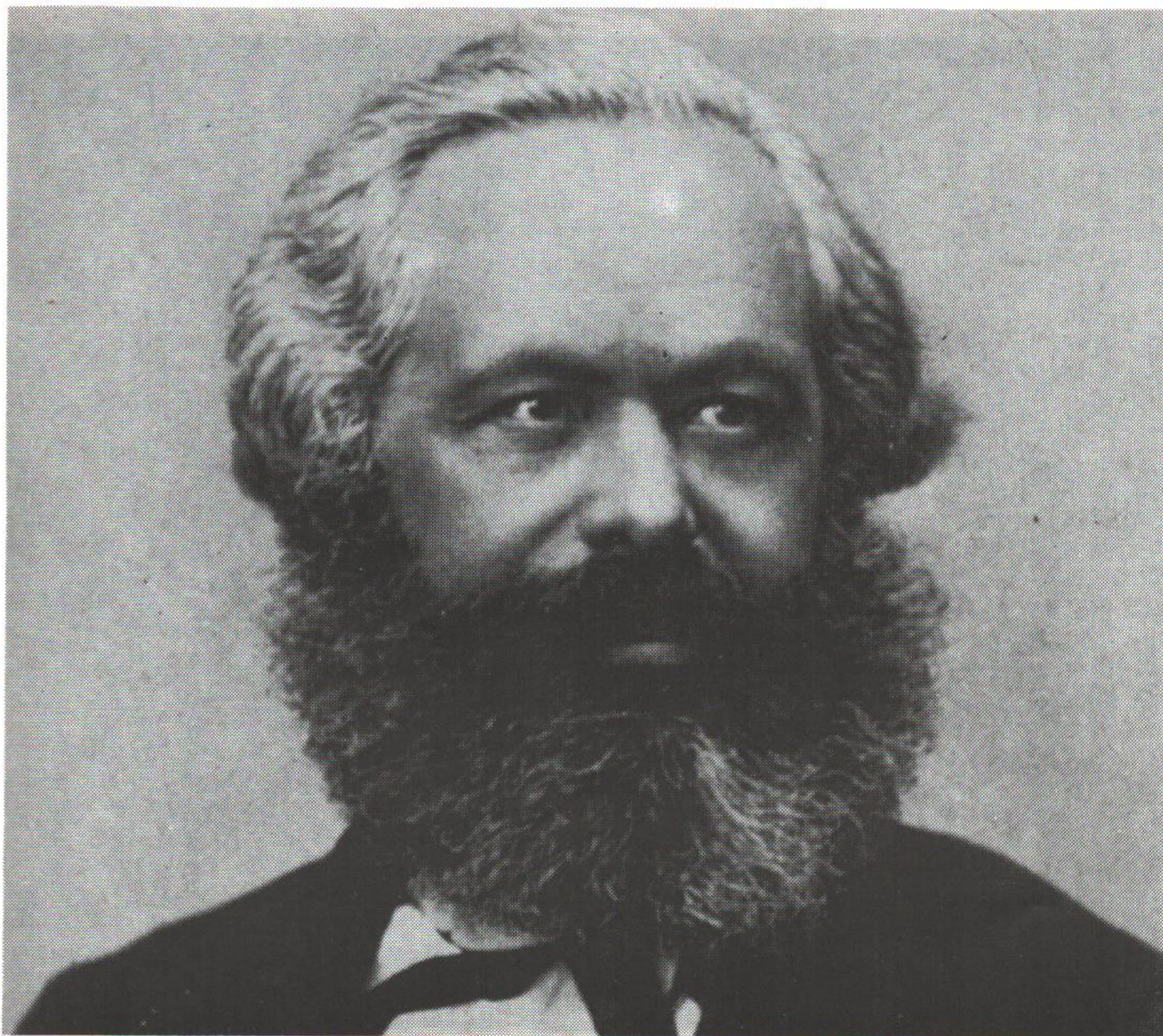
The capitalist system is an irreformable anachronism which hangs as a dead weight around the neck of humanity. Marxism is a living theory of liberation through social revolution. We know which one we will put our faith in for the future, and which one we want to see consigned to the comic pages of the past. The aim of this magazine is to convince you to make the same decision.

*Living Marxism* is the monthly review of the Revolutionary Communist Party, designed to develop the ideas which have been presented in the pages of the party's weekly newspaper, *the next step*, for the past few years. It will be an unashamedly partisan publication, arguing for the RCP's perspectives. But it is not a closed book. We want to encourage the widest possible debate and the frankest clash of ideas, as the best way to clarify what is truly at stake today. Contrary to the popular image of Stalinist censorship and distortion, this, too, is a vital part of the Marxist tradition. We are particularly keen to hear your views, and your criticisms of the contents of *Living Marxism*—so write to us.

There is life after Thatcherism; and it starts here, in the struggle to clear away the rubbish of history that passes for modern thinking.

Write to *Living Marxism*. BCM JPLtd, London. WC1N 3XX

Karl Marx might have died in 1883, but we aren't the ones advocating a return to 'Victorian values'



Gorbachev's *glasnost*

# Revolutions don't come from above

**As the Western world goes overboard about *glasnost*, Frank Richards suggests that Marxists need a more level-headed assessment**

Since Mikhail Gorbachev became general secretary of the Communist Party of the Soviet Union in 1985 the Western media have not stopped talking about *glasnost*, the policy of liberalisation which has done wonders for Moscow's image.

At first, Western pundits treated Gorbachev with caution. Slowly but surely, however, they began to report that something big was afoot in the Soviet Union. They praised Gorbachev's apparently novel style of administration and gave his liberalising policies measured support. Right wingers like Ronald Reagan and Margaret Thatcher declared that Gorbachev was one Soviet leader they could do business with. By 1988 the leaders of the Western world were vying to be photographed with Gorbachev and his 'First Lady', Raisa. When Gorbachev had himself appointed state president in September, both Thatcher and Reagan sent telegrams congratulating him on implementing the sort of politburo purge that the West would have condemned under earlier Stalinist leaders.

The Gorbachev regime certainly has an aptitude for international diplomacy and public relations. For three years Gorbachev has won hands down in the battle to influence world opinion. His imaginative proposals on disarmament stand in sharp contrast to the militarism-as-usual pose struck by Western leaders. Gorbachev has seized the initiative at every stage of negotiations, and forced the West to react to his suggestions for halting the arms race. His diplomatic efforts have paid handsome dividends. Opinion polls in the USA as well as Europe reveal that he is an easy winner in the popularity stakes. All this has forced Nato chiefs on to the defensive.

## What 'Evil Empire'?

Gorbachev's efforts to placate Western critics on human rights issues and Afghanistan have elicited grudging praise. Even Washington has paid the Soviet administration a few compliments since the Moscow summit this summer. For the first time since the start of the Cold War, anti-Soviet propaganda has lost its edge. The bogey of the 'Evil Empire', the staple of US foreign policy speeches in the early eighties, is now an anachronism.

The popularity of Gorbachev's *glasnost* policy has become a source

of inspiration for the Western left. In the past, the Western media used the negative popular perception of the Soviet Union as a stick with which to beat the left. The capitalist class pointed to the Soviet Union as an advertisement against socialism and communism. For most of the European left the Soviet Union was an embarrassment best ignored. Today the situation is reversed. The left has jumped on the Gorbachev bandwagon, portraying *glasnost* as a positive example of the possibility for democratic renewal.

At a time when the left in Europe is full of pessimism about the prospects for change, *glasnost* has been a godsend. According to Tony Benn, Gorbachev's reforms will have the effect of strengthening 'the influence of socialist ideas everywhere'. Benn predicts that the 'next few years may see the Russians revolutionise their political structures, increase their productive efficiency, revitalise their culture, and spread their influence worldwide' (*Guardian*, 4 July 1988).

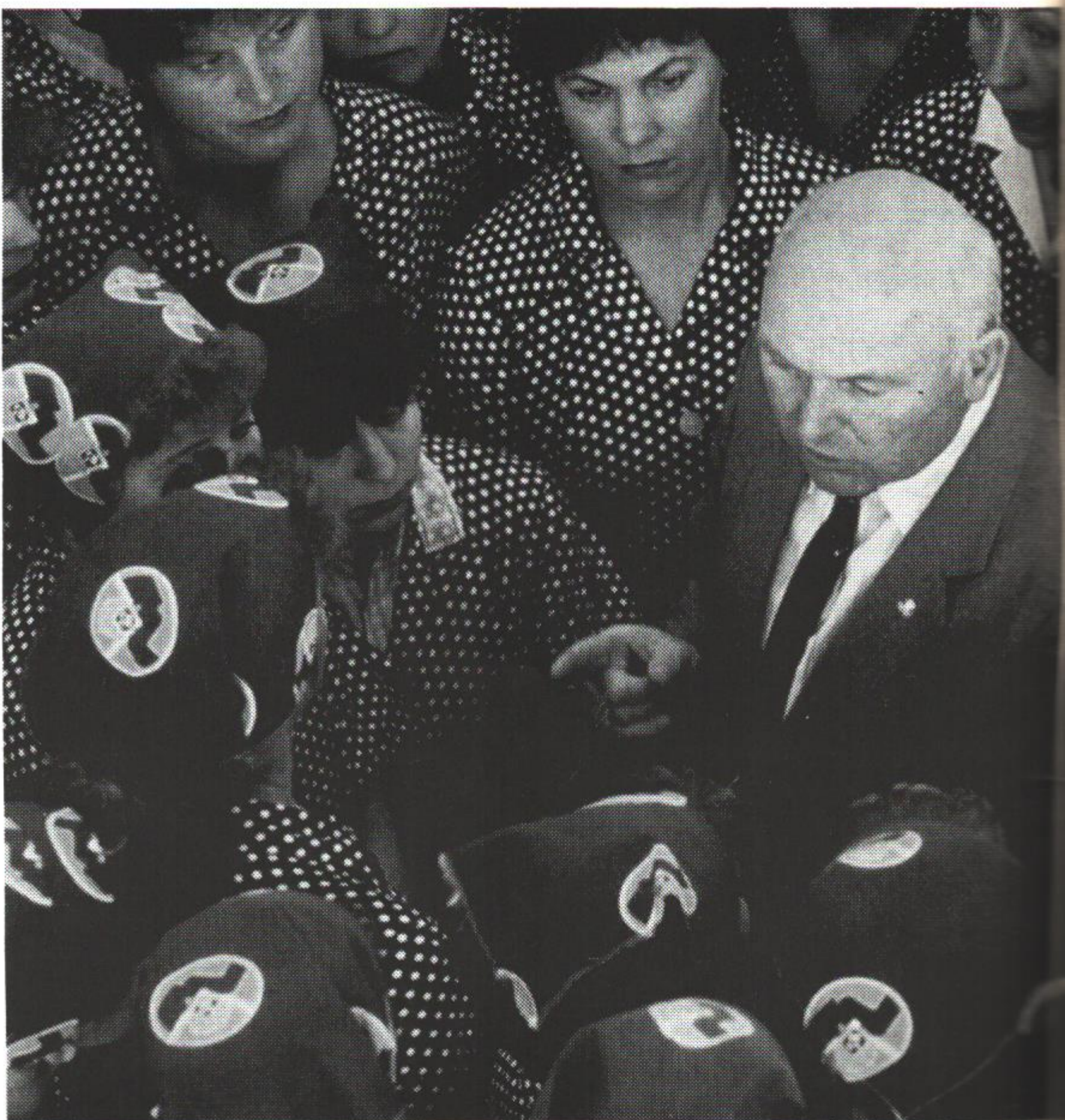
Benn's euphoria is widely shared by left-wing intellectuals. According to

the editorial in the 1988 *Socialist Register*, 'a veritable cultural revolution has been proceeding at a furious pace in the USSR'. The editors of the *Socialist Register* are convinced that these developments will benefit the Western left:

'Continued democratisation would nevertheless make the USSR a much more positive point of reference for socialists; and at the very least, it would deprive the forces of conservatism in the West of a major and effective weapon against the left.'

The changes taking place in the Soviet Union, and their impact on the international political climate, are, of course, important. But how durable are these changes, and how far do they go? Only when we have answered these questions can we say whether the Gorbachev reforms are a step forward for the working class. Before we assess the significance of Gorbachev for the left, we must first consider what *glasnost* is all about.

Gorbachev's accession to power reflected a consensus within the



**RIGHT:**  
Workers' democracy would swamp the Soviet bureaucracy

Soviet bureaucracy that change was long overdue. After the stagnation of the early eighties, the Soviet economy faced a major crisis. Abel Aganbegyan, Gorbachev's closest economic adviser, revealed a crisis more profound than anybody had imagined:

'There was, in fact, no growth per capita over the last five-year period....In 40 per cent of industrial sectors production actually declined and this included agriculture and transport.' (A Aganbegyan, 'New directions in Soviet economics', *New Left Review*, No 169, May/June 1988)

The bureaucracy was forced to respond as the economy slipped further out of control. *Perestroika*, or economic restructuring, became the dominant concern of the Soviet leadership. Plans to restructure the economy are nothing new. Since the late fifties every Soviet leader has experimented with the economy and initiated reform programmes. Since the fifties, too, it has been clear that the Soviet economy has no dynamic for distributing resources efficiently. As Nikita Khrushchev remarked in August 1958, economic growth has always taken place at the expense of efficiency and led to the waste of precious resources (quoted in F Füredi, *The Soviet Union Demystified*, 1986, p144). Through a variety of reforms and experiments, successive Soviet leaders have tried to transform the pattern of *extensive*

*growth* into *intensive growth* based on the efficient allocation of labour and a steady increase in productivity.

Gorbachev's *perestroika* departed from past policy only in its emphasis on the need for change. Where earlier leaders stressed the piecemeal character of their reform programmes, Gorbachev argued that nothing less than wholesale change would suffice. His insistence on thoroughgoing economic reform aroused little controversy within the ranks of the bureaucracy. By 1985, the gravity of the economic crisis predisposed even the most conservative Soviet bureaucrats to a radical reform strategy.

### So far, no good

The central problem Gorbachev faced was not new either; it is intrinsic to any attempt at reform in the Soviet context. Soviet society lacks a mechanism for regulating the relationship between different units of production. As a result, the division of labour in the economy lacks coherence and requires the intervention of the central administration to keep the system intact. Reforms in one enterprise or industry can boost production in that specific sector, but they cannot be applied to the system as a whole. Thus, reforms in a particular industry operate in an environment which remains unreformed. In the long run, reforms lose their effectiveness because any gains are neutralised by the absence of a mechanism for the

efficient distribution of labour-time over society as a whole.

By the middle of 1988 it was clear that *perestroika* had yielded no tangible gains. Gorbachev's reforms had come up against the barriers of the Soviet economic system. The technical solutions of economic experimentation proved ineffective in tackling what are in fact deep-rooted social problems.

After 30 years of economic experimentation only the most dogmatic Soviet bureaucrat could fail to conclude that the system is not susceptible to reform. The problem of increasing efficiency and productivity cannot be resolved through technocratic solutions. There are only two options available for developing the forces of production in the Soviet Union. Both require a complete transformation of Soviet society.

### Markets or Marxism?

The first solution open to Gorbachev would be the restoration of the market throughout society. Such a step would necessarily lead to the restoration of capitalism. Attempts to introduce elements of the market mechanism have been tried and have failed. The partial introduction of market mechanisms cannot work because market efficiency depends on the unhindered distribution of labour and capital. Without a free market in labour and capital, competition becomes an artificial device with little effect on production. At present the Soviet leadership is not prepared to countenance the introduction of the market because such a step would destroy the very foundation of its power.

The second solution to the problems of the Soviet economy is to establish a society based on conscious planning. For Marxists, planning is not a technical model of economic administration. As Lenin pointed out, planning presupposes a change in social relations. Planning requires a full flow of information at all levels of society. The communication of such information can take place only under a system of workers' democracy. A system of producers' democracy run by the working class is the precondition for the distribution of resources according to a consciously formulated plan. This is anathema to the Soviet bureaucracy. It usurped power from the working class after the October Revolution. It has no intention of relinquishing the position it won under Stalin.

Gorbachev is not prepared to restore the market or to introduce workers' democracy. Instead, since the failure of *perestroika* became apparent, he has given new emphasis to the political and cultural reforms of the *glasnost* policy. Why?

Gorbachev is distinguished from his

**After 30 years of failed experiments, who believes the system can be reformed?**



predecessors by the recognition that technical economic solutions are not the answer to the problems facing Soviet society. He understands the necessity for sweeping social change. His policy of *glasnost* is intended to engineer that change. Gorbachev explained this shift in policy to the Central Committee of the CPSU in January 1987:

'A house can only be put in order by someone who feels that he owns the place. Our *perestroika* is possible only through and with democracy. It is only this way that it becomes possible to give scope to socialism's most powerful creative force—free labour and free thought in a free country.' (Quoted in M Walker, 'What is to be done', *Marxism Today*, June 1988)

Gorbachev understands that economic reform is impossible without the support of the Soviet people. He grasps instinctively the close relationship between democratising society and developing the economy. But his position within the bureaucracy

prevents him from considering the option of workers' democracy. To resolve this dilemma, Gorbachev has sought a substitute for workers' democracy—controlled democratisation, or a revolution from above. This aspect of Gorbachev's reform programme has provoked opposition from sections of the bureaucracy. While there is full agreement on the need for *perestroika*, some rightly fear that *glasnost* could get out of hand.

Gorbachev and his co-thinkers have often argued that democratisation is vital to reforming the Soviet Union. But they have a strictly limited idea of what democratisation means.

The opening up of Soviet society is overdue. Over the decades, the dead weight of the bureaucracy has stultified intellectual and cultural life. The media went to great lengths to minimise and manipulate the flow of information, the bureaucracy frowned upon experimentation. Such a censorious environment could not fail to create an atmosphere of profound social malaise.

### Soviet petty apartheid

Even from the Kremlin's point of view, many of the restrictions imposed on intellectual and cultural life made little sense: the maintenance of bureaucratic power did not depend on them. In fact such restrictions had something in common with peripheral features of life under the apartheid regime in South Africa. They acted as an irritant and fuelled hatred of the bureaucracy. It made sense for Gorbachev to move towards opening up society by abolishing the Soviet equivalent of petty apartheid. A relaxation of censorship in the intellectual and cultural spheres was a painless way of introducing *glasnost*. Without giving too much away, the bureaucracy transformed the climate of debate and won enthusiastic backing from the intelligentsia.

Other traditional restrictions are not only inessential for the preservation of bureaucratic power, but are positively harmful for the maintenance of the system. For example, Gorbachev appreciates the dangers involved in suppressing information. Without a flow of information and open channels of communication it is impossible to organise a modern economy. If the

central administrative agencies are ignorant of what is going on in society, their capacity to exercise control is limited. Opening up new channels of communication and allowing the expression of grassroots opinion are vitally important for the bureaucracy.

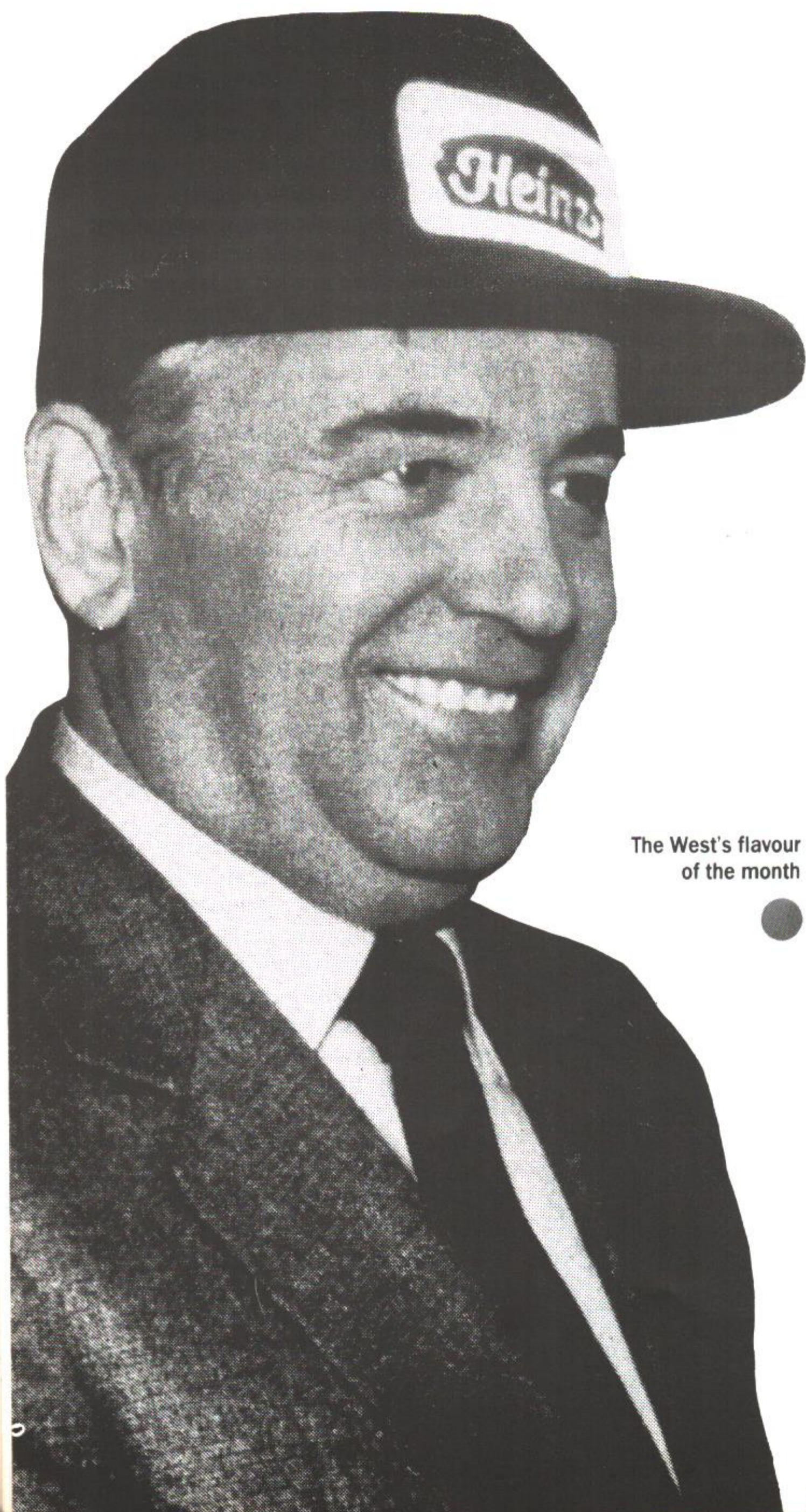
### Streamlined system

The opening up of the media and the political reforms announced at the special party congress this summer are intended to give the bureaucracy greater access to information, and allow it to gauge public opinion. By giving a greater airing to popular aspirations, Gorbachev hopes that a reformed media could act as a substitute for organs of genuine popular participation.

Such innovations may well give the Gorbachev regime a degree of legitimacy which previous administrations have sorely lacked. The relaxation of censorship means that it is now possible to say in public what could once only be whispered in private. For the first time the Soviet people are seeing things on television which correspond to their experience. In these circumstances Gorbachev's promises of reform have a certain credibility.

Winning popular backing for reform is one objective of *glasnost*. Its second function is to put the bureaucracy under pressure so that it can be streamlined and made more effective. In the three decades before Gorbachev came to power, the bureaucracy became extremely rigid and conservative. During the Brezhnev era in particular, the bureaucracy was interested only in empire-building and consolidating its privileges. Local party leaders in the republics and the economic ministries established private fiefdoms. The central bureaucracy had little control over all this, adopting a live-and-let-live attitude.

Bureaucratic conservatism is now a major problem for the Soviet leadership. The bureaucracy has lost its capacity for adaptation and flexibility. This inertia blocks innovation and development, threatens the coherence of the ruling bureaucracy and strengthens the tendency towards economic fragmentation.



The West's flavour of the month





**For the Western left, supporting *glasnost* has become a safe option that will offend nobody**

*Glasnost* is designed to shake up the senile men who run the Soviet show and allow some new blood to assume positions of responsibility. The political reforms agreed this summer, such as the new elections, will put individual administrators under public pressure. Greater freedom of discussion will lead to more exposés of high-level bungling and corruption. It is hardly surprising that those who stand to lose their status and privileges are out to undermine *glasnost*.

So far, Gorbachev's failure to tackle the problem of the economy has not undermined his authority. His success in the international arena and the hopes kindled at home by *glasnost* have helped to cover his back for the time being. But there are limits to how far Gorbachev can go with *glasnost*. Any revolution from above always risks unleashing forces which could get out of control.

Gorbachev is personally committed to some liberalisation. But there comes a point when people are no longer satisfied with simply being allowed to state an opinion. The mass demonstrations in Armenia and Estonia are a chilling reminder for the bureaucracy of the risks involved in relaxing its iron grip. Yet it is simply not possible to carry on in the same old way. The process of liberalisation started by Gorbachev is vital to prune the bureaucracy and create channels of communication. Even if the conservatives were to prevail over Gorbachev, the Soviet Union could not go back to the *status quo ante*. The question at issue is how far *glasnost* can go without undermining the power of the bureaucracy.

### **Gorbachev goes West**

Ultimately, the success of Gorbachev's political reforms hinges on what happens to the economy. And since the scope for economic reform is limited by the nature of the Soviet system, progress in this sphere depends on developments in international relations. Gorbachev's diplomatic dealings are the key to the future of his regime. He needs to ease East-West tensions and eliminate the arms race, which is a substantial drain on Soviet resources. If the bureaucracy could redirect resources devoted to defence to other sectors, it could boost the economy. Gorbachev's decision to withdraw from Afghanistan proves that he is prepared to make major concessions to achieve victory on the diplomatic front. Over the next year he is likely to step up diplomatic initiatives in a bid to ease the pressure for military spending.

Improving economic cooperation with the West is another goal of Gorbachev's international policy, especially in terms of gaining access to foreign technology. The application of advanced foreign technology in key sectors of industry could help to alleviate the effects of economic

stagnation, at least in the short run. Foreign technology could raise productivity and increase the availability of consumer goods. The impact of foreign technology on the economy would give the Soviet bureaucracy the breathing-space it desperately needs.

It is not possible to predict the future pattern of East-West relations. Nevertheless, Gorbachev is in a strong position to reap the rewards of his skilful diplomacy. The West is more divided and the Soviet Union less isolated than at any time since 1945. It would be ironic if Western capitalism provided Gorbachev with the means to consolidate his revolution from above.

### **A Stalinist sham**

It is singularly inappropriate to use the terms 'cultural revolution' or 'socialist renewal' to describe the process inaugurated by *glasnost*. As Marxists we welcome the lifting of restrictions on cultural and intellectual life in the Soviet Union. The freer flow of information and the greater scope for critical expression are positive developments, regardless of the motives which inspired them.

However, it is clear that the political reforms, including the changes in the electoral system announced by Gorbachev at the nineteenth party conference, are a sham. The proposal to elect a president and a congress of 2200 deputies is a mechanism for perpetuating the rule of the Soviet bureaucracy.

There is an unfortunate tendency on the European left to confuse liberalisation with democratisation. The Soviet Union is no more or no less democratic today than it was under Leonid Brezhnev. In many ways the openness encouraged by Gorbachev is a continuation of the Stalinist tradition. His regime has allowed public criticism of Stalin's crimes and other 'errors' from the past. But this is not a new phenomenon. Khrushchev's secret speech denouncing Stalin at the twentieth party congress in 1956 was a more significant break with the past than anything that Gorbachev has said or done. A period of liberalisation followed Khrushchev's speech; and many observers on the Western left believed that socialist renewal would follow then, too.

### **Blaming Brezhnev**

Gorbachev's response to criticism is very much in the Stalinist mould. It has become fashionable these days to upbraid past leaders. Brezhnev, in particular, has been singled out for special treatment. Everybody blames the ills of the Soviet Union on the mistakes made in the Brezhnev era. By giving free rein to such criticism, Gorbachev has created a scapegoat for his own failings. Gorbachev excuses his own tardiness in addressing the problems of economic

life by protesting that he needs time to clear up the mess he inherited from Brezhnev. Not surprisingly, none of the sordid accounts of the Brezhnev era now circulating in the Soviet media can explain why Gorbachev and his colleagues kept their criticisms to themselves at the time.

The left's enthusiasm for *glasnost* is not just a misinterpretation of reality. It expresses a profound contempt for the working class as a force for progress. Gorbachev's revolution from above fits in with the European left's own belief in social engineering. The left is convinced of the efficacy of relying on state institutions, such as local government in Britain, to bring about reform. According to this perspective, it is the job of politicians to lead the battle, and it falls to the working class to play the spectator and provide the applause.

The idea that change could come from above is antithetical to the Marxist tradition. No matter how highly they are motivated, individuals can never be a substitute for the working class. Any attempt at change from above always ends up reinforcing the status quo. Real change can only come through class struggle. In the thirties the left's approval for bureaucratic organisation led it to praise Stalin's industrialisation programme. Even moderate technocrats such as the British Fabians Sidney and Beatrice Webb, whose contempt for the working class oozed from every page of their writings, were captivated by Stalin's social engineering. Fifty years later, the left's euphoria over *glasnost* shows that it has learned nothing.

### **The respectable revolution**

Gorbachev's triumphs in the public relations field have helped to shape the left's attitude towards *glasnost*. By adopting a flexible approach to international relations, Gorbachev has managed to silence the traditional allegations of totalitarianism. Even the most incorrigible Soviet-baiters have had to concede that Gorbachev has taken a softer line on human rights. The release of political dissidents and a greater toleration of dissent have deprived the right of ammunition in its campaign against human rights violations. The Soviet regime's new-found respectability in the Western media has transformed what was once a source of embarrassment into a positive asset for the left. Even the moderate leaders of the Labour Party such as Neil Kinnock and Bryan Gould are anxious to associate themselves with Gorbachev. They have self-consciously compared their own 'Labour Listens' campaign to *glasnost*.

Supporting *glasnost* has become a safe option which will not offend anybody. By plumping for it, the Western left reveals its subservience to bourgeois public opinion. In Britain, the left has justified the abandonment

of many of its former principles by accepting the right's insistence that they were not realistic. Now the left has seized on *glasnost*, calculating that finally it has a model which even the British media can enthuse about.

The left's support for *glasnost* has more to do with developments in the West than in the Soviet Union. At a time when the left faces an ideological crisis and lacks any credible perspective, *glasnost* appears to be one model with international authority behind it. Enthusing about *glasnost* has become an excuse for evading the problems confronting the left in Europe. Previous generations of left wingers sought to establish an alternative by identifying with Stalinism in the thirties, with Castroism or the Chinese cultural revolution in the sixties. Today *glasnost* performs the same role. The difference is that, while the Western ruling class opposed Stalin, Castro and Mao, it fully endorses Gorbachev's experiment. *Glasnost* thus provides a point of convergence between left and right in the West.



Soviet shoppers: *glasnost* lets them complain, but they still have to queue

It is worth considering whether recent developments in the Soviet Union make it easier for Western Marxists to argue their point of view. Many claim that Gorbachev has deprived the right of an important propaganda weapon, and made it more difficult to discredit the left by linking it to the Soviet Union.

This argument has been forcefully put by Ernest Mandel, a leading figure in the rump of the Fourth International. According to Mandel, Gorbachev's policies correspond to an 'advanced phase' of destalinisation. He argues that this process 'represents a major new historical victory' for the Trotskyist movement. Mandel presents the Kremlin's official rehabilitation of Bolshevik victims of Stalin's purges and the denunciation of many policies associated with

Stalin as a vindication of Trotsky's critique of the bureaucracy. Mandel goes further in suggesting that Gorbachev's impact on international public opinion has improved the situation for Marxists in the West:

'Because of this, the political climate has begun to change in a whole series of countries, in a way that can only benefit the whole workers' movement, including its revolutionary wing.' (E Mandel, 'The aims and contradictions of Gorbachev's foreign policy', *International Viewpoint*, No 145, 11 July 1988, p20)

Mandel is right to suggest that Gorbachev's innovations have helped to neutralise anti-Soviet propaganda. It is hard for the West to sustain the myth of the Evil Empire today, and Cold War ideology has lost its edge. Communists are less likely to face a barrage of propaganda denouncing them as totalitarians.

In one sense, however, *glasnost* has discredited communism even further. The West is so enamoured of Gorbachev because he has conceded all the arguments. The capitalist world can now point out that Soviet leaders themselves admit that communism does not work. Imperialism's apologists have only to repeat the tributes paid by Soviet technocrats to the market to bolster their claim that capitalism is far preferable to communism. The Western media have paraded Gorbachev's admission of past errors over human rights as proof that they were right all along in denouncing communism as anti-democratic. Western politicians have used Gorbachev's political reforms to portray bourgeois democracy as the ideal form of social organisation.

Gorbachev enjoys such popularity in Western political circles because he has taken on board key elements of capitalist ideology. Once treated as a pariah, the Soviet Union is now feted for its eagerness to follow Western conventions. These days Western communists are less likely to be told to 'get back to Russia', than to be chastised for believing in something that is no longer upheld even in the Soviet Union.

### Applauding a funeral

*Glasnost* does not make it easier or harder to fight for Marxism. It has simply provided a new focus for discrediting Marxism. It is ironic that left wingers should accept the term 'socialist renewal' to describe a process which comes closer to a celebration of socialism's funeral.

Mandel appreciates that much of the Gorbachev experiment is motivated by bureaucratic considerations. Nevertheless, he argues that it would be wrong to dismiss Gorbachev's policies out of hand: 'Condemning everything that is taking place in the USSR as "rightist" or even counter-revolutionary is

indefensible.' Mandel advises the left to support Gorbachev's progressive policies and to criticise his negative initiatives. Thus he argues that Gorbachev's rehabilitation of the victims of the Moscow Trials ought to be applauded, while his betrayal of Nicaragua ought to be condemned: 'The only valid judgement, then, is a nuanced one, case by case, problem by problem.'

Mandel's distinction between the good and the bad elements of Gorbachev's policies is dubious. While we welcome the relaxation of censorship and the lifting of restrictions on political life, we should point out that *glasnost* is an attempt to streamline the methods of bureaucratic domination. If *glasnost* opens up opportunities for political discussion, all to the good. But to endow *glasnost* with any progressive impulse would be to misunderstand what Gorbachev is all about.

Neither the Soviet bureaucracy nor its individual representatives, Gorbachev included, is capable of reforming Soviet society. Like PW Botha's attempt to rid South Africa of petty apartheid, *glasnost* is intended to modify the way in which society's current rulers exercise their domination. Nobody on the left would oppose the relaxation of racist laws in South Africa, but they would not accept this as a good enough reason to give support to Botha's reform programme.

### Workers will decide

We should even be wary of supporting such measures as the rehabilitation of Stalin's victims. Why should we grant the bureaucracy the right to rehabilitate its enemies? If Lenin's Bolsheviks could speak to us today, they would surely scoff at the idea that their reputations depended on the say-so of Stalin's successors in the bureaucracy. By calling on Gorbachev to rehabilitate Trotsky, the left endows the Soviet regime with moral authority. Gorbachev has inherited the mantle of grave-digger of the Russian Revolution. He has no role to play in reviving the revolutionary movement. The working class alone can decide how posterity will view the Bolshevik opponents of Stalin.

Gorbachev's groupies in the West will scorn those Marxists who refuse to join in their hero-worship. We can live with that. We were right in the thirties when the European left was convinced that Stalin had all the answers. We were right in the sixties when Mao was the left's man of the moment. We are right in the eighties when Gorbachev is installed as the left's new icon. From the thirties through the sixties to the eighties, no revolution ever came from above. Let those who want to feed off *glasnost* continue their feast. Marxism will thrive on the struggle for an independent working class movement.

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Tory myths and 'economic miracles'

# Lawson's luck is running out

**Tony Kennedy explains why Britain is in a weak position to withstand the coming recession**

Is the British economy booming or going bust? This is fast becoming the subject of a major controversy. Chancellor Nigel Lawson insists that economic performance is stronger than ever before. Some newspapers agree that Britain is close to an economic miracle. Elsewhere, however, the euphoria which greeted Lawson's last budget has given way to a distinctly downbeat mood, with much murmuring about an impending recession.

The Tories are certainly having problems sustaining the idea that the British economy is ready to take off. Each new set of statistics reveals record-breaking trade deficits, rapid monetary growth, spiralling high-street spending and rising inflation. The rumours in the City are now about the economy spinning out of control. Specialist forecasters are busy working out 'worst case scenarios' and contingency plans for dealing with a crisis.

Yet the conviction remains that Thatcherite policies have halted the decline in Britain's international status. Even commentators who predict the return of recession still maintain that the economy is in better shape than its foreign competitors. There is a widespread feeling that the Tory government has done a competent job running the shop. Recent polls indicate that while plenty of people expect things to get worse, they still have more faith in the government's economic policies than in those offered by the Labour Party or the fragmented Alliance.

## The persuaders

The general support which the Tories enjoy for their economic policies is evidence of their success in convincing the electorate that there is no alternative. The Tories have persuaded millions that their policies are the only ones which will work, and that British capitalism has already been rebuilt on sturdy foundations. This confidence in the economy explains the dominant political position enjoyed by the Tory government. But even Thatcher, Saatchi & Saatchi and the *Sun* could not sustain economic confidence in conditions of recession. How long this confidence will last depends on whether or not the Tories have indeed transformed British capitalism on a durable basis. We need to assess the true success of



Tory economic policies, and their political consequences.

Whether Marxists like it or not, the image of rugged Tory entrepreneurialism rescuing Britain from economic obscurity has had a profound impact on politics. The assumption that Thatcher is a winner is now the accepted starting point for much debate. With an arrogance built on a third election success and economic growth, Tory spokesmen celebrate the Thatcherite 'revolution' while right-wing media hacks give a gleeful two-fingers to Labour and proclaim that 'we're all capitalists now'.

The government's opponents often moan about 'uncaring' Tory Britain. But on every economic issue—privatisation, taxation, welfare provision, work practices and wages—the opposition has conceded ground to the Tory approach. Under the banner of New Realism, Neil Kinnock has sought to drop Keynesian state intervention as the guiding principle of Labour's economic programme, replacing it with a dose of Tory free marketeering. Kinnock's policy review, launched after the third election defeat, aims to accelerate this process.

By selling their economic analysis to the official opposition, the Tories

have achieved much more than simply reshaping Labour's policy commitments. Their success has had a broader impact on British society, ensuring that conservative assumptions have acquired influence. Many working class people who are hostile to Thatcher can see no hope of defeating the government. Despair has led to a lowering of expectations. The recent spate of industrial disputes—involving carworkers, teachers, nurses, seafarers and postworkers—reflects a widespread will to oppose the employers and government. Yet in most instances, despite this healthy spirit of defiance, workers have accepted that they cannot achieve substantial gains. Instead, their ambition is restricted to limiting the damage done by management and ministerial provocations.

## An unearned reputation

Do the Tories deserve their reputation for single-mindedness and resolute consistency in pursuit of their economic objectives? A closer look at the record suggests that they do not, and that pliant critics with short memories are largely responsible for maintaining the powerful image of Thatcherite economics.

A book published last year by an

ABOVE:  
Britain's saviour—or the  
sick man of Europe?

economics correspondent for the *Times* describes Thatcherism as monetarism turned pragmatic monetarism, turned pragmatism (D Smith, *The Rise and Fall of Monetarism*, 1987). Until quite recently, this summed up the bourgeois assessment of Tory policy—as a mixture of opportunism and broken promises. The transformation in the reputation of chancellor Lawson, from a failure into the architect of a capitalist revolution, illustrates how the perception of Tory policy changed in a matter of months.

'Lawson's speech to City dignitaries at the Mansion House last October, intended to restore his authority, was an outright flop, and his personal prestige sank to its lowest ebb....

'From time to time—particularly during last autumn's sterling crisis—he has looked like a chancellor without a strategy, lurching from one unplanned interest rate hike to the next, having casually abandoned the tight ship inherited from Howe.' (C Smallwood and I Fallon, *Sunday Times*, 15 March 1987)

Two days after this piece was published, Lawson delivered what is now known as his election-winning budget. At the time, however, he was desperately trying to recover some credibility after a bruising sterling crisis in autumn 1986. Dubbed 'Lucky Lawson' by the media (reflecting a conviction that the economy was growing despite the chancellor, not because of him), he had already been embarrassed by sterling crises in the summer of 1984 and in early 1985. During the latter, when the pound barely stayed above one dollar, Thatcher stated on television that monetarism was not 'a doctrine to which I've subscribed' (Smith, p122). The pragmatism of Tory policy was officially confirmed.

Sterling crises had damaging consequences for Lawson's repeated promises of budget reform—particularly his commitment to overhaul the tax system. The annual budget looked more like half-cocked measures to contain the mess made elsewhere than the application of a strategy. In November 1986 Lawson conceded a £7.5 billion increase in public spending, and confirmed the impression that he was being pushed around by big-spending departmental ministers inside the cabinet.

Yet by the March 1988 budget, Lucky Lawson was being hailed as a miracle-man. Christopher Smallwood of the *Sunday Times*, who a year earlier had branded Lawson a lurching flop, was one of many columnists who now queued up to join the chancellor's fan club:

'Lawson's claim to a place in history rests far more securely on the success of his management of the economy. The evidence that he has presided over a transformation in Britain's economic performance is now overwhelming.' (20 March)

In the same newspaper, Brian Reading had kicked off the New Year predicting a world recession. But, he added, 'we can sit this one out'. Often a fierce critic of Lawson's management record, Reading now boasted about Britain's 'new-found freedom from external constraints on growth'—meaning that Britain could comfortably manage its trade deficit and still grow.

The sudden discovery that British capitalism has mastered 'external constraints' on growth implies that the Tories have solved a problem which has dogged British capitalism for 40 years. Conventional wisdom presents Britain's post-war decline as a 'stop-go' cycle. According to this explanation, successive government attempts to expand the economy, by stimulating demand, were self-defeating. These policies encouraged more imports, inflated export prices, and led to balance of payments crises and pressure on sterling. To solve the trade imbalance, governments were then forced to take the 'stop' option of cracking down on the economy. This unstable stop-go growth pattern caused Britain to lose ground to competitors. The stop-go scenario became the most common explanation of Britain's fall from great-power status after the Second World War.

### Vive la revolution?

To say that Thatcherism has liberated British capitalism from this constraint suggests an economic transformation of a most profound kind. The *Economist*, weekly house journal of the capitalist class, was certainly convinced that history was in the making in its assessment of Lawson's attempt to cut taxes and balance the budget this year:

'These two changes are more, much more, than the tinkering that every British chancellor feels obliged to offer on budget day. They are the essence of a philosophy that has captured the imagination of the world in the last 10 years. Until Margaret Thatcher became prime minister in 1979, Thatcherism was just a theory, almost as far removed from its time as Marxism was when the bearded man was scribbling away in the British Museum. Between 1979 and this Tuesday, Thatcherism was a hope bumping into reality. People got hurt, ideas were modified, but the dream lived on; Russia, 1917-23. Only now have the philosophical

aspirations of Thatcherism taken concrete form; a government repaying its debts, and taxes no higher than 40 per cent.' (19 March 1988)

Having placed the Lawson budget on a par with the Bolshevik Revolution, the *Economist* proceeded to tell 'Britain's rulers' that their 'last excuse has gone', and that Britain should now grow faster than any other major economy for years to come. Respected City forecasters speculated about Britain catching up with the mighty West Germans over the next decade (Goldman Sachs, *The UK Economics Analyst*, March 1988). It was all a far cry from the doom and gloom of a year earlier.

Talk of a capitalist miracle under the Tories is thus a very recent phenomenon. What factors gave rise to it?

### Britain's Big Bang

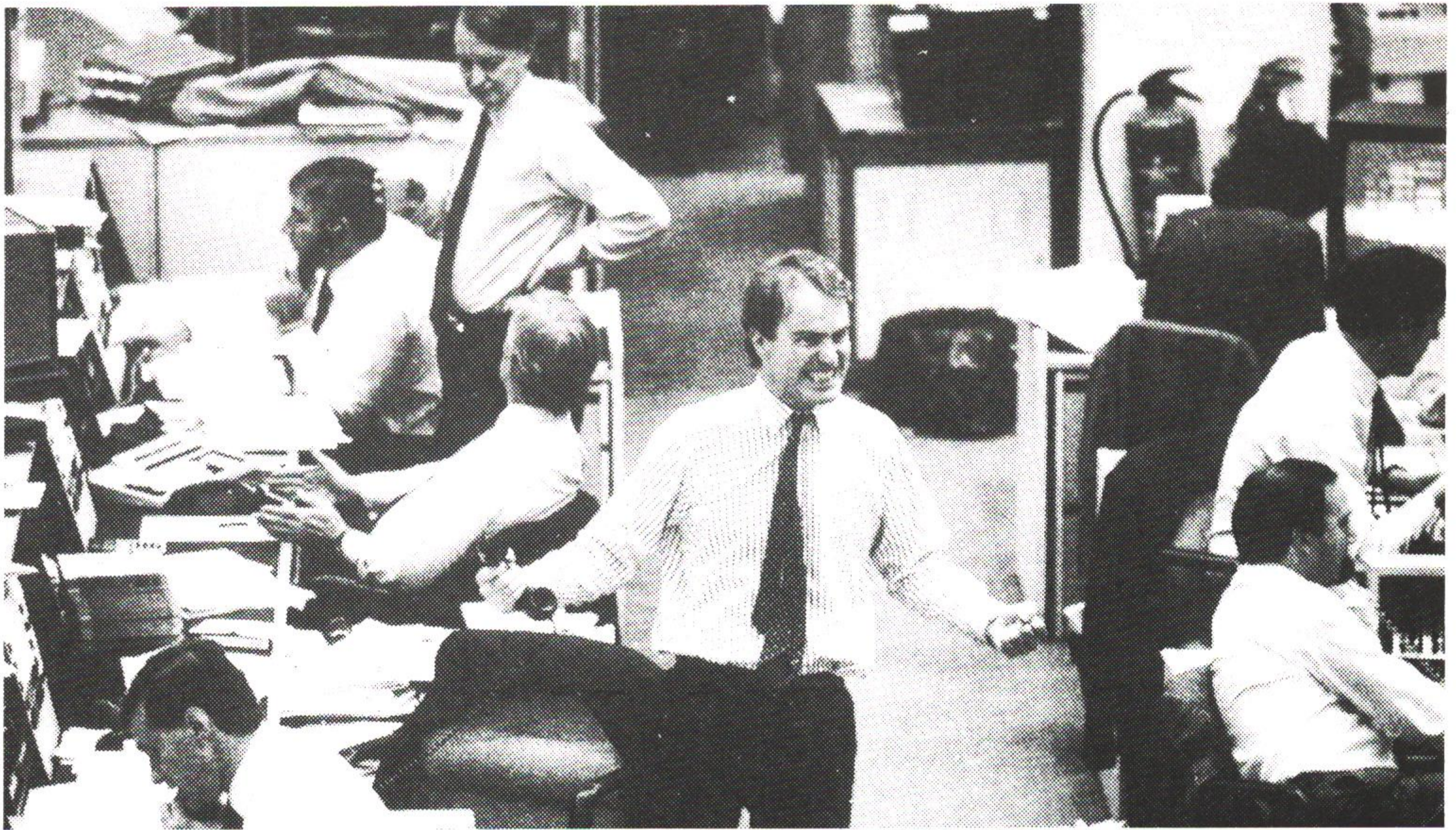
The big development in international capitalism over recent years has been a huge expansion in the creation and movement of money around the world. This is partly the outcome of attempts by leading capitalist powers to contain the destabilising effects of the American budget and trade deficits. In addition, the worldwide lifting of restrictions on financial markets has made it much easier for the private sector to extend credit and experiment with new kinds of capital financing.

The British economy, and more especially the financial sector, has been a major beneficiary. Big foreign banking conglomerates have made London a prime site for their operations in the international money and bond markets. With stock market deregulation in the October 1986 Big Bang, large banking institutions went on a buying spree for share brokerage firms. While share prices were rising, companies generally favoured new share issues as a means of raising capital. Innovative forms of financial assets have meant a boom in the business of asset management, marketing and consultancy. The financial boom has also had a knock-on effect in other sectors—most clearly the construction industry as a result of new office, housing and infrastructural needs.

The financial sector has been the key to the British economy's growth. Yet this alone could not explain why many people have accepted Tory claims of an economic renewal as the truth. After all, public antipathy towards the corrupt and snobbish City is probably stronger than ever, and few people are likely to feel good just because a handful of yuppies have made a killing in the markets. But the massive expansion of credit sponsored by the financial sector has

**'Monetarism  
is not a  
doctrine to  
which I've  
subscribed'**

**—the pragmatic  
Margaret Thatcher,  
1985**



ABOVE:  
The boys in the City have  
been a credit to  
Thatcherism

had important spin-offs outside the City.

The credit-based boom of the mid-eighties has had a far-reaching impact on people's perceptions, because it has touched many private economic affairs. In the search for profitable business, banks and other financial institutions have handed out billions in personal loans and mortgages. The rate of new lending to consumers is now nearly four times what it was at the start of the eighties. The rise in mortgage loans has been just as startling. Table 1 shows that by 1986 new mortgage loans were up nearly four times on 1980. In the first three months of 1988, the rate was more than five times the 1980 mark.

## Table 1

### New mortgage loans by building societies (£ billion)

| 1980 | 1981 | 1982 | 1983 | 1984 | 1985 | 1986 | 1987 | 1988              |
|------|------|------|------|------|------|------|------|-------------------|
| 10.2 | 11.9 | 16.9 | 19.4 | 24.6 | 27.8 | 37.8 | 36.8 | 13.6 <sup>1</sup> |

<sup>1</sup>January-March  
OECD Economic Surveys, *United Kingdom*, 1988, p100

'The credit-card culture', 'the home-owning, share-owning democracy'; this is the new language invented by politicians and journalists to describe recent changes in personal economic experience. In the Tory worldview the average Brit is now ensconced in a new semi, guarding a heap of Access-acquired consumer durables and electronic gadgets, and prefers the local Neighbourhood Watch bash to a trade union meeting. It all adds up to an important ideological victory for the capitalist class. But the foundations of the 'new prosperity'

are as flimsy as the plastic cards on which it is largely based.

The assumption that Britain's economic growth is durable flies in the face of all the evidence. Nobody believes that Britain can comfortably run a current account trade deficit soaring above the £15 billion mark. Every establishment commentator now agrees that the solution to the trade crisis is to cut wage rises and rein back consumer credit. It is only a matter of time before credit loses its stimulating effect and results in bankruptcies and rising inflation, leaving millions with big debts to repay at high interest rates and many mortgage defaulters facing eviction.

As more economic commentators start sobering up to the unflattering facts behind the 'economic miracle', Lawson's reputation has taken another turn for the worse. After barely a year's grace, Lawson finds his fair-weather friends turning on him. Government policy is being compared with the notorious 'dash for growth' credit hike by Tory chancellor Anthony Barber in the early seventies. The familiar economic formulas—sterling crises, runaway inflation and government policy ignoring external constraints—have replaced the hype about 'popular capitalism' in the financial press.

These vacillations reveal that temporary factors lie behind the recent applause for the Tories' management record. To turn Lawson's words against him, the boom has been a 'blip'. Yet the conviction that British capitalism has made a quantum leap in international competitiveness still survives. The most enduring claims are that the

British economy is now set on a higher long-run growth path than its major competitors, and that the awful productivity record of the seventies has been transformed.

## Table 2

### Average annual growth rates for the seven major capitalist powers (gross domestic product 1980 prices)

|         | 1968-73 | 1973-79 | 1979-87 |
|---------|---------|---------|---------|
| UK      | 3.2     | 1.4     | 1.9     |
| USA     | 3.0     | 2.6     | 2.3     |
| Japan   | 8.4     | 3.6     | 3.9     |
| Germany | 4.9     | 2.3     | 1.5     |
| France  | 6.2     | 2.8     | 1.7     |
| Italy   | 4.6     | 2.6     | 2.3     |
| Canada  | 5.4     | 4.2     | 2.8     |

OECD, 1988, p50

The data in Table 2 provide few grounds for arguing that there has been a qualitative improvement in Britain's international standing. While Britain and Japan are the only major economies where the average growth rate has improved in the eighties, the British rate is still below all except France and Germany. If we ignore the recession years 1979-81, the average growth rate for 1982-87 rises to three per cent, taking Britain near to the top of the table. Yet this is still below the growth rate of the sixties—a period when the perception of British decline became a focus of agonised debate in ruling circles.

Table 2 says more about the crisis

tendencies affecting capitalism worldwide than about any revived dynamic within the British economy. Britain's record looks reasonable because everybody has done badly. Even so, Tory spokesmen maintain that Britain is set to out-perform its major rivals for many years to come. They claim that recent improvements in labour productivity give Britain a vitality which its rivals lack.

## Table 3

**Average annual productivity performance of the seven major capitalist powers (per cent)**

|                | 1968-73 | 1973-79 | 1979-87 |
|----------------|---------|---------|---------|
| <b>UK</b>      | 3.0     | 1.2     | 2.1     |
| <b>USA</b>     | 0.7     | 0.0     | 0.6     |
| <b>Japan</b>   | 7.3     | 2.9     | 2.9     |
| <b>Germany</b> | 4.1     | 2.9     | 1.5     |
| <b>France</b>  | 5.0     | 2.5     | 1.8     |
| <b>Italy</b>   | 4.6     | 1.8     | 1.7     |
| <b>Canada</b>  | 2.4     | 1.3     | 1.0     |

OECD, 1988, p50

Table 3 does show an improvement in the growth of labour productivity in Britain compared to other countries. But growth remains modest relative to Britain's own performance up to the early seventies. And Britain still has a very long way to go before reaching the productivity levels of its rivals.

The bottom line is this: can Britain sustain a productivity growth rate above that of its main rivals, and catch them up in absolute terms? If the answer were 'yes', it would go a long way towards proving the Tory claims.

Several factors show that the answer is 'no'. The positive interpretation assumes that other countries will suffer a permanent slowdown in productivity growth. This is an unrealistic assumption. Britain's rivals will inevitably be forced to adopt policies to improve their performance in response to the coming crisis. More importantly, however, there is plenty of evidence to suggest that Britain's recent productivity record is not all it seems—and that a slowdown is on the cards.

### Cheap capital

For capitalism, raising productivity is crucial in two senses. First, higher productivity in consumer goods industries reduces the total amount of labour-time needed to produce the goods consumed by the working class. This effectively cheapens the cost of labour-power for the capitalist class as a whole. As a result, more of the total labour of the working class can be appropriated as surplus-value, increasing the mass of profits.

Second, rising productivity also cheapens the cost of producing machines and raw material goods. Because these elements of what Marx called constant capital do not produce surplus-value, rising investment in these goods exerts downward pressure on the rate of profit. Lower production costs help to maintain the rate of profit.

Official productivity statistics distort this process, because they make no distinction between the employment of *productive* and *unproductive* types of labour. Productive labour creates value and surplus-value. By raising the efficiency of productive labour, the capitalist class is able to extract more labour-time as surplus-value. Unproductive labour, on the other hand, is employed by the capitalist class for a variety of economic, social and political reasons. But it produces no surplus-value. In fact, for the capitalist system as a whole, it is a burden on profits.

### Paper-pushing

The British economy provides a striking example of how the overall labour productivity performance is distorted by the lack of any distinction between these two types of labour.

According to the latest OECD report on the British economy, the 'finance, insurance, real estate and business service' sector accounted for half the overall productivity gain from 1979-83, and nearly half from 1984-86. Yet none of the workers employed in these sectors can be considered productive labourers. They are engaged in moving pieces of paper (or computer data) which represent a legal claim on existing capital values; in buying and selling existing housing stock; in providing insurance policies on existing capital values; and in giving advice about where to invest capital. None of this adds a penny to the true value of these assets. As a result it does nothing to cut the costs of labour-power or to cheapen the elements of constant capital.

High 'productivity' in Britain's financially-oriented activities simply shows that the credit boom has focused on trading in paper assets. Stock market speculation, financed by credit, has led to rapid, but temporary, inflation in the prices of these assets. Bourgeois economists imagine that they are witnessing a growth in the productive powers of labour in the financial sector. According to official figures for value added in each sector, British workers in finance are producing twice as much as those in manufacturing. In reality these workers are not adding any value as a result of their labour.

The enormous impact that the City has had on UK productivity in the eighties confirms that British capitalism has been one of the prime beneficiaries of the boom in the

global financial sector. Yet profits from these activities are ultimately drained from the productive sector of the world economy. Productive capitals pay interest on borrowing from banks. Productive capitals pay premiums on insurance policies. And productive capitals pay the dividends due on shares. Those who boast of Britain's productivity performance are misrepresenting a long-term weakness of British capitalism—its parasitic reliance on getting a slice of profits generated elsewhere—as a revival of its own productive power.

The longer-term problem for Britain is that, as a source of profits, this kind of business depends on the health of the world economy. The October 1987 Crash exposed what happens when the financial sector races ahead of the profit potential of the world economy—supposedly valuable assets become worthless overnight. With the fall in the City's volume of trade since October, most brokerage firms are now making a loss and laying off staff. This has nothing to do with declining labour productivity in the City. Lower share prices and less trade mean that not enough of the productive sector's surplus-value reaches the stock market to make it worthwhile employing thousands of unproductive workers. With a recession due in the world economy, prospects for the UK financial system look bleak.

### Forward to 1979!

There have been some productivity improvements elsewhere in the British economy. In manufacturing, productivity has risen by more than six per cent a year since 1986 and, overall, is more than 40 per cent above its 1980 level. Yet it is doubtful whether this can be maintained.

Most of the improvement in output per head has been due to the transformation in work practices rather than the re-equipping of British factories with better technology. Redundancies, speed-ups, the breakdown of old demarcation lines and the imposition of flexible work rostering have been the most important factors in improving labour productivity. But there is a limit to how long this can continue. Rising productivity ultimately depends on radical alterations in the technological base of production.

There is little reason to believe that British manufacturers are set for major re-equipping. Capital investment has gradually picked up since the low-point of 1982. But in real terms the level of fixed investment in manufacturing was lower in 1987 than in 1979. It might just get back to that level this year if the most optimistic estimates for the rise in manufacturing investment are realised. But existing investment plans are highly sensitive to the changing outlook for the economy.

The clearest sign that there is no investment dynamic in British industry is the massive cash surpluses accumulated by companies. Profits have risen in the last two years, and companies are also borrowing more than ever from the banks. Yet fixed investment has *fallen* as a proportion of the money capital available to companies. Indeed, two thirds of the £35 billion raised from borrowing last year found its way into the housing market—doing much to fuel the speculative boom.

The myth of a productive and efficient British capitalism is finally exposed by the trade figures. The trade deficit is not just a result of high demand for imports. It is also the consequence of British industry's failure to compete with its rivals. According to the Treasury Economic Modelling Club, during the first half of this year Britain's share of world trade in manufactures dropped to 6.9 per cent from 7.5 per cent a year earlier (*Times*, 26 September 1988). In the arena of international competition, the grim reality facing British industry becomes painfully evident to the ruling class.

### Labour = failure

Lawson's miracle is based on a series of illusions and lies. Unfortunately, there is no direct relationship between economic and political realities. Despite the failure of British capitalism to reverse its decline, the widespread impression remains that Thatcher has set out on the right road. The expansion of credit has allowed sections of the middle class and even a minority of workers to experience an increase in their standards of living. But the reasons behind the general confidence in Thatcher's economic stewardship cannot be reduced to the improved lifestyles of some people.

The economic confidence which the Tories enjoy is based on their ability to discredit the alternatives. By the early eighties Thatcher had won the economic arguments. She succeeded in equating the outdated policies of Labourism with economic failure. The crisis of the economy was blamed on the last Labour

government. Government spending, inefficient state industries, strong trade unions and a lack of incentives became the scapegoats for the failure of capitalism.

Once Thatcher had discredited the economic policies of her opponents she was able to reap the rewards. Labour soon abandoned its traditional policies and adopted the essentials of market economics. Now Thatcher could claim that her opponents' actions vindicated her strategy. The collapse of the opposition confirmed the public impression that she must have been right all along.

### 'You're on your own'

To consolidate their position the Tories have taken the initiative to win popular support for capitalism. Giveaway share issues in the midst of the stock market boom—involving British Telecom, British Gas and British Airways—provided a useful way of promoting free enterprise. The attempt to create a constituency for popular capitalism was mainly a public relations exercise, but it did boost people's confidence in the possibility of finding individual solutions to economic problems.

In any case, the collapse of the Labour Party and trade unions helped to discredit traditional forms of collective action. Individual solutions appeared to offer the only way forward. Enough people experienced an improvement in living standards to strengthen the impression that prosperity was within everyone's grasp. For most workers, the Thatcher years have been far from prosperous. But the fact that individuals here and there did well led many to believe that their turn would come too.

Politics, and the alternatives or non-alternatives on offer, have a profound impact on public perceptions of economic matters. After the stock market Crash of October 1987, popular capitalism

received a major setback. However, the absence of any credible alternative to the Tories meant that the government's supremacy over economic matters was not seriously challenged. That is why today, despite the overwhelming evidence of economic instability, Labour is still floundering in the opinion polls.

### An insecure future

In these circumstances the Tories are likely to remain in the saddle even when the economy collapses. Without an alternative there will be little pressure on them to account for their failure. Thatcher can claim that the problems are caused by international factors beyond her control, or by high wages. It appears that even if the Tories are seen to be losing control of the economy, the official opposition will not be able to benefit.

Nevertheless, economic confidence in Britain's recovery cannot be sustained indefinitely. As the underlying weakness becomes more apparent, the present air of complacency will give way to doubt and insecurity. Marxists will then have an opportunity to equate Tory policy with economic failure. The way in which Thatcher disposed of Labourist economics is something we would do well to emulate. To succeed, it is necessary to create an intellectual alternative, one that can continually draw on contemporary experience to show that capitalism does not work.

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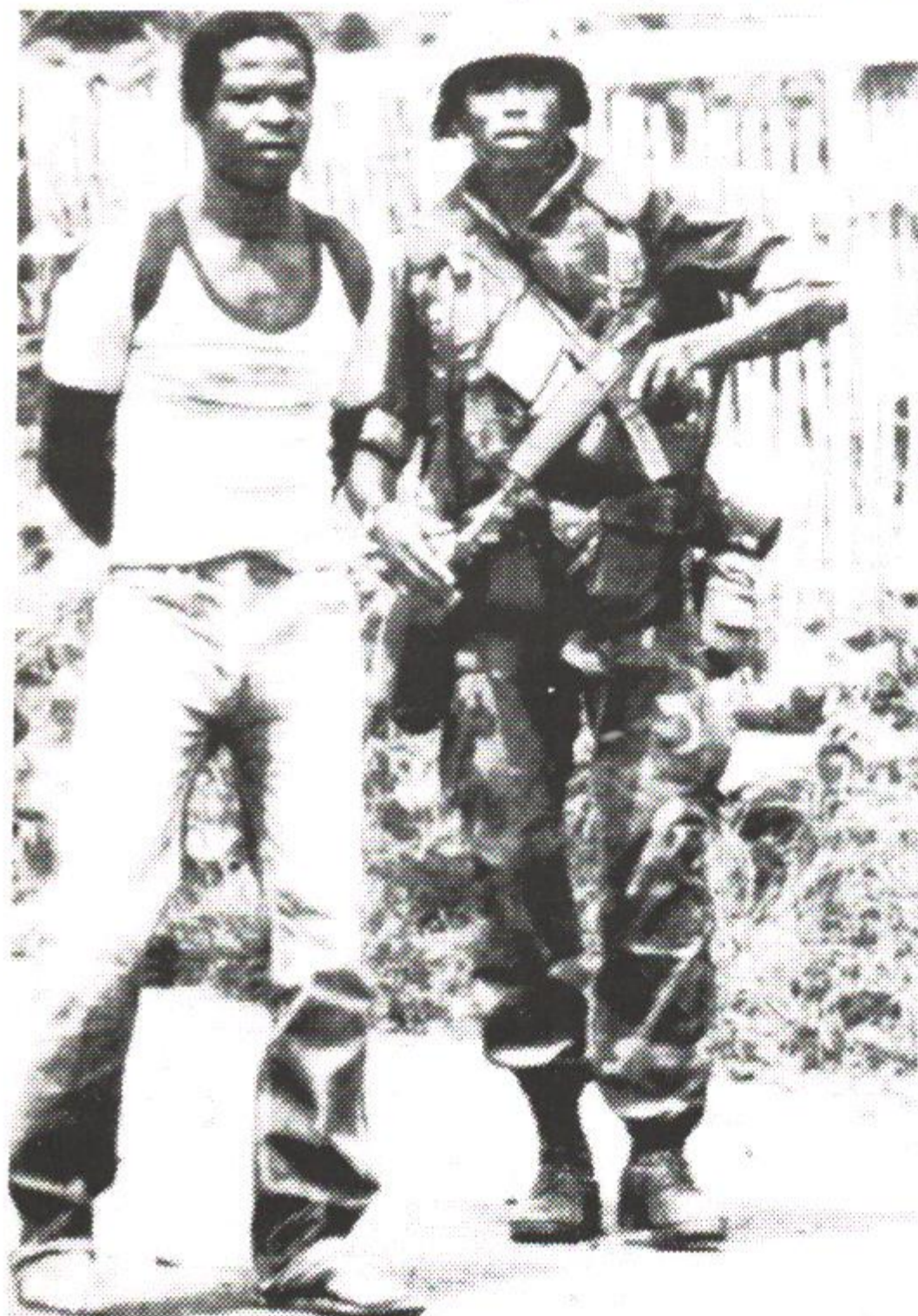


Five years after Grenada

# The biggest bat-shoot in history

'A period of self-doubt is over...history will record that one of our turning points came on a small island in the Caribbean where America began to take care of her own and rescue a neighbouring nation from growing tyranny.' (Ronald Reagan, speaking on the first anniversary of the invasion of Grenada)

On 23 October 1983, an estimated 6300 US troops, backed by Caribbean auxiliaries, invaded the tiny island of Grenada. According to Washington, it was a crucial turning point for the USA and the region. The decisive intervention of the USA, so the story goes, halted the creeping tide of communism. It put an end to unrest which started with the Grenadian revolution in March 1979, followed by the Nicaraguan revolution four months later, and continued with guerrilla wars in El Salvador and Guatemala, and the advance of anti-American radicals across the Caribbean. In Reaganite mythology, the invasion ushered in a more resolute and effective era in US foreign policy. The White House summed up its overblown interpretation of the Grenada invasion by awarding more medals than there were troops involved.



Five years on, we can see the invasion as a turning point of a different kind. It illustrated America's inability to impose its will where once it ruled supreme. Reagan's recent failure to deal with the likes of Panama's General Noriega shows that the region is now getting further out of Washington's control.

● ● The Caribbean has long been 'Uncle Sam's backyard'. For a century the USA strutted around the area at will, brooking no challenge. But since the sixties, Washington has found itself under increasing pressure. Defeat in Vietnam opened a period of doubt about Washington's continued ability to police the world. The Caribbean, the cradle of US imperialism, became a crucial test of its resolve. If the USA could not control events there, then it was surely twilight in the American Century. As secretary of state George Shultz put it in 1981: 'The Caribbean is a vital and strategic commercial artery for the US...If the region should become prey to social and economic upheaval and dominated by a regime hostile to us, the consequences for our security would be immediate and far-reaching'. The USA needed to demonstrate its authority. Grenada provided the opportunity.

In the seventies Grenada was in the throes of an economic and political crisis. In 1979 the populist New Jewel Movement, led by Maurice Bishop, overthrew the US-backed regime of Eric Gairy, notorious for its cut-throat 'Mongoose Gang' and corruption (Gairy even fixed Miss World). The NJM began a modest programme of reconstruction: mild land reform, diversification of food supplies, stimulating state-controlled enterprises and supporting the very small private sector.

Even these unspectacular aims were anathema to the USA. Washington was desperate to avoid any example of a small nation developing independently, in however limited a way. The Americans set up Grenada to teach it a lesson that nobody would forget. It began with a propaganda campaign against 'communist' subversion in the Caribbean basin. In September 1979, Jimmy Carter 'discovered' a Soviet brigade in Cuba—17

years after they arrived. Carter used the scare to set up a 'Caribbean Task Force', based at Key West, Florida. Washington tightened the economic noose by vetoing development aid to Grenada, in particular for a tourist airport on the island. When Cuba stepped in to support the embargoed project, the White House had its 'proof' that Castro was building a military base in Grenada.

In 1981, the USA launched its largest peacetime military exercise, 'Ocean Venture'—a simulated invasion of Grenada. By October 1982, plans for the real thing were in place. Grenada was surrounded by the US-controlled Organisation of Eastern Caribbean States. Washington set up a Regional Defence Force, headed by Eugenia Charles of Dominica and Edward Seaga of Jamaica, to provide a phoney multinational façade for US intervention. And a series of propaganda scares, centred on the tourist airstrip, created a suitable anti-communist atmosphere within the USA itself. All that was missing was an excuse to sort out 'a Soviet-Cuban colony being readied to export terrorism'. Faction-fighting within the NJM, in which Bishop died and Bernard Coard came to power, provided the cue in October 1983. The fact that 250 US marines had been blown up days earlier in Beirut made a show of strength against a small target all the more timely.

● ● The moment US troops set foot on Grenada, Washington's carefully-laid plans began to fall apart. The might of the US army, noted one commentator, 'proved exceedingly slow in liquidating resistance from a force a tenth of their size, operating without air support, heavy weapons and any significant popular backing in an island only 20 miles long'. The ageing Cuban construction workers at Port Salines airport offered a tenacious defence of their positions. To explain US incompetence, Washington invented the myth of a professional, well-armed resistance in the hills. Long after fighting had ended, US forces continued spurious search-and-destroy missions. One story tells of US troops sent into a cave to search for 'Cuban revolutionaries' after receiving information from a mischievous local. Finding only a flock of bats, the troops proceeded to massacre them as they panicked in the dark.

The invasion split America's allies. The British Tories backed the adventure, but were embarrassed by not being informed about an attack on a Commonwealth country. France and Germany protested vigorously. The most hostile response came from Caribbean and Latin American regimes, which feared that any support for the US action could ignite unrest at home. The Organisation of American States condemned the invasion outright. Even Washington's favoured dictators were forced to distance themselves from the USA. The local common market, Caricom, split into pro and anti-US factions, a process which spilled over into Central America. The Jamaica/Barbados axis, which Reagan used to legitimise the invasion, collapsed. Barbadian plans for a mini-Nato of Caribbean states ran aground over the issue of US involvement.

● ● Reagan invaded Grenada to restore US authority in the area. Instead the events endorsed the impression of US impotence. Five years after the invasion, the retiring Reagan administration has not stabilised Central America and the Caribbean. US foreign policy now excites more hatred than ever, as popular revolts in Panama, Nicaragua and Haiti show. Even a former CIA agent like General Noriega feels able to snub his Washington paymasters. Whoever succeeds Reagan in the White House will have a still harder job cleaning up the backyard.

● Nigel Lewis

'Post-Fordism'

# Old ideas for New Times

**Mike Freeman and Gemma Forest take a critical look at the most fashionable theory on the left**

Shortly after he became Labour leader in 1983 Neil Kinnock paid homage to professor Eric Hobsbawm, historian and leading Communist Party intellectual, as 'my favourite Marxist'. Kinnock adopted Hobsbawm's thesis that Labour's apparently inexorable post-war electoral slippage was attributable to the decline in the manual workforce and the rise of white-collar employment. Despite its internal strife, the loss of its daily paper and the departure of its members in droves, the Communist Party and its monthly journal *Marxism Today* survive and flourish modestly in a new role—as a think-tank for the leaders of the official labour movement.

Other Labour leaders took from *Marxism Today* elements of the theory of 'Thatcherism', which blamed Labour's successive defeats on the appeal of the Tory leader's 'authoritarian populism' to working class people. The Communist Party's theories were attractive to Kinnock's team because they sought explanations for Labour's failure in external, objective factors rather than in Labour's own record and policies.

Model T production methods weren't a model for many

Now the Communist Party has come up with a new theory for its friends at Walworth Road—'post Fordism', the mode of social organisation at the heart of what *Marxism Today* styles today's 'New Times'. This characterisation of a new phase of capitalist development justifies the redefinition of socialism in terms which accept the capitalist market and a trimmed-down welfare state. The Communist Party now puts its hopes for a better future in the exercise of choice by individual consumers, supported—at a discreet distance—by an 'enabling state'.

The October issue of *Marxism Today* is devoted to the New Times. It includes articles by intellectuals in and around the Communist Party, on the economic, political and cultural aspects of New Times. The feature concludes with a round-table discussion involving senior Labour politicians Bryan Gould and David Blunkett. Gould in particular emphasises the 'very great commonality of approach' between the Communist Party's discussion document 'Facing up to the future' (published in September's *Marxism Today* and imbued with the spirit of

the New Times analysis), and Labour's policy review, the first report of which was endorsed at the Blackpool conference last month.

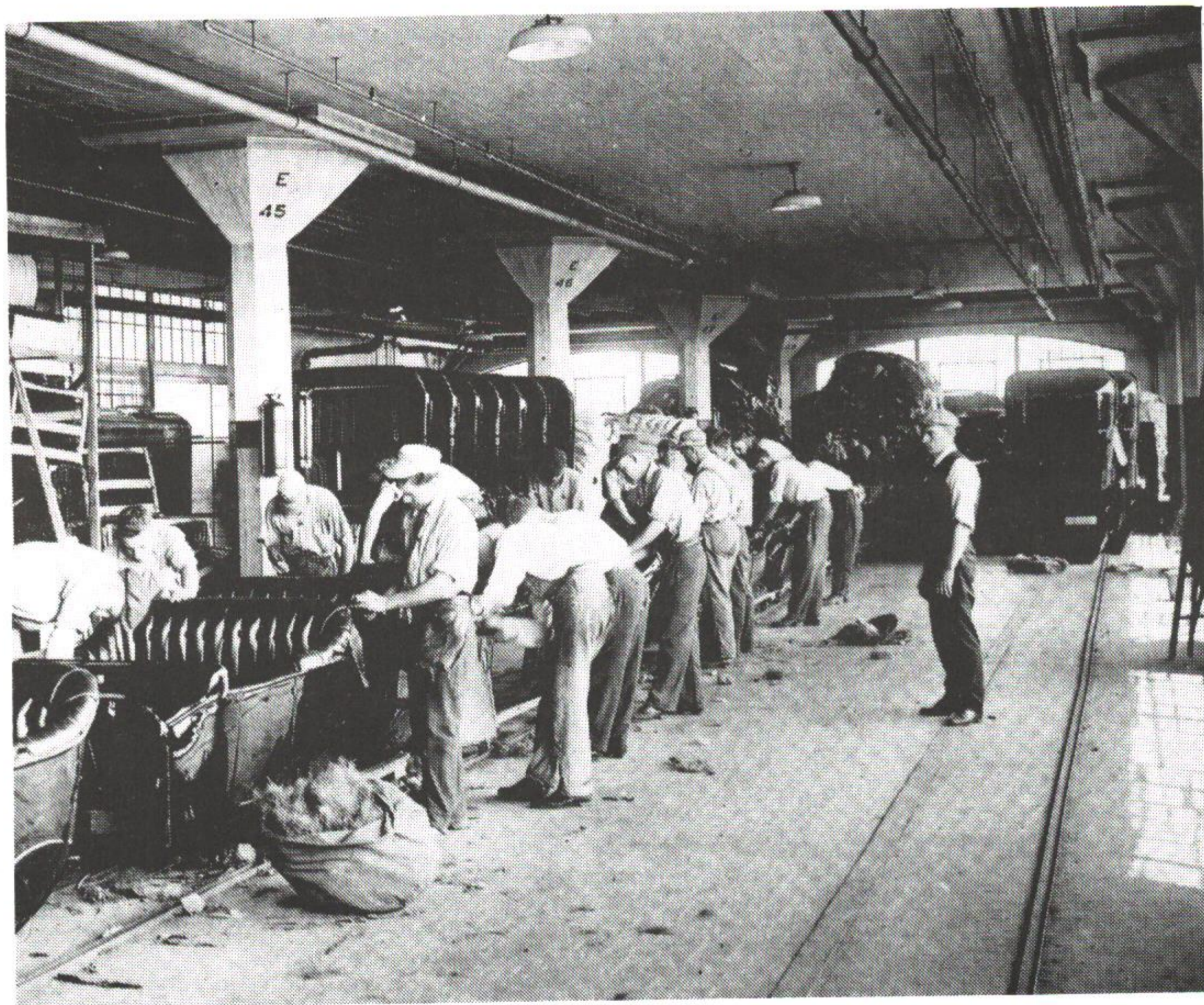
The key to the New Times is the transition from 'Fordism' to 'post-Fordism'. According to the *Marxism Today* thesis, borrowed from the French economists Michel Aglietta and Alain Lipietz, Fordism means an economy dominated by mass production and mass consumption, with centralised management and wage bargaining, and extensive state welfare (M Aglietta, *A Theory of Economic Regulation*, 1979; A Lipietz, *Mirages and Miracles: The Crises of Global Fordism*, 1987). Fordism relies on a mass of semi-skilled workers, with a strong sense of collective solidarity and class identity, expressed in labour movement organisation and politics. The era of Fordism is defined by its theorists as 'the twentieth century', or the period from the end of the Second World War up to the mid-to-late seventies.

## Lifestyle politics

For the *Marxism Today* school, post-Fordism is the mode of the eighties, characterised by 'flexible specialisation' in manufacturing, the rise of services and the proliferation of computers and information technology. It means segmented markets, economic 'globalisation' and decentralisation. Post-Fordism demands multi-skilled workers and fragmented labour markets. It erodes collective organisation and consciousness, and encourages diverse identities formed through patterns of individual consumption and lifestyle choices. A plurality of new social movements, it is argued, replaces the monolithic labour movement.

The problem identified by the *Marxism Today* special feature is that, while the left remains rooted in the traditions of Fordism, the right has seized the initiative in the post-Fordist era:

'As a result it is the right which now appears modern, radical, innovative and brimming with confidence and ideas about the future. It is the left which seems backward-looking, conservative, bereft of new ideas and out of time. In short, the right has appropriated New Times.' ('New Times', *Marxism Today*, October 1988)



**Marx analysed capital as a social relation; the *Marxism Today* theorists regard it as a thing**

The solution recommended is for the left to abandon the state socialist traditions of the Fordist labour movement and to adopt the philosophy of 'social citizenship' expounded by Bryan Gould, Roy Hattersley, Neil Kinnock and their mentors in the Communist Party. Before looking more closely at the issues of social citizenship and individual consumption, let's first assess the validity of the Fordism and post-Fordism schema.

### **No technical matter**

'Just as commodities are, at the same time, use-values and values, so the process of producing them must be a labour process, and at the same time, a process of creating value.' (K Marx, *Capital*, Volume I, p181)

For Marx, capitalist production could not be understood merely as a way of making things: use-values. Indeed the driving force behind capitalist production is not the objective of making useful goods, but that of creating value and surplus-value, to be realised in the form of profit. Hence Marx emphasised the two-fold character of the capitalist labour process: the production on the one hand of use-values, and on the other of value and surplus-value. He focused on the exploitative relationship between capitalist and worker in the labour process and identified this relationship as both the source of capitalist wealth and the ultimate limit to capitalist expansion.

Whereas Marx analysed capital as a social relation, the *Marxism Today* theorists regard it as a thing. Their concepts of Fordism and post-Fordism reflect an impressionistic characterisation of different phases of capitalist development according to technical aspects—changes in the labour process, technology, design, company structure, marketing, etc. This preoccupation with the technical features of the process of production ignores the drive to expand value which provides the distinctively capitalist dynamic to the production of goods in modern society. It also means neglecting the exploitation of the working class, which is important not only because it is the source of capitalist profit, but because it creates the necessity and the possibility of collective working class action to overthrow the capitalist system.

What exactly is Fordism? Did the methods of one firm really define an epoch? According to Henry Ford, 'mass production' meant 'the focusing upon a manufacturing product of the principles of power, accuracy, economy, system, continuity and speed' (*Encyclopaedia Britannica*, 1926). The Ford Motor Company introduced assembly-line production for the famous Model T in 1913, increasing annual output to more

than two million by 1923. Buying off labour unrest with '\$5 a day' wages, and launching aggressive marketing of his low-cost 'car of the masses', Ford grabbed more than half of the US market by the early twenties: 'With highly-mechanised production, moving line assembly, high wages and low prices on products, "Fordism" was born.' (D Hounshell, *From the American System to Mass Production 1880-1932*, 1984, p11)

Yet, despite rapid diffusion of Ford's techniques to other industries, Fordism never became a universal or typical form of capitalist production.

Early attempts to introduce mass production into the housing and furniture industries failed, as did the application of assembly-line methods in agriculture. But the technique's most spectacular failure came in the Ford Motor Company itself. In the early twenties, Ford's great rival, Alfred Sloan of General Motors, began to challenge the unchangeable Model T with a range of cars 'for every purpose and every purse'. The Chevrolet range offered annual changes in styling and 'trade-in' deals on new models. 'Flexible mass production' swept the market: according to Hounshell, 'mass production as Ford had made it and defined it was, for all intents and purposes, dead by 1926' (p12). In 1927 the Model T ceased production.

Sales of cars, as of everything else, collapsed in the Great Depression of the early thirties and mass production of consumer goods only revived in the post-war boom. However, one authority has estimated that assembly-line technique only absorbed a maximum of seven per cent of America's workforce this century (E Ginzberg, 'The mechanisation of work', *Scientific American*, September 1982).

### **'Fordism' doesn't fit**

If the attempt to impose the label 'Fordism' on the diversity of twentieth-century production seems forced, some of the features linked with it in the *Marxism Today* schema appear even less appropriate. Robin Murray links the school of 'scientific management' launched by US engineer Frederick Taylor in 1895 with Fordism ('Life after Henry (Ford)', *Marxism Today*, October 1988). Yet Ford himself repudiated Taylor's method of improving efficiency through time-and-motion studies or incentive bonus schemes, in favour of always trying to eliminate labour by machines (Hounshell, p252). The eminent American scholar Gabriel Kolko disputes the relevance of Taylorism to US industry: 'Despite the attention recent historians have lavished on it, the efficiency concept scarcely entered the American factory, per se.' (*Main Currents in Modern American History*, 1976, p31)

Again, *Financial Times* journalist Charlie Leadbeater asserts that 'Fordism was characteristically associated with regulation of the economy and social life by the social democratic state' ('Power to the person', *Marxism Today*, October 1988). Any such association would have been anathema to Henry Ford, a devout free marketeer. Mass production in the USA, the heartland of Fordism, has clearly had little association with a social democratic state.

Post-Fordism is an even more incoherent concept than Fordism, with even less general relevance. Many of the features claimed as innovations by the *Marxism Today* team have in fact been long established, while others remain little more than futuristic fantasy. We have seen that 'flexible specialisation' was familiar to Henry Ford himself. The pursuit of 'segmented markets' goes back even further, to the big US mail-order firms of the 1890s. The 1895 catalogue of Montgomery Ward included 56 varieties of clock, targeted at distinct groups of potential buyers, and 131 different pocket knives, including 17 'for ladies'.

### **The class of '55**

Virtually all of today's supposedly post-Fordist marketing techniques were practised in the heyday of Fordism in the fifties and sixties. The titles of influential articles reveal recurrent themes: 'Brand loyalty', *Advertising Age*, 9 June 1952; 'The product and the brand', *Harvard Business Review*, March/April 1955; 'Product differentiation and market segmentation as alternative market strategies', *Journal of Marketing*, July 1956.

In an article entitled 'It's time to reach the consumer' in 1955, Madison Avenue guru Pierre Martineau outlined a philosophy perfectly in tune with the post-Fordist yuppie consumer:

'Car buyers are looking for designs that will express the new values—modernity, individualism, self-expression, sophistication, youthfulness, gaiety, casual living style.... Cadillac made itself the achievement symbol for the self-made executive.' (*Harvard Business Review*, July/August 1955)

While much post-Fordist hype is simply old hat, some of the innovations lauded by *Marxism Today* have advanced little further than the experimental stage. This is true for most 'computer-aided design and manufacturing' projects and 'flexible manufacturing systems', especially in Britain and the USA. Only a few hundred British workers are engaged by robots and biotechnology. The use of computers.

## We stand on the threshold of another descent into barbarism, not at the gates of a brave new world of capitalist prosperity

in retailing has revolutionised stock control, but there are few examples of link-ups with manufacturing.

Toyota of Japan may have introduced a computer-controlled flexible manufacturing system, but General Motors' attempt to follow suit in America with its Saturn project has yet to produce a car, despite five years of effort and enormous capital investment. The 'global cars' promised by Ford and General Motors in the early eighties failed to overcome technical, logistical and political difficulties. There are exciting technological developments, but, as marketing expert Theodore Levitt cautions, 'possibilities do not probabilities make' ('The globalisation of markets', *Harvard Business Review*, May/June 1983).

The most extraordinary aspect of the *Marxism Today* analysis is its enthusiastic endorsement of New Times as a *progressive* phase in capitalist development. 'The dynamic we are trying to characterise', writes Stuart Hall, 'is connected with the revolutionary energy of modern capital—capital *after* what we used to call its "highest stages"'. More than 70 years after Lenin designated the imperialist epoch the highest stage of capitalism, one in which its contradictory tendencies are expressed in trends towards 'stagnation and decay', 'wars and revolutions', Hall has discovered 'the revolutionary energy' of post-Fordism. This discovery is all the more remarkable given that many of the key features he identifies are not signs of dynamism but symptoms of the decline of the more decadent capitalist powers such as Britain and the USA.

### Producing consumers

The preoccupation with individual consumption, which *Marxism Today* identifies from Fordism to post-Fordism, reflects the stagnation of the process of capital accumulation. In the process of individual consumption, products are used up to ensure the subsistence and satisfaction of the individual. By contrast, in the process of productive consumption, goods are consumed in the labour process through the agency of human labour-power. The result is the creation of new products and the expansion of value:

'The product, therefore, of individual consumption is the consumer himself; the result of productive consumption is a product distinct from the consumer.' (Marx, *Capital*, Volume I, p179)

It is significant that in the more dynamic sectors of the world capitalist system, in newly industrialising countries such as South Korea, priority still goes to the production of producer rather than consumer goods (see T Kennedy,

'South Korea's take-off', *Confrontation* No 3, 1988). The constant necessity to expand credit to sustain individual consumption is a feature of Fordism amplified to new levels under post-Fordism. The resulting global financial instability of today further underlines the decadent character of the New Times.

Many of the features of Fordism and post-Fordism picked out by *Marxism Today* in fact evolved as strategies to overcome tendencies towards stagnation. For example, the movement for scientific management associated with Frederick Taylor, Henry Towne and Harrington Emerson emerged in response to the great depression of the 1870s (see A Chandler Jnr, *The Visible Hand: The Managerial Revolution in American Business*, 1977). The concern with product design arose in the thirties as a response by companies trying to survive the slump.

Today product design is designated a 'new competitive weapon'—but only because of the war of survival unleashed by the recession:

'The slowing of world growth, the intensification of competition, and a host of other factors...have combined to force companies to become more resourceful in distinguishing their products from those of the competition.' (C Lorenz, *The Design Dimension: Product Strategy and the Challenge of Global Marketing*, 1986, p146)

Similarly, trends towards globalisation and market segmentation reflect the competitive struggle in an era of crowded markets and global rivalries (see Levitt, 'The globalisation of markets'). The success of Japanese joint ventures in aero engines, cars, consumer electronics and computers in penetrating US and European markets has provoked Western firms into emulating Japanese methods and devising sophisticated marketing strategies.

### Missing the point

The *Marxism Today* writers take a generally rosy view of the contradictory tendencies of post-Fordism. They regard globalisation as a move towards a wider international division of labour, not as predatory moves by threatened corporations. They view joint ventures as signs of international cooperation rather than as parasitic takeover bids. They hail the advance of information technology and computerised communications, but ignore the new-found scope for accelerating financial panic, as occurred in the international stock market Crash of October 1987. They celebrate 'just-in-time' manufacturing schedules and flexibility in production, but have little to say about the proliferation of backward

subcontracting and sweated working conditions associated with these methods.

Most significantly, in their enthusiasm for hi-tech production and imaginative marketing, the theorists of post-Fordism turn a blind eye to the coercive trends in class relations in the workplace and far beyond. They neglect too the burgeoning rivalries among the major capitalist powers over economic and financial policies, and the consequent drive towards militarism which consumes a growing proportion of capitalist revenues.

Dazzled by images of Ford assembly lines and Toyota robots, these writers lose sight of the fundamental tendencies in modern society. The distinctive feature of twentieth-century capitalism is not its capacity for consistent innovation, but the spasmodic character of technological advance. Indeed, the system has demonstrated a consistent incapacity to advance without periodic and increasingly catastrophic slumps. Capitalism has expanded and major advances in science and technology have been achieved, but at the cost of global wars and a constant reproduction of poverty, misery and oppression on an expanding scale. To anybody who cares to look at the New Times we live in, we stand on the threshold of another descent into barbarism, not at the gates of a brave new world of capitalist prosperity.

### Progressive individualism?

In his keynote article in the *Marxism Today* collection, Charlie Leadbeater argues that in these New Times 'choice in consumption, lifestyle, sexuality, are more important as an assertion of identity'. Stuart Hall welcomes the 'pluralisation' of social life attained through the medium of individual consumption in the market, claiming that this 'expands the roles and identities open to ordinary people (at least in the developed world)' ('Brave new world', *Marxism Today*, October 1988). They argue that the left needs to develop a 'new progressive individualism' to challenge the 'narrow materialistic individualism' popularised by the Tories.

*Marxism Today's* discovery of the progressive potential of consumption is a striking reversal of traditional political positions. In the past the right celebrated consumption while the left condemned its effects on the working class. After the heyday of Fordism, Edward Filene, a US businessman and propagandist of the ideology of mass production, proclaimed the virtues of providing an ever-increasing volume of products for a working population enjoying high wages and shorter working hours:

'Mass production, therefore, is

RIGHT:  
An individual consumer  
can have a loud suit, but  
no voice in society



production for the masses. It changes the whole social order. It necessitates the abandonment of all class thinking and the substitution of facts for tradition, not only by businessmen but by all who wish to live successfully in the Machine Age. But it is not standardising human life. It is liberating the masses, rather, from the struggle for mere existence and enabling them, for the first time in human history, to give their attention to more distinctly human problems.' (*Successful Living in the Machine Age*, 1932, p1)

It is interesting that, more than 50 years ago, mass consumption was considered to have the same destructive effect on 'class thinking' that is now attributed to individual consumption.

While conservatives welcomed the wider availability of consumer goods in the post-war years, radicals criticised the methods and consequences of consumerism. Vance Packard's 1957 book *The Hidden Persuaders* revealed the use of mass psychoanalysis, social psychology and anthropology in creating and manipulating demand for consumer goods through advertising. His condemnation of consumerism was incorporated into the left's wider moralistic critique of the wastefulness of built-in obsolescence and other features of mass consumption (see P Baran and P Sweezy, *Monopoly Capital: An Essay on the American Economic and Social Order*, 1966, pp132-5).

Further, the left looked to the emergence of a high-wage, high-productivity, mass consumer society to explain the quiescence of the working class. Mike Davis summed up the radical consensus: 'The stability of the wage-productivity trade-off between capital and organised labour allowed the US working class increasingly to reproduce itself as a collectivity of privatised consumers.' ('The political economy of late imperial America', *New Left Review*, January/February 1984) The demoralising impact of a generation of industrial and political defeats was thus attributed to workers' acquisition of homes, cars, televisions and other consumer durables.

The left in Britain echoed American radicals. Early in 1960 *New Left Review*, then edited by a youthful Stuart Hall, despatched a reporter to investigate workers in the Midlands motor industry who had shown no great desire to vote Labour in the general election of the preceding year. The reporter discerned the pathological effects of mass consumption:

'Seen from a distance the attitude of the motor worker—prosperous, restless, socially apathetic—might almost be taken for a symbol of the general attitude of affluent British

society.' (D Butt, 'Men and motors', *New Left Review*, March/April 1960)

The article concluded in lofty tones, revealing the patronising attitude to the working class that still prevails in radical academic circles: 'The left must not recoil from the sheer fact of prosperity, tasteless though some of its manifestations are.'

Nearly 30 years later, the consumer culture which was once blamed for inducing apathy and bad taste is now considered by Hall to 'allow the individual some space in which to reassert a measure of choice and control over everyday life and to "play" with its more expressive dimensions'. Can he be serious?

## Back to basics

It is evidently necessary to recall some basic facts about the position of the working class under capitalism. The condition of wage-labour precludes the possibility of the adjective 'prosperous' ever being applied to workers in capitalist society. Hall notes in parentheses that the masses of the third world may not be in much of a position to exercise choice in the capitalist market: that leaves out two thirds of the world's population. But it is not necessary to go to Calcutta to find people who are in no position to choose lifestyles and define identities on the market; some eight to nine million living below the poverty line on state benefits or low wages in New Times Britain are also excluded. Working class people can exercise precious little choice and express little of their identity with the money they have left after paying the costs of basic subsistence.

The expression of individuality through consumption is not limited only by a shortage of money. Women will not be free to opt for the lifestyle of their choice until there is universally available childcare as well as adequate contraception and abortion facilities. Black people will be unable to develop their individuality in society while racially discriminatory laws remain in force. Lesbians and gay men cannot freely choose to pursue their sexual preferences in a society which criminalises and degrades them. For all its waffle about identities and choice, *Marxism Today* has no proposals about fighting for the democratic rights of the oppressed sections of society.

## Restrictive society

All these restrictions on the expression of individuality result either from the exploitative character of capitalist social relations or from forms of oppression specific to modern capitalist society. Far from enabling individuals to overcome these coercive features, the world of consumption can only reinforce the limitations on individual freedom which result from capitalist class

## The origins of the new left's 'social citizenship' lie in the late nineteenth-century philosophy of New Liberalism

domination. The only road to liberation lies through the collective struggle to overthrow the social relations of production which define the capitalist system.

The New Times analysis proposes the replacement of traditional socialism by a perspective variously labelled 'new progressive individualism', 'individual citizenship' and 'social citizenship'. Let's look finally at this alternative strategy for the nineties.

It is important to insist that there is nothing new about 'social citizenship'—its origins lie in the late nineteenth-century philosophy of New Liberalism (see M Freeden, *The New Liberalism: An Ideology of Social Reform*, 1978; HV Emy, *Liberals, Radicals and Social Politics 1892-1914*, 1973; P Clarke, *Liberals and Social Democrats*, 1978). New Liberalism was the response of one wing of the British capitalist class to the need to contain the rise of organised labour and the threat of socialism. As early as 1867 AV Dicey supported the extension of the franchise because he considered that extending citizenship rights would undermine class solidarity. In 1873 Alfred Marshall summed up what he regarded as the civilising mission of New Liberalism:

'The question is not whether all men will ultimately be equal—that they certainly will not—but whether progress may not go on steadily, if slowly, till, by occupation at least, every man is a *gentleman*. I hold that it may, and that it will.' (Quoted in TH Marshall, *Citizenship and Social Class*, 1950)

In defiance of traditional Liberal suspicion of state intervention, the New Liberals adopted elements of a collectivist policy from the socialist movement. They formulated a view of the state as the protector of a regulated society. For JA Hobson in 1908, the aim was 'not to abolish the competitive system, to socialise all instruments of production, distribution and exchange, and to convert all workers into public employees'. It was rather 'to supply all workers at cost price with all the economic conditions requisite to the education and employment of their personal powers for their personal advantage and enjoyment' (*The Crisis of Liberalism: New Issues in Democracy*, 1974). LT Hobhouse proposed that the state be an 'over-parent' acting to secure 'conditions of self-maintenance for the normal healthy citizen' (*Liberalism*, 1964, p91).

New Liberalism rapidly gained political influence. Winston Churchill and Lloyd George, the two leading parliamentarians of the early twentieth century, were closely associated with New Liberal theories. New Liberalism was the driving force behind the welfare reforms of

1906-11. It was certainly the major ideological influence on the early Labour Party and, following the disintegration of the Liberals after the First World War, many prominent New Liberals joined Labour. The introduction of the welfare state by the 1945 Labour government was the climax of New Liberalism, influenced as it was by John Maynard Keynes and William Beveridge, leading exponents of the New Liberalism.

The classic formulation of the New Liberal doctrine of social citizenship was made in 1950 by TH Marshall, son of Alfred. In his influential pamphlet *Citizenship and Social Class*, Marshall argued that the growth of universal social services would accelerate the trend towards social equality. He maintained that, as the social rights of citizenship were extended to the whole population, the resulting social equality would render residual economic inequalities increasingly unimportant.

Marshall anticipated that the common experience of welfare benefits, schools and hospitals would increase equality and strengthen social cohesion. Even 25 years later it was evident that Marshall's optimistic

scenario was not being realised in practice. The consensus among students of the welfare state was that, while awareness of class might have declined in the post-war years, inequality had, if anything, increased. The welfare state appeared to reproduce social stratification, not weaken it (see J Parker, *Social Policy and Citizenship*, 1975, pp39-42). Nearly 40 years after Marshall, class divisions are as deep as ever and welfare services are polarised along class lines.

Given the manifest failure of the strategy of social citizenship within the post-war welfare state, it may seem strange that *Marxism Today* has decided to revive it. Though it has the advantage of receiving little mention for 30 years, and can therefore be easily repackaged as a set of fresh ideas, this is not the main reason for its return to favour. The left has revived the policy associated with the right of the official labour movement from the days of Ramsay MacDonald before the First World War through to Clement Attlee after the second, because of the exhaustion of the left's traditional programme through the same period—state socialism.



RIGHT:  
Marxism Today editor  
Martin Jacques feeding  
a few ideas to Labour  
spokesman Bryan Gould

Whereas the New Liberals upheld a limited role for the state as regulator, the state socialists regarded the state as the key agency of social transformation—classically through nationalising ‘the commanding heights of the economy’ and extending comprehensive welfare services. While Labour’s 1918 ‘Clause IV’ remained the left’s ‘maximum programme’, it looked to the state to tackle immediate problems. Hence, in response to the beginnings of the recession in the early seventies, the Labour left, ably assisted by the Communist Party, drew up the ‘Left Alternative Economic Strategy’ (LAES).

The LAES, which soon became the AES, amounted to a programme of state measures including a big increase in public spending, nationalisation and state planning, progressive taxation and import controls. These policies gave a radical edge to Labour’s appeal in two elections in 1974, both of which were won by Harold Wilson. When economic conditions deteriorated Labour used its place at the head of the state, not to implement progressive policies, but to impose wage restraint and welfare cuts. As a

result state socialist policies were discredited and the left has subsequently failed to evolve an alternative. *Marxism Today*, true to its Stalinist traditions, never bothers to try to account for past failures and quietly forgot about the AES. It then set about the quest for another theory—a quest which has finally ended with the excavation of social citizenship.

Social citizenship 1988-style is not the same as its forerunner of 1908 and 1948. It is an abandonment of the left’s traditional policies in response to the state of affairs created in British politics by a decade of Thatcher. It is therefore more right-wing than either of the earlier versions. Whereas the radical Liberals around Churchill and some of the left wingers in Attlee’s cabinet upheld the collectivist element in social citizenship, today’s Labour leadership leans more towards the individualist prejudices popularised by Thatcher. Indeed *Marxism Today* influences Labour from the right. This point was acknowledged enviously by Bryan Gould in the round-table discussion, when he noted that Communist Party leaders ‘travelled light’; unlike the leaders of

the Labour Party who have to negotiate the collectivist traditions of the labour bureaucracy (a trend well-personified by transport union leader Ron Todd), Communist Party leaders are not restrained by even the remotest links with the working class movement.

### An offensive agenda

What, finally, is *Marxism Today*’s new agenda for collective action? Much of it sounds like a lot of old agendas—indeed the proposals for shorter working hours and minimum incomes would fit comfortably in any New Liberal agenda. What is more bizarre is Robin Murray’s notion that the agency of progressive policy should be ‘a future Labour government’. While he advances no ideas about how this might be achieved we can assure him that Neil Kinnock would be very pleased to receive them.

The new elements on the agenda are disturbing. There is an acceptance that the burden of welfare should be shifted from the state on to the working class. This is explicit in the sphere of childcare where ‘informal networks’ are supposed to take over. At a time when nurseries are being cut back and women forced to spend more time caring for children as well as the sick, infirm and elderly, these proposals are profoundly reactionary.

The same is true of Leadbeater’s assertion of the reciprocal responsibilities of social citizenship, which include ‘to seek and take up reasonable offers of training and employment, to accept reasonable measures of labour flexibility’. At a time when the government is threatening industrial conscription of a generation of school-leavers, and employers are forcing workers to accept arduous and dangerous working conditions, such statements can only be considered offensive.

### Covering Kinnock

For more than half a century, the British Communist Party has discredited the name of Marxism, both through its slavish devotion to the Stalinist regime in the Soviet Union, and through its slavish commitment to the respectable moderation of the British labour bureaucracy. Now the party’s intellectuals have set out to provide a ‘Marxist’ justification for Labour’s final accommodation with British capitalism. The *New Times* analysis lacks originality or coherence, but it provides some intellectual cover for Kinnock’s project of making Labour acceptable to the upwardly mobile middle classes. Whether or not this will advance Labour’s electoral prospects is open to question. But there is no question that it exposes more sharply than ever the irrelevance of both the old parties of the labour movement to the urgent problems facing the working class.



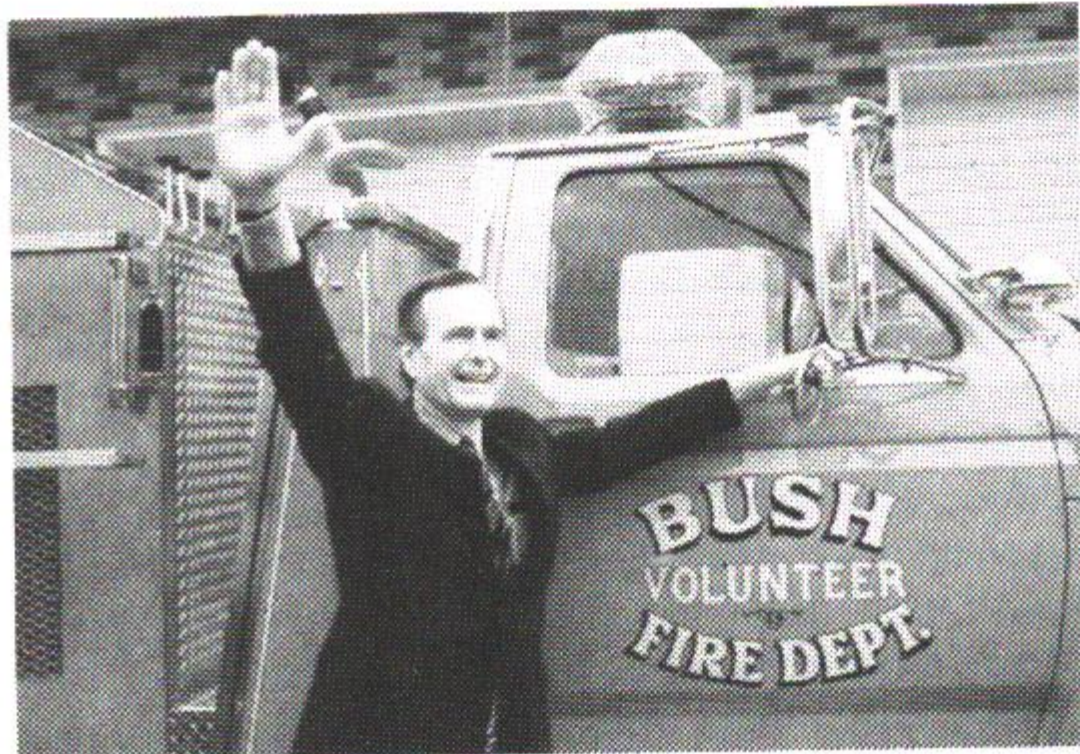
Pandora Anderson

## US election

## President of Disneyland

It's said that when George Bush made his Labour Day speech in Disneyland, his managers made sure that Goofy didn't join Mickey and Minnie Mouse and Snow White and the Seven Dwarves on the stage. Otherwise, they reckoned, people wouldn't know which one was the Republican presidential candidate. Bush in Disneyland captured the unreal atmosphere that surrounded the campaign. In Disneyland, there aren't any huge budget deficits, Japanese businessmen, or anti-Yanquis Latinos to contend with.

Bush's opponent, Democrat Michael Dukakis, also preferred

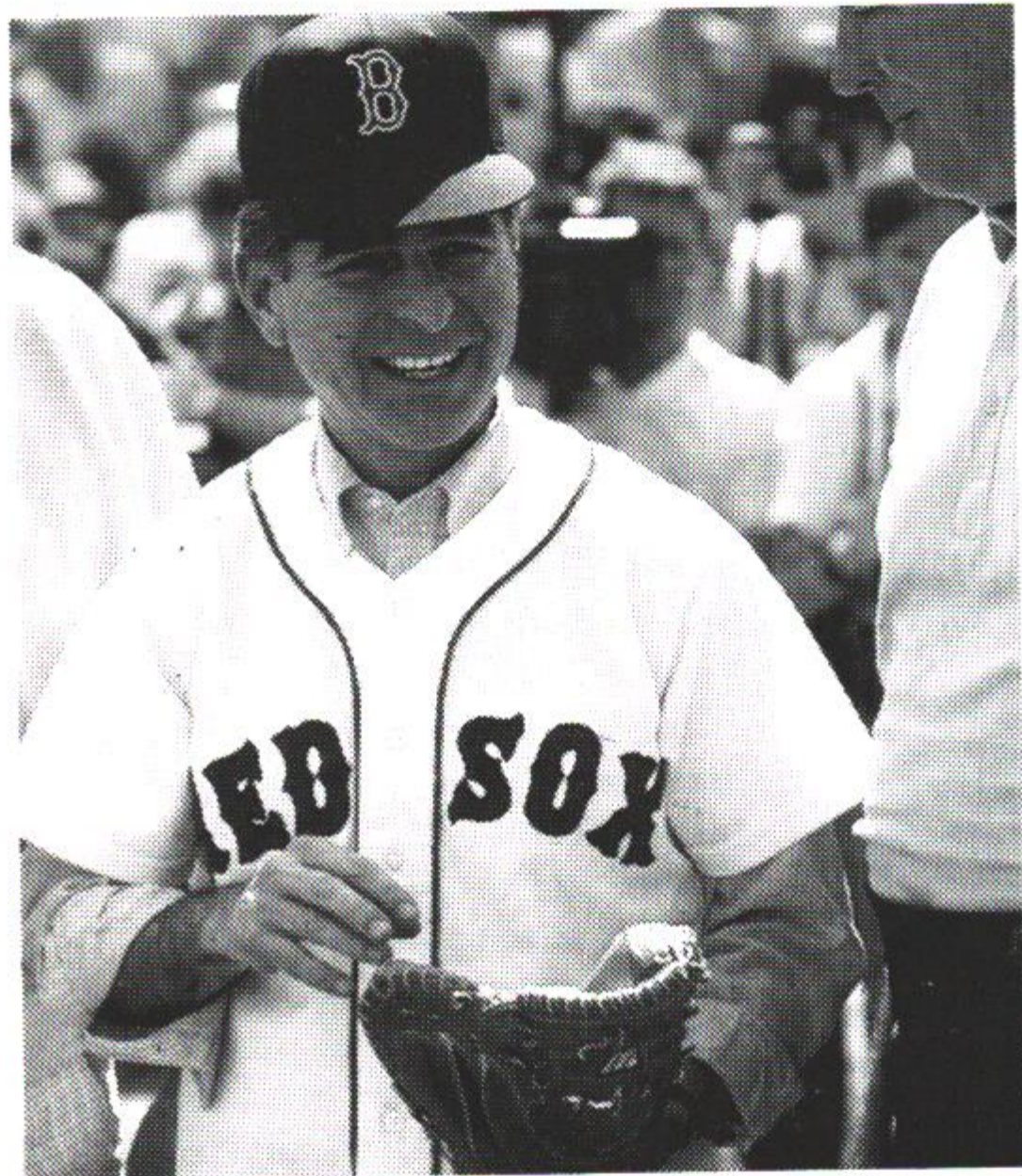


fantasising to facing the big problems which confront a declining USA. According to Dukakis, the American Dream of ethnic melting pots and Horatio Alger's *Rags to Riches* is alive and well—if the descendant of Greek immigrants can run for president then, hey, anything is possible. Others might conclude that if this particular second-generation Greek could be a serious contender for the White House, then all is lost.

Presidential elections always focus on personality rather than issues, but when you have a race between Pee Wee Herman and 'Zorba the Clerk', there isn't much personality either. Normally undiscerning media men complained that the contest was exceptionally vacuous and dull. *Time* magazine got tired of trying to build up the bunfight. Its verdict? 'All froth, no beer.'

'When I grow up I want to be a fireman, a baseball player, or leader of the Western world'

Even Ronald Reagan, not known for his grasp of current



affairs or for making sense, appears imposing and cogent by contrast. Reagan's campaign in 1980 was a crusade, as he vowed to 'make America great again' through military and moral rearmament. He spoke grandly about ushering in a 'supply side revolution' which would bring economic prosperity through tax cuts. He promised to 'walk tall' and wield the big stick against upstart nations like Iran. It was mostly hot air, but after the depressing Carter years, his message sounded upbeat, coherent and new. It seemed that this reassuring grandfather figure from the B-movies could halt the downward slide that began with Vietnam and Nixon and led to further soul-searching under Ford and Carter.

But by 1988, after Irangate and the botched attempt to overthrow Panama's General Noriega, it seemed that Reagan's Rambo rhetoric promised more than the US military could deliver. And Black Monday put paid to the idea that the 'supply side' was any remedy to America's economic woes. The initial euphoria of 'It's morning in America again' gave way to renewed doubts about the nation's place in the world. Even Reagan knew that the spell had been broken. In his farewell speech to the Republican national convention, he tried in vain to bring back the old magic that had mesmerised Americans before: 'Twilight? Not in America. Here it's sunrise every day.' He sounded about as convincing as Michael Fish promising good weather.

Although everybody sensed that Reaganism was exhausted, neither Bush nor Dukakis tried to provide any fresh ideas, or be

so bold as to talk about a 'revolution'. The candidates had little stomach for a crusade, or for a vision of 'morning in America'. Instead, they battled over trivialities.

Few Americans perched on the edge of their seats to watch the candidates slug it out for the title of 'world's greatest hater of drug kingpins'. From the early days of campaigning for the party nominations, the election has taken the form of lightweights debating banalities. 'Have you ever smoked marijuana?' was a favourite concern. Democratic Party hopeful Gary Hart was forced to quit after revelations that he took model Donna Rice for a cruise on the good ship *Monkey Business*. The 'sleaze factor' served to emphasise the candidates' lack of charisma or conviction, as each tried to be more boring and bland than the next man, praying that the muck-rakers would give them a miss.

Patriotism and militarism became the main talking points in the 'me, too' debate between the parties. Dukakis and the Democrats wrapped themselves in the flag to counter the impression that the Republicans were the real patriots. The Democratic Party convention in Atlanta had enough red, white and blue bunting to rival Reagan's Statue of Liberty fireworks extravaganza two years ago. With Dukakis pushing the Democrats to the right, the differences between the parties—always slender matters of style, not substance—narrowed still further.



The militaristic tone was underlined by the furore over the Vietnam War record of Bush's draft-dodging running mate, Dan Quayle. Bush then charged that Dukakis was unpatriotic because, as governor of Massachusetts, he didn't make it compulsory for schoolchildren to recite the 28 words of the 'pledge of allegiance' to Old Glory every morning. For the benefit of voters who prefer pictures, he took TV cameras on a visit to a flag-making factory. But for all his tub-thumping, Bush's record as the CIA chief who 'ran' former US agent Noriega in Panama kept coming back to spoil his new Sam the Eagle image.

Dukakis' response to the great 'what did you do in the war, dad?' debate helped lower the tone even further. He announced that he was proud to have served in Korea and that he really loves all the 57 varieties of nuclear weapons after all. For the benefit of the unconvinced, he donned a flak jacket and helmet, and drove around in a tank making childish 'ratta tat tat' noises. Even the pliant media felt obliged to ridicule such buffoonery.

When the most powerful nation on Earth is beset by economic and political decline, when the end of the American Century is openly discussed, the candidates for the leadership of the Western world managed to evade all the problems and disagree on matters of no consequence. No surprise, then, that neither inspired confidence. The abstention rate on election day was confidently expected to be up, especially among American workers.

The campaign revealed that the American establishment is reluctant to face up to its weakened position. After 8 November, the demands of the real world will invade the Disneyland hide-out. Hard decisions can no longer be put off. America's twin deficits (trade and budget) are the major source of instability in the world economy. Everybody knows that Reagan has postponed the drastic austerity measures that are needed to make the US economy profitable. After the election, anything goes.

The next president may shift the emphasis of US policy, but there is no secret master-plan. The candidates kept mum on the essentials because they have nothing to say. The pace of US decline is accelerating, and America is increasingly forced to react to a changing world rather than set the global agenda. As Reagan rides off into the sunset, there are rough times ahead for Mickey, Goofy and the gang.

● James Malone



Pinochet regime still has the power

# A new coup behind closed doors?

**Stefanie Boston argues that working class power is the only realistic alternative to continued capitalist dictatorship in Chile**

General Augusto Pinochet failed to win popular support for his rule in the referendum held on 5 October. Pinochet's request for another eight years as president was rebuffed by 55 per cent of the electorate. His defeat in the referendum was greeted by celebrations and victory demonstrations across Chile. The opposition parties responded with relief, quickly followed by euphoria. Unfortunately, within days of the referendum results being announced, it became evident that the celebrations were premature.

The referendum was not about choosing alternative governments or giving people a genuine say in Chile's future. It simply asked the population whether or not they wanted a 73-year old general to remain in power until 1997. The fact that they said 'no' does not necessarily mean that the end of the Pinochet era is at hand. Under the existing constitution, Pinochet can remain president of Chile until March 1990. The military is making no plans to hand over power after that date.

## Into battledress

Throughout the referendum campaign, Pinochet made it clear that he intended to remain in charge whatever the outcome. In a major television address after the poll, the general took off the civilian suit he had worn for the campaign and changed back into uniform, to let the viewers know that he was still head of the military with thousands of soldiers at his disposal, should the opposition go too far. Every gesture made by Pinochet and his colleagues carried the threat of force.

The referendum represented a personal setback for Pinochet. But one general does not make a regime. Most of his colleagues in the military and representatives of the business class didn't want Pinochet to propose himself for another presidential term in the first place. Once the votes were counted the capitalist class began casting around for possible alternative candidates, under whom the Pinochet dictatorship could continue without the old man if necessary. If things get too hot for him, the military and the business class are prepared to live without Pinochet; but they are far from ready to relinquish power.

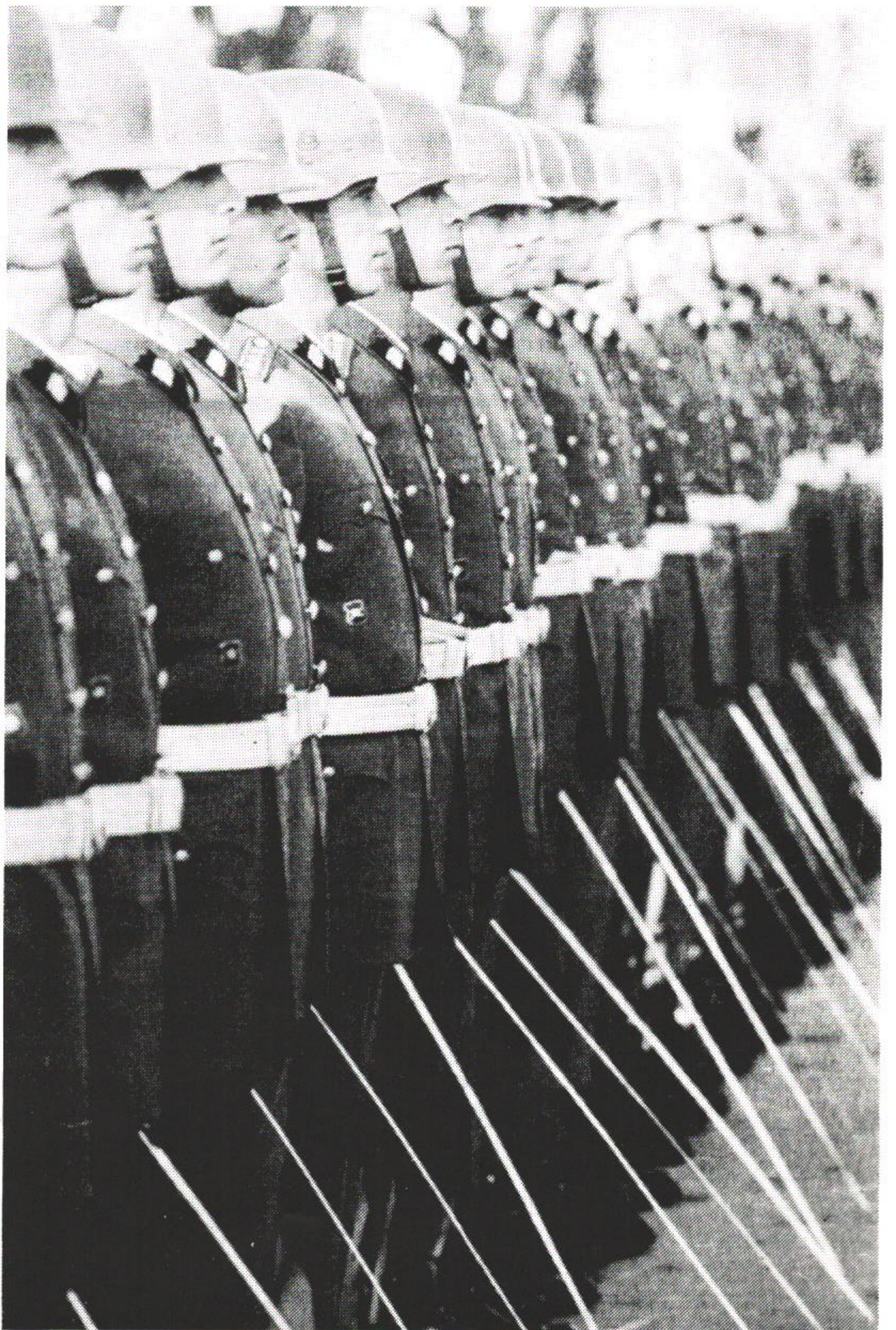
The referendum results were hardly out before the reactionaries began to

mobilise their forces. Two days after the vote, right-wing thugs launched a wave of violent attacks on militants and opposition leaders. The Special Forces riot police made a special point of cracking journalists' skulls in the streets, to discourage the media from reporting what was going on.

The Chilean opposition is now in a dilemma. It enjoys the support of a majority of the population. Yet it is afraid to mobilise these people, lest it should provoke military repression. Opposition leaders are thus devoting considerable energy to holding back their supporters. But if the opposition remains immobile, it risks being picked off one by one by the military. And a lack of mass pressure will give

the military time to work out some sham changes, establishing a form of political rule acceptable to its friends in the capitalist class.

The dilemma faced by the opposition is strikingly similar to that experienced by the radical Popular Unity government of Salvador Allende, during the months leading up to the September 1973 coup which brought Pinochet to power. Then, Allende and his colleagues reacted to the threat of military intervention by restraining their supporters. Allende hoped that, by demobilising the movement of workers and peasants, he could persuade the military that it had no cause to overthrow him. In fact Pinochet seized this pause in



**RIGHT:**  
The military has only one master—the capitalist class

## The Chilean experience proves that, to take control of an economy, it is necessary to expropriate the capitalist class

mass mobilisation as the opportunity to launch his coup. Is it likely that such an outcome can be avoided this time by opposition leaders determined to demonstrate their moderation and respectability? To answer this question, it is worth examining the lessons of the coup.

Memories of the military coup which overthrew the Allende government still horrify the world. On 11 September 1973 right-wing officers gave orders to attack, the army occupied strategic positions throughout Chile, and Allende was executed in the presidential palace. The military rounded up tens of thousands of workers and left-wing activists. Many were shot on sight. Thousands were herded into the national stadium in Santiago, to be tortured before being jailed or killed.

Within months of the coup, Pinochet had presided over the murder of more than 50 000 workers and activists and drowned the opposition in blood. The Pinochet regime quickly earned a reputation for uninhibited use of brute force and flagrant abuse of the most elemental human rights. In the new police state, the main policies which the government offered Chileans were imprisonment, coercion and torture. Pinochet declared a state of emergency which killed off political life.

### Enter the iron fist

The aim of the Pinochet regime was to crush the working class and to eliminate all organisations which had the remotest affiliation to the left. The systematic application of terror had the desired effect. Once they had destroyed the power of the Chilean working class, the bosses set about reconstructing their system of exploitation free from the conventional restraints of a civilised society. The state of emergency, which remained in force from September 1973 until August this year, institutionalised an atmosphere of fear and violence in which demands for better wages and living conditions could be ignored or suppressed as required.

Pinochet's iron-fist policies are infamous. The military's ferocious dictatorship and unbridled assault on democratic rights have made it a pariah regime. Yet for all its excesses, it would be wrong to conclude that there is anything exceptional about the Chilean state.

In many ways Pinochet's Chile is the capitalist ideal. His policies are the envy of the likes of Margaret Thatcher and Ronald Reagan. Pinochet has created a Thatcherite paradise. He has destroyed the power of the trade unions altogether, and the state's weapons are permanently trained on the working class. Rule by terror has helped to fragment the

working class and allowed the bosses to manage their affairs without any regard for the conditions of their employees. This is Thatcher's ideal of the free market in labour.

Pinochet has given privatisation a new meaning. The state has absolved itself of all responsibility for the welfare of the people, handing over health services and pensions to the private sector. Sickness is a calamity for the 90 per cent of Chileans who cannot afford private healthcare. At present rubbish collection is being privatised, and there are plans to sell off port and airport operations as well as water treatment and sewage. The only sector of the Chilean state which is safe from privatisation is its bedrock—the police and the military.

### Blood, sweat and profits

Chile has become a haven for capitalist exploiters from around the globe. It is not surprising that international financiers regard it as a role model for the third world. The rulers of the capitalist world show their gratitude to Pinochet by keeping foreign investment from imperialist countries steadily flowing into Chile. It is a matter of indifference to Western capitalists that Chile's enterprise culture has been paid for by the blood and sweat of its workers and peasants. These are the rewards which the Chilean right has reaped from the overthrow of the Allende government 15 years ago.

The Popular Unity coalition government, with Allende as its figurehead, was elected in 1970. It was the culmination of a period of radicalisation in Chilean society from the late sixties. The social unrest, expressed in an upsurge of struggles by workers and peasants, put the capitalist class on the defensive. The Popular Unity coalition of Socialist, Communist and Radical parties polled just 36.3 per cent of the vote. But, with the right divided, this was enough to put Allende in power.

Chile was ripe for change. Mass mobilisations of workers and peasants swept the country and provided Allende with a base of support. His Popular Unity government sought to correct social injustices with a programme of reforms. Its main aim was to redistribute resources, through the gradual extension of state control over the economy. Allende placed special emphasis on nationalising sectors of industry and reforming the agrarian system. His government passed measures to increase the provision of social services and to improve the living standards of the poorest Chileans.

Many of these early reforms enjoyed widespread popular support. The Allende government appeared to offer a viable policy for change.

Hundreds of thousands of people were spurred into action by a growing conviction that the country could be theirs. Often they ran ahead of the government, with workers taking over the factories and peasants occupying the landlords' farms.

Predictably, Allende's reform policies, and the growing assertiveness of the masses, soon provoked the wrath of Chilean capitalists and their imperialist ally, the USA. When bosses and landlords tried to sabotage the reforms they succeeded only in provoking a popular revolt. In the factories, shanty towns and landed estates, workers and peasants quickly set up local committees to defend and extend their newly-won gains. The creation of these popular organisations showed that the class struggle was nearing crisis point for the capitalists, as the aspiration to take control of society caught on among more and more workers and peasants.

The Allende government had succeeded in creating an initial atmosphere of euphoria, but it soon faced an intractable problem. Although it had begun to challenge the vested interests of the capitalist class, Popular Unity was not in control of either the economy or the state. Like all genuinely reformist governments, the Allende regime was confronted by two fatal flaws in its strategy. The first problem it faced was the resistance of the capitalist economy to reform; the second was the threat which the state machine poses to any government which encroaches on the interests of capital. Let's look more closely at both.

### A question of control

The capitalist economy can tolerate only those reforms which do not interfere with the accumulation of profit. Whenever a left-wing government threatens to undermine the dynamic of the profit system, an economic disaster is bound to follow. Capitalists will take their capital out of the country and sabotage production. The imperialist powers will close ranks and prevent resources and essential goods from reaching the country. This is what happened in Chile.

Within a year of assuming office, Allende had lost control of the economy. One essential lesson we can learn from the Chilean experience is that, to take control over an economy, it is necessary to expropriate the capitalist class. This was something Allende would not countenance. His government threatened the capitalist class, yet allowed the exploiters to keep control of the levers of economic power—and they used that power to considerable effect.

The withdrawal of capital from the

country and a US-imposed boycott of international credit crippled the Chilean economy. The fall in the price of copper, Chile's main export, exacerbated the crisis. Soon Chile was suffering soaring inflation and shortages of essentials—in short, economic chaos. After a year and a half of the Popular Unity government, living standards began to fall.

The collapse of the Chilean economy prompted the petty-bourgeoisie and the middle classes to organise against the Allende regime. Even some workers, hard pressed by shortages and inflation, became disenchanted with the government. By May 1973 the copper miners, backbone of the working class, were striking for higher wages. When Pinochet struck in September, most workers and peasants were demoralised by severe economic hardship.

most fundamental principle of Marxist policies. So long as the capitalist state machine remains intact, every gain won by the working class can be taken away again. Should the class struggle become more advanced and threaten capitalism directly, the coercive powers of the state will be deployed with full force. The state is the guarantor of capitalist interests. While the state stands, any challenge to the system can expect the worst from the police and the military.

### Their state, our enemy

The Chilean people paid a terrible price for the naive faith which the Popular Unity leaders placed in the supposed neutrality of the state. The state is accountable to its master, the capitalist class, and nobody else, no matter what happens in elections and referendums. Yet Popular Unity leaders proclaimed their belief that the state was a neutral instrument at the disposal of any democratically elected government. 'I have absolute confidence in their loyalty', said Allende of the military in 1971; 'our forces are professional forces at the service of the state, of the people'. This confusion between the state and the people was his downfall.

While Allende professed his faith in the authorities, the capitalist class and its army agents were planning their revenge from the first days of the Popular Unity government. This became especially clear from the summer of 1972. The military gave covert support to reactionary strikes by shopkeepers and mass anti-government demonstrations by the right. Rumours of an impending coup began doing the rounds throughout Chile.

Left-wing activists who tried to alert the government to the dangers ahead were dismissed as provocateurs. The Communist Party in particular distinguished itself by issuing forceful denials of any danger from the military. Indeed, the Communist Party leaders in the coalition went out of their way to attack those who sought to mobilise the masses against the military. Even after June 1973, when an armoured tank regiment attacked the presidential palace, the government sought compromise and rejected the demands of those who wanted to organise militant resistance to the threat of state terror.

### Day of reckoning

June 1973 was the turning point. Millions were ready to fight, but the Allende government demobilised workers and peasants in its determination to play by the capitalists' rules. Had it not been for the exceptionally high level of struggle by workers and peasants, the generals would doubtless have struck earlier. As it was, after June 1973 Pinochet and his collaborators knew that their moment had come. On 13

September, the Chilean state machine cruelly exposed the fatal weakness of Popular Unity. Tens of thousands of workers paid with their lives for the failure of the Allende experiment.

The coup in Chile was a major setback for the international working class. The Chilean masses, at the forefront of the international class struggle, were defeated. The cause of human emancipation was undermined worldwide. What happened in Chile should have confirmed the dead end of reformism. It showed the necessity for the working class to take power before any significant advance could be made. Unfortunately, the lack of such a Marxist perspective meant that the coup had a disorienting effect on the international left. The official Communist movement drew conservative conclusions from the experience. For Marxists the problem was the hesitations and gradualism of the reformist government. For those of a Stalinist persuasion, the problem was that Allende went too far, too fast.

### Berlinguer's version

In an influential article, 'Reflections after the events in Chile' (*Marxism Today*, February 1974), Enrico Berlinguer, leader of the Italian Communist Party, argued that Allende's gradualist approach was irresponsibly radical. In line with the emerging wisdom of the Stalinist movement, Berlinguer claimed that class collaboration had to go much further than that practised by the Allende government.

According to Berlinguer, a 'left alternative' movement was not broad enough. What was needed was a 'democratic alternative', which could unite the left with the church, the middle classes, with virtually everybody except the anti-democratic far right. Berlinguer's reflections on Chile laid the basis for what became known as the strategy of the 'historic compromise', the staple of Eurocommunism.

Berlinguer gave class collaboration a systematic ideological justification. The Stalinists held Chile up as an example of what would happen if the left failed to win the cooperation of the church and the middle classes. Fortunately for the European working class, the Communist parties never had the opportunity to put this into practice, because nobody would elect a government committed to the 'historic compromise'. They did, however, manage to alienate left-wing workers through this conservatism, and suffered a major decline in electoral support.

In Chile the left has become increasingly conservative. Former Popular Unity parties and those further to the left now argue that the priority must be the restoration of bourgeois democracy. As for transforming society, that is depicted as a problem for the indefinite future.



Saying 'No' didn't stop the generals in 1973

There can be no doubt that the Allende regime meant well in trying to reform the economy. Unlike many other reformist governments, Popular Unity actively tried to implement its promises. The problem is that reformism is an unworkable method of confronting capitalism. Worse still, it destroys the confidence of the working class through the chaos it inevitably breeds. The only realistic alternative to capitalist economic policies is the expropriation of the exploiters by the working class. The Chilean tragedy confirmed this elementary Marxist proposition once again.

The precondition for the liberation of society is the destruction of the capitalist state machine. This is the

Almost all of the left-wing parties are now working in an alliance with the Christian Democrats. The 'Comando por el No' is a 16-party coalition which campaigned against Pinochet's proposals in the referendum, and which provides the main opposition focus. It is led by the Christian Democratic Party. This means that the opposition to Pinochet is headed by a party whose leaders strongly supported the coup against the Popular Unity government.

### Policing the left

The Comando's strategy for ridding Chile of Pinochet is based on winning support across society, from the recently disillusioned middle classes to the moderate left. Both before and since the referendum, the coalition has emphasised that its aim is not conflict, but 'national reconciliation'. The Comando's leaders have gone to great lengths to provide the ruling class with an undertaking that they will pose no threat to Chilean capitalism. Back in September, the Comando insisted that the transition to democracy 'must take place on the basis of an agreement with the armed forces and the security forces...to avoid an institutional and legal vacuum'.

To demonstrate their moderation, leaders of the Comando have taken responsibility for policing the opposition. Since the Comando was set up in February 1988, its leaders have condemned street demonstrations, both spontaneous and organised. At the final Comando rally in Santiago on the eve of the referendum, Patricio Aylwin, president of the Christian Democratic Party, ensured that he was the only speaker to address more than a million people packed into the city centre. He made sure that the opposition's voice was calm and moderate. Aylwin's message to the rally was predictable: 'Go home now calmly, ignore all provocations and get ready for the grand celebration party on Wednesday night.' Calls for restraint have continued since the referendum. The leaders of the Comando are using the bogey of military intervention to keep the opposition movement off the streets.

### Fatal embrace

The left has gone along with the Comando's appeals for inaction. The guerrillas of the Manuel Rodriguez Patriotic Front are not part of the Comando, yet called off all action for the duration of the referendum campaign. Although many militants are fed up with turning the other cheek to right-wing provocateurs, there is no left-wing focus that acts as an alternative to the control of Christian Democracy.

For now, the policy of national reconciliation dominates the opposition. This policy was symbolised in the public embrace between Isobel Allende and Carmen

Frei at the huge opposition rally on 3 October in Santiago. Isobel Allende is the daughter of the executed Popular Unity president; Carmen Frei is the daughter of the late Christian Democratic president Eduardo, who supported the coup in which Allende was murdered. By putting them on the platform arm-in-arm, the Comando hoped to show its commitment to national reconciliation and letting bygones be bygones.

military commanders are prepared to dump Pinochet, so long as their power remains intact. A new coup behind closed doors, with the acquiescence of opposition leaders, is thus one possible scenario.

A revamped military junta could come to an arrangement whereby civilian politicians front their regime; or an interim government could be set up, consisting of supporters of Pinochet and leaders of the

## A lesson unlearned

'We continue to support the absolutely professional character of the armed institutions. Their enemies are not among the ranks of the people but in the reactionary camp.'

**Communist Party leader Luis Corvalan, 8 July 1973—just two months before the 'professionals' slaughtered his supporters**

'The Communist Party calls upon the military to accept the national will. The people of Chile has only one, and as such it has to be expressed.'

**Communist Party statement on referendum result, 6 October 1988, while the army was preparing to impose the capitalists' will**

'National reconciliation' is a euphemism for making peace with the military. During the past eight months the opposition has sought to convince the military that it need not retain power, since the nation was now reconciled and nobody wanted to make trouble. Since the referendum, opposition leaders have been careful to distinguish the electorate's rejection of Pinochet from any sentiment which could be construed as anti-military or anti-police. The opposition's narrow perspective is defined by this attempt to pretend that the problem of democracy can be reduced to Pinochet's dictatorial personality.

In reality, the danger posed by the military has not diminished since September 1973. The capitalist class and its friends in the army can no more tolerate any manifestation of popular resistance today than they could 15 years ago. Trying to restrain the opposition movement can only make it easier for the military to assert its authority again.

There are ominous parallels between the situation today and the terrible events of 1973. The referendum campaign brought mass discontent back to the surface of Chilean society. It exposed the illegitimacy of Pinochet's rule. The referendum results have been a blow to the right-wing forces inside and outside the government. They have been stung into action. While the opposition counsels caution, the right has begun to mobilise its forces for a fight to the finish.

What are the alternatives to a repetition of the bloodbath of 1973? If the leaders of the opposition succeed in curbing the mass movement, they could strike a shabby deal with the military. Some

opposition. In return for giving vague promises of democracy, such an arrangement would allow the military time to reorganise and to re-establish its rule on a more durable footing.

This is one way of avoiding a bloodbath. Of course it would mean that the opposition ceases to oppose the military in any sense. The generals would be given a free hand to determine the rules of the game.

The other alternative relies on mobilising workers and peasants against the military and its sponsors in the capitalist class. Instead of relying on the charitable instincts of the military, this course would depend on the potential power of the masses. First, this power has to be used to defend working class communities from the violence of right-wing thugs and the security forces. After the events of September 1973 the left must take the danger of repression seriously. Yet it cannot allow this danger to become an excuse for inaction. Sooner or later Chile will face civil war. By organising the working masses in advance, the left can ensure that such a conflict is more evenly matched than it was in 1973.

National reconciliation is wishful thinking. The conflict of interest between the working masses and their masters cannot be reconciled out of existence. This is why the capitalist class will demand that the military continues to play a central role in Chilean politics. Only a mass revolutionary movement has the potential to rid Chile of its military dictators. But while the Chilean left remains wedded to the Berlinguer solution, a coup behind closed doors will remain the most likely outcome of the period ahead.

## The Glorious Revolution

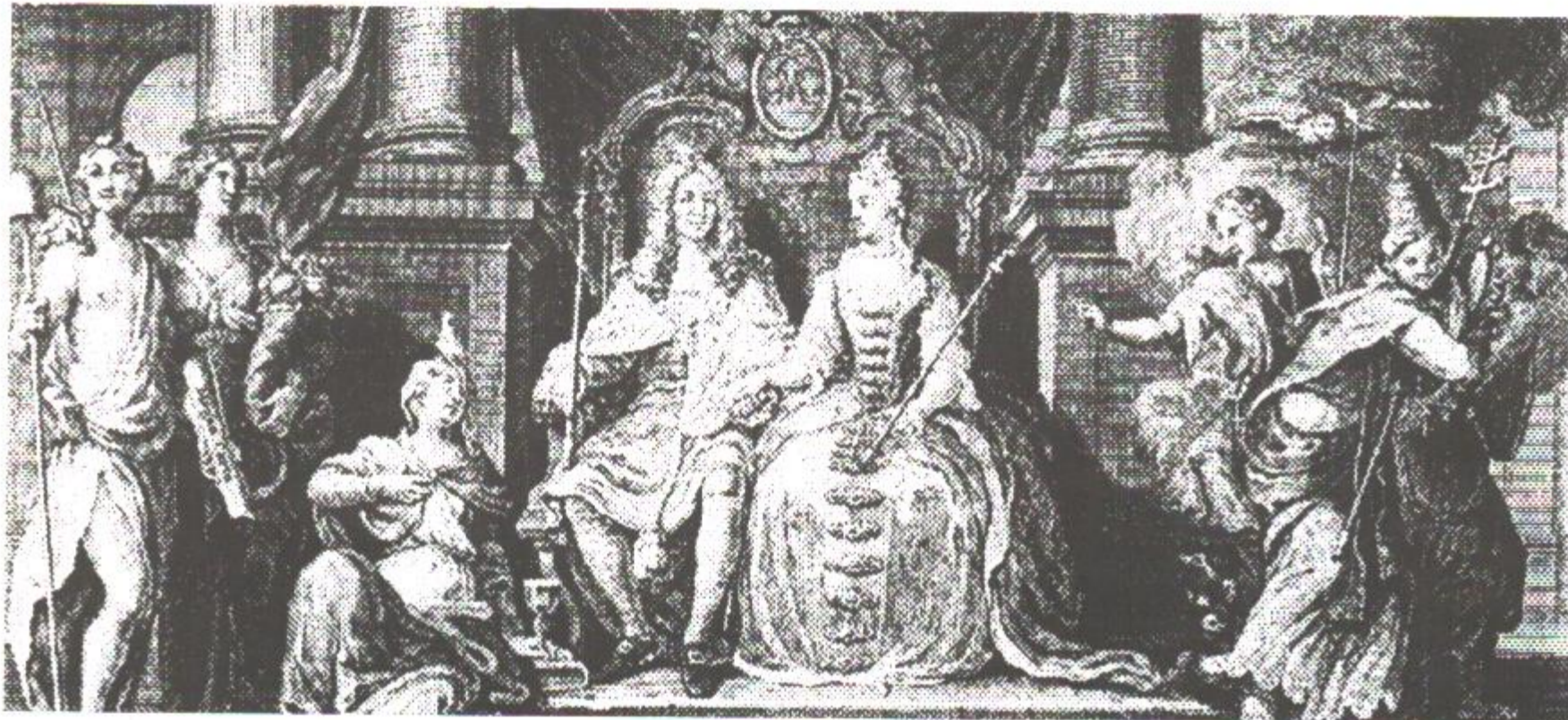
## A very British coup

On 5 November 1688 William of Orange, ruler of the independent Netherlands, landed with his professional army in Torbay and marched on London. His route had been marked out six months earlier by a handful of English aristocrats who met to plot the overthrow of James II, reigning monarch. Nine months later James, younger son of the executed Charles I, was vanquished at the Battle of the Boyne in Ireland, and the reign of William of Orange was consolidated in a new constitutional settlement.

Such was the Glorious Revolution, celebrated this month in England by a set of postage stamps, and in Northern Ireland by Loyalist festivities. What was so glorious or revolutionary about it? The Crown passed from one monarch to another. The Roman Catholic Church was superseded by the Church of England. An era of civil war and radical upheaval came to an end, in the events which paved the way for 300 years of conservatism, gradualism and stability in class relations in Britain.

A telling summary of the meaning of 1688 was provided by Thomas Macaulay in his classic *History of England*. Writing in the months when mid-nineteenth century Europe was convulsed by revolutionary turmoil, Macaulay looked back on 1688 as a peaceful counterpoint to the tumult of his day:

'It is because we had a preserving revolution in the seventeenth century that we have not had a destroying revolution in the nineteenth....To us, who have lived in the year 1848, it may seem almost an abuse of terms to call a proceeding conducted with such deliberation, with so much sobriety, and with such minute attention to prescriptive etiquette, by the terrible name of Revolution.'



William and Mary helped make England safe for capitalism

Amid the growing class division and conflict of Thatcher's Britain, Enoch Powell has found a similar poignancy in the tercentenary celebrations:

'England in 1988 has cause to look back with gratitude to the England of 1688...though it was anything but a "revolution" it has proved itself in retrospect to have been "glorious"...They rallied to preserve and carry over intact from a dying past into an inscrutable future the three most precious of our national possessions, the three things without which we would not be the people that we are: our monarchy, our parliament, and our church.' (*Telegraph*, 1 January 1988)

Powell, like Macaulay before him, has fond memories of 1688 as the time when the seeds were sown from which sprang centuries of capitalist prosperity, based on the organic development of the institutions of bourgeois rule.

Of course, the conspirators of 1688 were not consciously acting in the interests of posterity or of Powell. They were dealing with a much more pressing problem; the need to end decades of political crisis and class conflict in England. 'By 1688', said the historian JH Plumb, 'violence in politics was an Englishman's birthright'. Memories of the civil war of the 1640s haunted the ruling elite of the 1680s. In particular, they feared that further unrest might resurrect a plebian movement like the Levellers,

which had fought not just to remove Charles I, but to democratise English society.

Those who conspired to overthrow James II 300 years ago were capitalist landowners and merchant entrepreneurs. They sought to preserve the power they had won after a generation of struggle. Their wealth and influence were based on the capitalisation of land and revenues from commercial exploitation. The English revolution, as Marx observed, empowered a landowning elite, not an industrial bourgeoisie: 'The English gentry became a bourgeoisie of its own particular kind.' The new ruling class could not do away with the archaic institutions of the old order; the backwardness of English society corresponded to the low development of the productive forces. The Glorious Revolution thus aimed to stabilise the emergent capitalist system by preserving all the rubbish of the Middle Ages, at whose throne and altar the likes of Powell continue to worship.

The bourgeoisie had acquiesced in the decapitation of Charles I in 1649, but not to establish full political democracy for all property holders, and least of all to encourage the primitive communism of the Diggers. The new elite supported the execution to secure the abolition of feudal land tenure in favour of land ownership by contract, and to establish their own supremacy in parliament on the basis of a highly restricted franchise.

During his short reign from 1685 to 1688, James II tried to reintroduce the absolute prerogatives of the Crown and to reinstate the Pope as the nation's religious leader. In short, to do everything which caused his old man's head to roll. The conspirators who toppled James were not motivated by religious toleration, however. They opposed Catholicism because of its association with the divine right of kings. They were also keen to prevent England's subordination to France, the Continental landpower under the Sun King Louis XIV, to whom they regarded James as cravenly subservient. France was then the sole rival to England's claim to commercial supremacy.

The aristocrats dismissed the claims of James' Catholic son to the Crown (and spread the story that he was an impostor, smuggled into the royal bedchamber in a bedpan). Instead they enthroned James' Protestant daughter Mary, and her husband William of Orange, to give constitutional legitimacy to their coup d'état. The choice of William was of strategic importance. He headed a grand coalition, Protestant in origin but embracing the Catholic monarchs of Spain and Austria, formed to resist French expansionism. English foreign policy sought to use a European bloc to prevent France controlling the Low Countries, whence it might challenge the supremacy of London. This power struggle continued until the defeat of Napoleon at Waterloo in 1815.

The confidence of the conspirators was based both on their landed wealth and on the suppression of the radical tradition. What was left of the Good Old Cause had been butchered three years earlier, when a pointless putsch led by the Duke of Monmouth was crushed, first at the Battle of Sedgemoor, and then by Hanging Judge Jeffries. Sedgemoor was the last battle fought on English soil. Culloden in 1746, when the clans rose in support of the Stuart dynasty's futile bid to halt the forward march of capitalism, was the last on British soil. The clanspeople were swept from their land, and from history, for their pains.

The Glorious Revolution helped to stabilise the political order throughout Britain—but not in Ireland, where William finally defeated James the following year in a battle fought at the Boyne between mercenary armies. We will return to the significance of this episode for the Crown's subsequent inglorious interference in Ireland in a later *Living Marxism*.

● Alan Harding

## Twenty years since the civil rights movement

# How the war began

**A look back to the events of 1968 shows a direct progression from the civil rights protests then to the armed conflict in Ireland today. Mark Reilly sifts the evidence**

The twentieth anniversary of the explosion of the civil rights movement in Northern Ireland has prompted many rehashed interpretations. Most modern commentators draw a sharp distinction between the non-violence of the civil rights era and the armed struggle of the IRA. In a typical article in the *Independent*, Geoffrey Wheatcroft distanced the 'legitimate demands' of the civil rights movement for an end to anti-Catholic discrimination from the 'illegitimate demand' for an end to partition (3 August 1988). In the new second edition of his popular book *The Longest War*, American academic Kevin Kelley advises Irish nationalists to abandon the armed struggle and return to the methods of the sixties—civil disobedience and non-violent action. Kelley is typical of many who express formal support for Irish unity, yet share the same prejudice as a reactionary like Wheatcroft—that the war is an unfortunate departure from the healthy campaigning for civil rights.

Those who conclude that 19 years of war have all been a big mistake understand neither the struggle in Ireland nor the events which sparked the crisis. Those who marched against discrimination in 1968 and 1969 did not set out to start a war. Yet they were, albeit unconsciously, laying the basis for the most protracted period of war in the centuries-long conflict between the British Crown and the Irish people.

### Six sectarian counties

The inherently sectarian nature of the Six-County state made it inevitable that demands for formal equality would challenge the very existence of Northern Ireland. It was logical that the movement for civil rights should then give way to a broader struggle for Irish unity and independence. We can demonstrate how this process worked by looking at where the civil rights movement came from.

The British state created the 'province' of Northern Ireland

through the Government of Ireland Act in 1920, and the Partition Treaty in 1921, when Lloyd George's government accepted that it could no longer occupy the whole of Ireland in the face of the Tan War for independence. Northern Ireland was an artificial British invention. It was carved out of the Irish nation to secure Britain's influence. Lacking any rational or national basis, the new statelet relied on extreme measures to survive. Its borders were drawn to create a permanent 'majority' out of the Protestant settler population which was a minority in Ireland as a whole. To ensure that these Protestants remained loyal to the Crown, and that the disloyal 'minority' of Catholic nationalists in the Six Counties were kept down, Britain presided over the creation of an institutionalised system of sectarian discrimination.

Northern Ireland was governed by an unashamedly Unionist regime; 'A Protestant parliament for a Protestant people', its first prime minister called it. Discrimination and repression were the preconditions for stability in that unstable state. Sir Basil Brooke, Northern Ireland's



longest serving prime minister, told employers that state security was the first priority for every Protestant:

'I recommend those people who are Loyalists not to employ Roman Catholics, 99 per cent of whom are disloyal....If you don't act properly now, before we know where we are we shall find ourselves in the minority instead of the majority. I want you to realise that, having done your bit, you have got your prime minister behind you.' (M Farrell, *Northern Ireland: The Orange State*, 1980, p90)

### 'Liable for assassination'

The privileges they received in the allocation of jobs, housing and political power helped to weld the Protestant community together as a fiercely sectarian force. The Royal Ulster Constabulary, armed with guns and sweeping legal powers, acted as the militia of the Loyalist community.

Pogroms against Catholics were an enduring feature of Northern life. Hundreds of Catholics were murdered and thousands made homeless in the pogroms which followed the creation of the state.

Again in 1935, Catholics were expelled from workplaces in their thousands and many killed. At the trial of two men charged with one such murder, the attorney general, AB Babington MP, gave the state's verdict on the pogrom: 'The man was a publican and a Roman Catholic and was therefore liable for assassination.' (Farrell, p139) In Whitehall the same view informed discussions on Northern Ireland, as Sir Robert Maxwell explained to the cabinet in 1924:

'The accusation against the government of Northern Ireland of religious discrimination is somewhat difficult to deal with. In one sense it is of course obvious that Northern Ireland is and must be a Protestant state, otherwise it would not have come into being, and would certainly not continue to exist.' (Cabinet Minutes, 22 April 1924)

Pogroms, systematic discrimination and draconian security measures largely succeeded in keeping the nationalist people down for nearly 50 years. While most Catholics saw ultimate deliverance from their nightmare in a united Ireland, in practice they quietly tried to make the best of a bad lot. Eamonn McCann recalls that a common sight in Derry's Guildhall was a gaunt woman with her children pleading for a corporation house from the Loyalist mayor—'Please Mr Anderson, we have been on the list for 15 years.' (E McCann, *War and an Irish Town*, 1981, p24). There was little enthusiasm for armed resistance. Every attempt by the IRA to open

hostilities ended in failure. The most notable example was the 'Border campaign' of 1956-62, which failed to spark the nationalist insurrection that the IRA had hoped for. Most continued to support the conservative Nationalist Party, which paid lip-service to Irish unity while acquiescing to Stormont from day to day.

All of this began to change in the mid-sixties, as the development of the post-war world finally began to make itself felt in the forgotten backwater of Northern Ireland.

Three factors would be decisive in giving rise to a civil rights movement: the crisis of the old Northern economy and the Unionist attempt to modernise it; the emergence of a new Catholic middle class; and the IRA's effective abandonment of the struggle for national liberation. Let's look at these in turn.

The decline of traditional manufacturing industry such as shipbuilding and textiles undermined the foundations of Unionist capitalism. A firm like Harland and Wolff shipbuilders in Belfast, which employed nearly 70 000 workers at the turn of the century, had little more than 10 000 on the payroll by the mid-sixties. Even this slimmed-down workforce was sustained largely through government subsidies. The North's textile industry, once trumpeted as an example of Protestant industriousness, had been all but destroyed. Terence O'Neill, Northern prime minister, realised that things could no longer go on in the old way. Despite the state subsidies which had allowed 300 British and other foreign companies to set up shop since 1945, the Northern economy continued to stagnate ('Government-sponsored industry in Northern Ireland', Northern Ireland department of commerce, 1977). Unemployment, which in Britain remained around two per cent throughout the sixties, reached eight per cent in the North by 1968.

### North meets South

O'Neill saw his mission as bringing the state out of the dark ages and attracting new industry and investment, by modifying the more blatant aspects of sectarianism and projecting the image of a dynamic, modernising economy. To this end, O'Neill met Dublin premier Sean Lemass at Stormont in 1965, the first ever meeting of its kind, heralded as the start of a reconciliation between the two partition states. The meeting raised the hackles of the more atavistic Unionists, but O'Neill saw it as an acceptable risk. Meeting Dublin and declaring a new age in Northern Ireland helped to give the impression that change was on the way, without touching the important institutions of

Loyalist rule. The failure of the IRA's Border campaign gave added impetus to O'Neill's strategy of token reform in the North and apparent rapprochement with the Southern state. At no time this century have the flames of republican resistance burned so dimly as in the mid-sixties.

The meeting was more symbolic than substantial, and O'Neill's token 'reforms' changed nothing. He earned his misplaced reputation as a fighter against religious intolerance simply by visiting a Catholic convent in 1967. However, these developments encouraged the illusion that things were changing among two important groups: hardline Loyalist supporters of the rising star of Protestant bigotry, the Reverend Ian Paisley, and the increasing numbers of educated or middle class Catholics.

The post-war welfare reforms had unforeseen consequences in Northern Ireland. The Education Act of 1947 created the '11-plus generation' of Catholics who could escape the traditional role of unskilled labourers, go to grammar school and university and start a professional career. The expansion of employment in the state sector allowed some Catholics to rise to managerial positions in nationalist areas. Yet in the sectarian state members of the new Catholic middle class were still branded second class citizens, denied the status their peers enjoyed elsewhere, and barred from the corridors of power. This discrepancy between the economic development of the Catholic middle classes and their lack of political or social influence was most obvious in Derry, 'nationalist capital' of the North.

### One over two

Although Catholics outnumbered Protestants by nearly two to one in Derry city, on the council the ratio was two to one the other way. The crude manipulation of ward boundaries by the Unionists ensured that the two smaller Protestant wards would return more councillors than the single, but considerably bigger, Catholic ward.

After the war, industrial decay was allowed to proceed unhindered in Derry. Vital rail and sea links with the rest of Ireland were cut, while the Catholic population of the town continued to grow (F Curran, *Derry: Countdown to Disaster*, 1986, p25). The supreme insult came in 1965, when Stormont announced that the new university for the Six Counties would be sited, not in Derry, its natural setting as the second city, but in the small Protestant town of Coleraine, 30 miles to the east. At Stormont, the Unionist MP for Derry voted against building the university in his town. The lesson was not lost on Catholics: Unionists would rather see their own area decay than grant

**'Northern Ireland is and must be a Protestant state, otherwise it...would certainly not continue to exist.'**

**(British Cabinet Minutes, 1924)**

RIGHT:  
The 'B' Specials—  
sectarian thugs by  
appointment to the  
Crown



**O'Neill's  
token reforms  
only  
prompted  
Catholics to  
be more  
militant, and  
provoked a  
Loyalist  
backlash**

nationalists the chance of a better life. Some embittered middle class Catholics sought a way to make O'Neill keep his promises of reform. They had no intention of threatening the state. They wanted access to it. Thus their primary concern was to end electoral gerrymandering. Yet they unwittingly set in motion a process which would culminate in an attempt to remove the most gerrymandered boundary of all—the Border.

If developments in Unionist policy and social changes created the conditions for some sort of Catholic response in the sixties, changes within the republican movement were important in determining the form which that response would take. The defeat of the IRA's Border campaign had a decisive effect on the politics of the republican movement. It drove many veterans out of the struggle and strengthened the hand of those suggesting a new orientation.

### Stalinist stages

Computer scientist Roy Johnston returned to Dublin from England in the early sixties, and presented the IRA leadership with a programme which it hoped would make republicanism relevant to a modern Ireland.

Johnston suggested the abandonment of the armed struggle, the recognition of Westminster and the partition parliaments at Dublin and Stormont, and a blueprint for democratising the Six Counties. Heavily influenced by the Stalinist movement, Johnston proposed a 'stagist' theory of revolution in Ireland: first democratise the Six Counties and unite Protestant and Catholic workers, then move towards national unity, and then towards socialism. The IRA dumped many arms (selling some, so legend has it, to the Free Wales Army) and launched itself into the emerging civil rights movement (for an account of this development, see TP Coogan, *The IRA*, 1987, p423). The Stalinist degeneration of the organisation which, by tradition, was the implacable opponent of British rule, encouraged the channelling of nationalist unrest into a moderate civil rights movement for equality within the sectarian state.

The civil rights movement which started to gather steam in the mid-sixties involved many different factions. They shared one aim—to democratise the Six-County state and allow Catholics to progress within it. The problem for middle class Catholics was that they were excluded from political life. This forced them to rely on the working class as foot-soldiers. As long as the civil rights movement remained a polite lobbying body it could be ignored by the authorities. What was needed was action.

In 1964, encouraged by the success of the American civil rights movement, a Dungannon doctor, Conn McClusky, and his wife

Patricia, set up the Campaign for Social Justice. The object of the campaign was to highlight cases of discrimination in housing and employment, and electoral malpractices. Soon, however, what had seemed radical in 1964 was seen as inadequate. Up and coming nationalist spokesmen such as Gerry Fitt and John Hume realised that their only hope of success lay in mobilising ordinary Catholics behind their banners. Fitt, who would also be outpaced by events to become within a few years a discredited enemy of Irish freedom, called for more pressure on Stormont: 'If constitutional methods do not bring social justice, if they do not bring democracy to the North, then I am quite prepared to go outside constitutional methods.' (*Derry Journal*, 23 July 1968)

For the newly Stalinised republican movement, civil rights provided a golden opportunity to test its new programme.

Together with what remained of the Communist Party and the Campaign for Social Justice, republicans backed the Northern Ireland Civil Rights Association, founded early in 1967. Even by the standards of moderate nationalists, their tactics were not outrageous, ranging from setting up discussion groups to assisting squatters. More militant student groups also appeared, some inspired by events in Paris and the USA. In Derry, a Housing Action Committee was set up to give militant support to homeless families. Housing was a central issue for many early activists. Almost every home built during the post-war construction projects had gone to Protestants, while large Catholic families spent years on waiting lists. In June 1968, Austin Currie highlighted discrimination by squatting a house in Caledon, County Tyrone. It had been allocated to a 19-year old Protestant girl in preference to several Catholic families, some living in makeshift shelters. The new mood meant more Catholics were unwilling to resign themselves to such snubs.

### Moderate subversion

The demands which became the programme of the Northern Ireland Civil Rights Association were moderate enough (see box). Anywhere else in northern Europe, they would have been considered uncontentious. But, in the unique context of Northern Ireland, they had far-reaching implications. Sectarian discrimination was much more than a Stormont policy. It was the foundation on which Britain had built its distorted little statelet in the Six Counties. As the British cabinet had been told almost 45 years earlier, 'Northern Ireland is and must be a Protestant state, otherwise it...would certainly not continue to exist'.

Without the institutionalised oppression of 'disloyal' Catholic







nationalists, and the social privileges which tied Protestant Loyalists to the Crown, the colonial British system would collapse. Northern Ireland could not be reformed. Thus demands for the extension of democracy and equality threatened the foundations of the state itself. This was why the moderate approach of the civil rights movement was met with such fury by the Loyalist defenders of the status quo, who recognised instinctively that there was far more at stake than a house in County Tyrone or a seat on Derry corporation.

### **The demands of the Northern Ireland Civil Rights Association**

● One man, one vote in council elections ● An end to 'gerrymandered' electoral boundaries ● Machinery to prevent discrimination by public authorities and to deal with complaints ● Fair allocation of public housing ● Repeal of the Special Powers Act ● Disbanding of the Royal Ulster Constabulary's paramilitary reserve, the 'B' Specials

The demand which challenged the state most directly was for the repeal of the Special Powers Act. This draconian law stood as a permanent threat over the Catholic community. It was a constant reminder that Catholics were, by definition, enemies of the state. The Special Powers Act allowed for the introduction of internment without trial, public flogging, and sweeping powers of search and arrest. A catch-all section allowed the Stormont regime to declare anything illegal. The Special Powers Act summed up the nature of Northern Ireland—a state founded to deny the Irish people the right to rule their own country, which could survive only by meting out repression to nationalists.

O'Neill tried to meet the challenge of the civil rights movement by promising further reforms.

But his tokenism only acted as a catalyst to the crisis. Every time O'Neill made a conciliatory speech he raised Catholic hopes that the dark days might end. The more he raised expectations while nothing changed, the more Catholics concluded that further action was necessary. And the more O'Neill spoke about change, the more suspicions he raised among hardline Loyalists. He prompted Catholics to be more militant, and provoked a Loyalist backlash.

By October 1968, the situation was heading for a showdown. The Derry activists called a march for the fifth of the month which the moderate leaders of the Northern Ireland Civil Rights Association grudgingly acceded to.

Nationalist politicians took pride of place at the head of the march, unwittingly placing themselves in the frontline when the RUC unleashed its ferocious assault. Gerry Fitt was batoned to the ground. Water cannon drenched the marchers, while steel-helmeted police, consumed with rage at this display of nationalist temerity, waded in with batons flailing. The violence of 5 October catapulted Northern Ireland into the world's headlines. The sight of 'British bobbies' beating peaceful demonstrators without mercy turned the spotlight on this sordid corner of the British state. It was also a painful lesson to nationalists that the problem went much deeper than particular laws.

For the next three months tensions simmered as O'Neill tried to reconcile Catholic aspirations with the most meagre reforms. Although he got every assistance from the leadership of the Northern Ireland Civil Rights Association, which assured Catholics that change was on the way, and was carried along on a surge of media-inspired support, O'Neill could not deliver. His bluff was called when 80 student radicals from Peoples Democracy set off to march from Belfast to Derry on 1 January 1969. At Burntollet they were ambushed by hundreds of Loyalists armed with bricks, bottles and spiked clubs. The RUC stood by; they had led the marchers into the ambush. Many of the attackers were 'B' Specials. The injuries were appalling. When the blood-spattered marchers hobbled into Derry, it had a great impact. Enough, the young nationalists of the Bogside and Creggan decided, was enough.

The following night, the police went on the rampage in Catholic areas of Derry, smashing windows, beating up everybody in sight and screaming sectarian abuse.

Now youths took to stoning the RUC whenever they appeared. On one occasion, in April 1969, police chased a group of youths into a house and beat up the entire family that lived there. The father, Samuel Devenney, subsequently died of his injuries in July. He was the first person killed by the Crown forces in the present war.

### **Paisley's justice**

By now the situation was beyond the control of the Unionist establishment. O'Neill's attempts to tinker with the structures of British rule in Ireland had only exposed the brutal reality of that system. Nationalist hopes had been raised, only to be dashed as the promised reforms failed to materialise. At the same time, the suggestion that things would no longer continue in the old way led the Loyalist working class to believe that its privileges were under threat from an appeasing establishment. There was a strong element of paranoia in Paisley's insistence that the invisible

**The troops went in because the Loyalist police force was losing the Battle of the Bogside to Derry nationalists**

hand of the IRA was behind the nationalist upsurge. But the bigots were right to recognise that any attempt to tamper with the institutions of Loyalist rule would threaten the fabric of Northern society. Paisley and his lieutenants took up cudgels to do the infant nationalism to death in its cradle. Asked why he refused to consider equality for Catholics, Paisley replied: 'I would rather be British than just.'

Every confrontation between nationalists and the RUC further marginalised those hoping for a negotiated resolution. The middle class leadership of the Northern Ireland Civil Rights Association had an impossible task trying to restrain nationalist youth from taking on the hated RUC. Even Gerry Fitt was moved to declare that 'it's time to get the guns out' in order to save face. John Hume simply went to the nearest trouble-spot and begged the rioters to go home, with promises that he would negotiate the police out of the area. But the police stayed and the clashes got more bloody. Through early 1969, NICRA leaders tried to contain the explosive situation.

### **Bogside defiant**

August 12 1969 marked the turning point to full-scale war. Already things were getting out of hand in Belfast, where Catholic ghettos were surrounded and attacked by Loyalists. Derry feared that it was in for the same treatment. The occasion was the Apprentice Boys' march to commemorate the siege of Derry in 1689. It was a ritual piece of humiliation, when Loyalists would shower the Bogside with pennies and sectarian abuse. Bogsideers feared that this year they would receive more than tokens of contempt. They prepared to do battle. Barricades went up on the night of the eleventh, and as the marchers passed, the first of the stones flew. For the next three days the Battle of the Bogside raged. Wave after wave of police tried to breach the barricades only to be repulsed by petrol-bombers on top of the strategic Rossville Flats. The Battle of the Bogside was no 'inter-communal conflict'. It was first and foremost a fight between the British state, in the form of the RUC, and the nationalists of Derry. By 14 August the police were exhausted.

The Queen's writ no longer ran in Derry, while across the Six Counties, 50 years of anger was erupting. Northern Ireland lurched towards collapse.

The impending collapse of order in the Six Counties forced the British to move in. Regular troops marched into Derry when the RUC could take no more. Popular myth has it that the Army moved in to protect Catholics from a Loyalist pogrom. The commander of British forces took a different view. He reported that the police could not contain the Bogside for more than 36 hours (*Sunday*

*Times* Insight Team, *Ulster*, p121). At first the troops were welcomed by many nationalists. Just as it had taken the hard reality of confrontation with the state to prove to nationalists that the root source of their problems went deeper than the lack of formal equality, so it took a few months of mounting tension before the Army was exposed as the ultimate guarantor of nationalist oppression.

By the night of 15 August 1969, as Loyalist mobs razed Catholic homes to the ground in Belfast, and the RUC deployed armoured cars and sprayed the Divis Flats with heavy machine gun fire, the IRA's talk of uniting Protestant and Catholic workers seemed a sick joke. The IRA's failure to defend the ghettos against the RUC, the 'B' Specials and freelance Loyalists earned it the legend scrawled on a Belfast wall: 'IRA—I Ran Away'. The crisis precipitated a split in the republican movement between December 1969 and January 1970. By June 1970 the new Provisional IRA had redeemed republican honour when four local IRA men defended the nationalist Short Strand enclave in East Belfast. The IRA was recreated spontaneously by the pressure of events. Veteran republican Jim Sullivan recalled how 'every Tom, Dick and Harry was looking for weapons—people who for many, many years would have turned their heads away if you had put a collection box in front of them' (P Bishop & E Mallie, *The Provisional IRA*, 1987). IRA veterans who had dropped out with the turn towards Stalinism now found their military approach back in favour among nationalists with a desperate need of defence.

### **The long war**

With the appearance of the British Army on the streets of Belfast and Derry the scene was set for the 'long war'. Two actors now held centre stage: the nationalist working class, and the British state. The middle class moderates had been swept aside as these two combatants were driven on a collision course. All the illusions that the state could be reformed and made accountable to Catholics were discredited, and nationalists were brought face to face with reality—that

the state itself was the problem, and that Irish unity was the only possible solution. State violence had also shown up the limitations of peaceful protest.

Within two years the Provisional IRA, backed by mass support, would be engaged in a full-scale war for national liberation. Twenty years on, that struggle continues.

Every British political initiative of the past two decades has sought to suppress the conflict between the nationalist working class and the state by recreating the mythical middle ground which was discredited after 1968. But the objective contradiction between these two forces, over the fundamental issue of sovereignty, can no longer be buried. The experience of the civil rights movement saw to that. The past 19 years of war have been a logical response to the civil rights movement's shortcomings. Only the end of the British occupation can give the Irish people the dignity to which the marchers of 1968 aspired.



# REVIEWS

## Post-permissiveness

### Policing the young

*Full Circle?  
Bringing Up  
Children in the  
Post-Permissive  
Society,*

● ●  
Digby Anderson (ed),  
Social Affairs Unit,  
£8.95

In this collection of articles from a right-wing think-tank, psychologists, sociologists and a 'committed mother' rail against what the 'idols and ideas of the permissive age' have done to children. They blame social problems on the teaching methods of the sixties and seventies: 'modern' maths led to innumeracy; diet fashions caused 'muesli-belt malnutrition'. Children's futures have been 'hijacked' by trendy feminists and faddists.

Patricia Morgan argues that selfish parents seeking divorce should stay together 'for the sake of the children'. Lynette Burrows attacks the 'sexist' idea that housewives are 'stuck at home', and claims that juvenile delinquency is due to mothers being pressured to go out to work. Richard Lynn describes a 'black-sheep phenomenon' of hereditary hooliganism, claiming that children are inherently savage, and need consistent guidance.

Permissiveness is a bogey. The liberal attitudes which were allowed to flourish feebly in the prosperous sixties are being disposed of now (with the quiet acquiescence of the 'permissives'), but not because they were inherently damaging to children. In the eighties, the state can neither afford them materially nor, even more importantly, ideologically.

The book's half-baked arguments are familiar. But it states shamelessly what was previously only implied, and calls for a return to teaching based on the doctrine of original sin. Richard Whitfield and David Marsland propose raising the young into the promised land through 'social education' and 'directioning'. They include a detailed timetable for parents and teachers, dictating what to do at every stage of a child's development. Whitfield spells out the need for tighter control of young people: 'During a period of social change more rapid than at any previous phase of recorded history, sensitive parenthood is probably at its most demanding.' One sensitive recommendation is a compulsory YTS scheme for 16 to 24-year olds, outlawing 'idle' unemployment.

The open demands for more coercive treatment of children and young people sit ironically with the right's usual insistence on bringing up citizens in a 'dynamic free society'. This contradiction between rhetorical freedom and real repression has become more apparent in the last few years and, as Digby Anderson and friends are well aware, it is going to get sharper still.

● Joanna Doyle

## Theoretical physics

### Got the time?

*A Brief History  
of Time,*

● ●  
Stephen Hawking,  
Bantam Press,  
£14.95

'A little old lady at the back of the room got up and said, "What you have told us is rubbish. The world is really a flat plate supported on the back of a giant tortoise". The scientist gave a superior smile before replying, "What is the tortoise standing on?" "You're very clever, young man, very clever," said the old lady. "But it's turtles all the way down!"' With this story Stephen Hawking begins his 'popular book about space and time', and before we can laugh he challenges us to provide our own theories about what the universe is standing on. This folksy approach has kept him atop the best seller list for months.

In early mythological and religious accounts, the universe was created by divine intervention. The necessity to account for the creation of the universe was used as an argument to prove the existence of God. Those who disagreed, such as Plato and Aristotle, fell back on the position that the universe had existed and would exist forever. It wasn't until the twentieth century that the eternal nature of the universe was effectively challenged. Somebody noticed that it was expanding, which suggested that it had once been an infinitesimally small point of infinite density, whatever that is, set going by the big bang.

● ●  
This is the fascinating sort of book which could give you a headache. It isn't really possible for anybody to explain in 200 pages the complex and highly technical categories which science has developed to bend our minds around time and space. But once you get a whiff of those singularities, gravitational fields and black holes, you can't help trying to bend your mind anyway.

Hawking races through two great modern discoveries, general relativity and quantum mechanics. Einstein's theory suggests that the idea of space and time before the big bang is meaningless. He wove the three dimensions of space and the one of time into the four-dimensional tapestry of space-time, as Hawking explains: 'When a body moves, or force acts, it

affects the curvature of space and time—and in turn the structure of space-time affects the way in which bodies move and forces act. Space and time not only affect but are also affected by everything that happens in the universe. Just as one cannot talk about events in the universe without the notions of space and time, so in general relativity it became meaningless to talk about space and time outside the limits of the universe.' See what I mean?

● ●  
Yet the theory of general relativity could not incorporate the other great discovery, quantum mechanics and its uncertainty principle. If general relativity addressed the large-scale structure of the universe, quantum theory looked the other way and tried to explain the behaviour of atoms and elementary particles like electrons. The uncertainty principle states that the position and velocity of a particle cannot be predicted simultaneously with a high degree of accuracy. The more accurately you measure one, the less accurately you can predict the other. So theoretical physics is still searching for a unified, complete theory of life, the universe and everything.

The subject inevitably begs all sorts of questions about how we comprehend the universe. Hawking does not explore this, and his frequent references to God suggest that's just as well. The key point is that our consciousness of the world not only reflects what is out there, but creates it too. This is not to deny that there is an objective natural universe; but our knowledge and understanding of nature is inextricably bound up with our action upon and interaction with it. The distinctive feature of human interaction with nature is that it is both conscious and social. Our reality is a social process, which we continually produce and reproduce in step with the development of human society. The remote grasp which we have on the extremities, large and small, of our environment simply reflects how far we have to go in working on them.

● Manjit Singh

## Racism in Thatcher's Britain

# Lifting the siege

Keith Tompson,  
*Under Siege*,  
Penguin, £3.99

'There was a violent knock at the front door and an enormous crash against the boarded-up window. Voices echoed through the letter-box: "Fucking Pakis"....This had been happening every night for weeks. There seemed to be no end to it all.' Nasreen Saddique is now a young woman of 20. For six years she has kept a diary of the experience of a black family living under siege. Her diary tells a story of racial violence and of the indifference of society to that violence—the police who refused to provide protection, the council which didn't want to know, the two Labour MPs who told her she had a 'housing problem'.

Nasreen's story opens Keith Tompson's account of racism in Britain today. For months Tompson and fellow members of

East London Workers Against Racism kept a nightly vigil with the family, watching for the racists and organising local people against them. *Under Siege* is written from the hard experience of challenging racism at first hand, and it shows. But Tompson does more than describe what he has seen. He documents the rise of post-war racism, explains why anti-racists have failed to respond effectively and argues for a new kind of movement. It is a book every anti-racist should read.

'The saga of the Saddiques', points out Tompson, 'is not a sensational one...hundreds of east London Pakistanis have been through all their torments and hundreds of thousands of

blacks in Britain have suffered some of their misery'. Tompson draws on 10 years of case-notes to show how racism is not a matter of 'isolated incidents or errant individuals', but a normal part of life in Thatcher's Britain. Using a wealth of examples, he shows how all the major institutions in society—from immigration service to schools, from hospitals to police—routinely ensure that black people are treated as second class citizens.

Tory policies may have made racism respectable. But, as Tompson makes clear, racism is not a creation of the Thatcher years. It is a necessary part of capitalist society. 'The precondition for modern racism', notes Tompson, 'was the existence of mass national consciousness—patriotism'. The creation of capitalist nation states gave rise to such a consciousness. Support for nationalism was confined at first to the ruling class. However, the social benefits which accrued from imperialist expansion and the plunder of colonies at the end of the last century won popular support for nationalism, and for the extreme exploitation of black workers in the colonies.

Imperialism fostered racism as an undercurrent in British society. But it was not yet all-pervasive. Tompson shows that hostility towards black people was far from entrenched. During the Second World War, for instance, the British and American

authorities discriminated against black GIs stationed here. The public, however, treated them for the most part as equals. Many pubs displayed signs reading 'For British people and coloured Americans only'. It was a far cry from the 'No dogs or coloureds' signs which greeted immigrants just 15 years later.

Today's racist consensus was created through government policy in the post-war years. Labour shortages forced the British government to recruit workers from the colonies. But from the start the authorities made it clear that immigrants were a 'problem' that had to be dealt with. Tompson draws on Cabinet Minutes to prove the point. In 1950, the Labour government concluded that 'serious difficulties would arise if this immigration of coloured people...were to continue or to increase'. Four years later Tory secretary of state for Commonwealth relations, Lord Swinton, spelled out that immigration controls were necessarily racist. 'Legislation should be non-discriminatory in form', he argued. But, 'this will not conceal the fact that the problem with which we are in fact concerned is that of coloured immigrants'.



Racism was the product, not of popular prejudice, but of official, all-party discrimination against immigrants. The 1962 Commonwealth Immigrants Act was the turning point in the creation of modern racism. The act, notes Tompson, 'made the state directly responsible for enforcing racial oppression' and transformed public attitudes towards black people by giving official approval to racism. The Labour Party initially opposed the 1962 Act. Within two years it became a forceful advocate of controls. Labour's transformation, argues Tompson, reflected its adaptation to the racist climate engendered by the act.

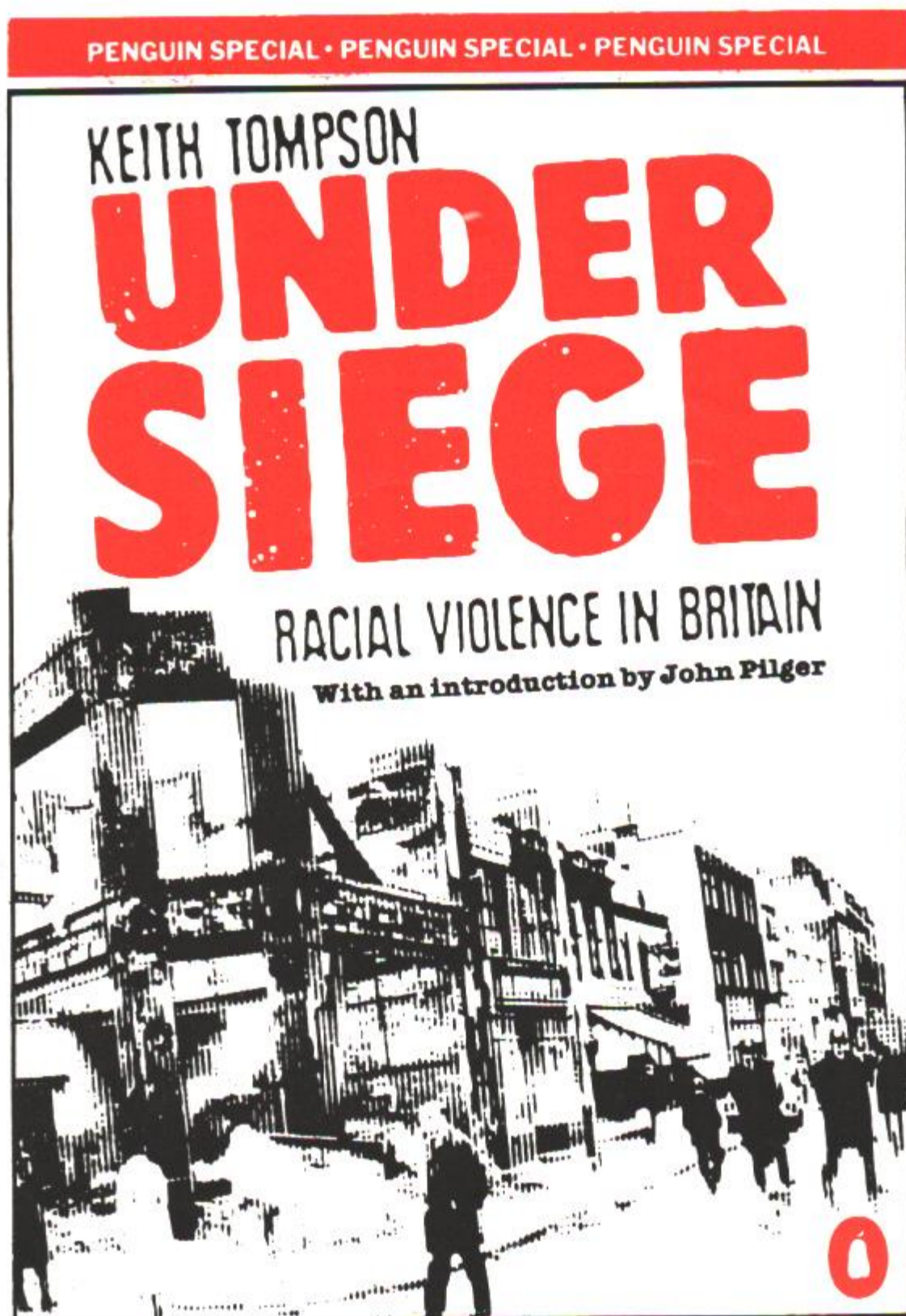
Having established the role of the state in enforcing racism, Tompson demonstrates the absurdity of anti-racists looking to the government to fight for black rights. The failure of the anti-racist movement, he argues, lies in its reliance on state institutions, from the courts to local quangos. Looking to the state to fight racism is like asking pimps to campaign against prostitution. Tompson is particularly concerned about the 'municipal anti-racism' pioneered by the Greater London Council, which remains the mainstay of the anti-racist movement. He analyses this policy in the context of the Tory strategy for restoring order in the inner cities after the 1981 uprisings, and shows that its main effect has been to contain black anger. Tompson details how token anti-racist policies have even had the effect of setting up black people for attack.



To build a new movement for black rights, Tompson argues, anti-racists have to challenge the racist consensus and organise action independently of the state. Only the working class has a real interest in fighting racism. And, as Tompson argues convincingly, a working class anti-racist movement is not a utopian dream. The most exciting section of *Under Siege* explains how Workers Against Racism (WAR) has organised working class defence of black rights, whether against immigration laws, racist attacks or police harassment. Take the case of George Roucou.

Roucou worked for Manchester council's direct works department and faced deportation to the Seychelles. WAR decided to fight the home office by winning support from Roucou's fellow workers. The campaign organised dozens of workplace meetings. 'Every meeting', writes Tompson, 'turned into a polarised forum, with racists on the one side and anti-racists on the other'. By confronting the racist arguments, the bigots were isolated within the workforce. On 6 February 1987 1500 council manual workers came out during worktime to demonstrate their support for Roucou. Five weeks later the immigration adjudicator allowed Roucou's appeal against deportation, noting the 'large demonstrations' in his support. 'It was an exhilarating experience to be there', writes Tompson. 'From then on nobody could argue that workers were irredeemably racist and that nothing could be done.'

● Kenan Malik



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