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# MARXISM



JANUARY 1991  
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PHOTO: Simon Norfolk

## Poll tax fiddle

So Thatcher fell and Michael Heseltine arrived on a white community charger to rescue us all from the poll tax. Some chance.

The new Tory government will be no more compassionate than the old one. Heseltine is a fan of US-style 'workfare' schemes, which would make the unemployed do hard labour for their miserly Giro cheques. His prime minister, John Major, was the treasury secretary whose new rules made it almost impossible for pensioners to get extra money for heating in freezing winter weather.

Behind their freshly painted smiles, the Tory ministers responsible for the poll tax remain hard-headed capitalist politicians. They may stage some pre-election stunt (like using the proceeds from the electricity sell-off to subsidise the poll tax next year). But as the recession bites harder, so will they.

Despite the change of prime minister and minister for the poll tax, the future prospects for local government remain much the same: more cuts in council jobs and services, higher charges and rents, more fines and jail sentences for those who cannot pay. All Heseltine's talk of cross-party consultation and policy reviews will improve nothing—except perhaps the Tories' chances of winning another election.

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**LIVING  
MARXISM**

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# editorial

# No more Mr Nice Guy

I am sick of hearing that John Major, like the AA mechanic in the adverts, is 'a very, very nice man'. He may well be nice to animals and children (although anybody who has felt the compassion of a bank manager or a Tory MP might doubt whether one man could rise to the top of both of those professions without being a ruthless swine). Either way, it doesn't matter. Whether or not the new prime minister emulates the particular handbagging style of his predecessor, one thing is certain: life under the Major government is going to get *even worse* than it was under Margaret Thatcher.

What was the first thing which that nice Mr Major did as prime minister? He did not abolish the poll tax, or double the pensioners' Christmas bonus, nor did he declare a national holiday, as all good kings are supposed to do when the wicked witch is vanquished. He declared war on Iraq, by backing the United

Nations ultimatum to Saddam Hussein. As far as setting the tone for a new era in British politics is concerned, that threat to use massive violence was much more meaningful than all the talk about a more 'caring government'.

The warmongering UN resolution was the work of George Bush, whose career as US president gives us some useful pointers as to what we can realistically expect from Major as PM. Just as Major has succeeded Margaret Thatcher, so Bush succeeded her soulmate, Ronald Reagan, two years ago. Like Major, Bush was said to be a lot nicer than the right-wing hard-case whom he replaced; indeed the American media thought him too much Mr Nice Guy, and dubbed him a wimp. Major's promise of a more compassionate Britain echoes the Bush pledge to create 'a kinder and gentler America'.

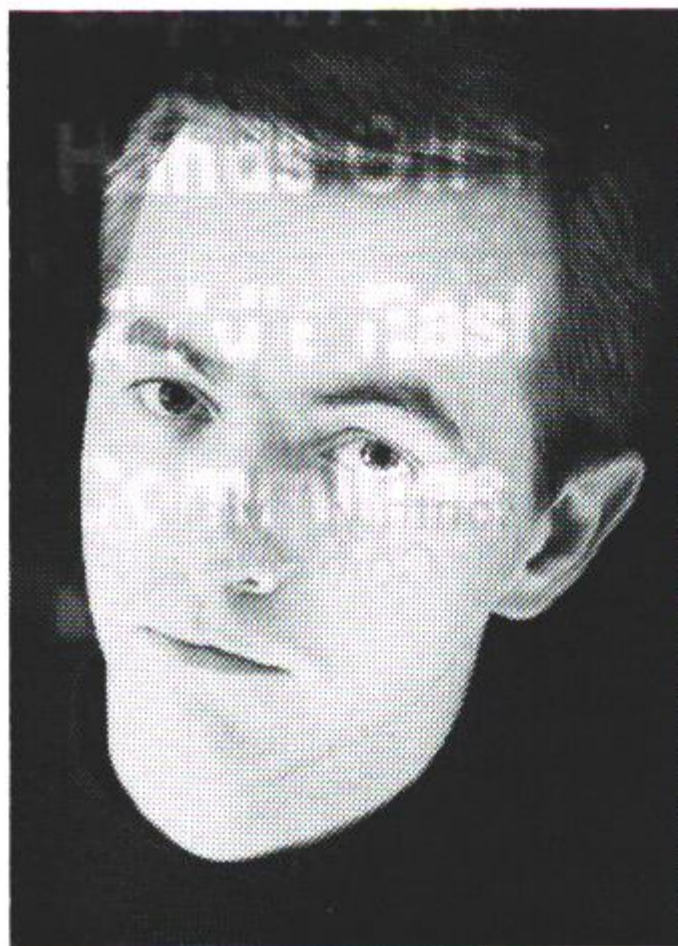
Two years on, Bush the wimp has invaded Panama, leaving behind thousands of corpses

and a city of rubble, and sent his huge battle force into the Gulf; Bush the kind has fought to slash welfare spending, spreading the soup kitchen culture in American cities; and Bush the gentle has become only the second US president (after Reagan) to veto a civil rights bill.

Bush did not undergo a personality transplant once he became president. He has remained much the same uncommanding ditherer throughout his term in office. The problem is that, when you are managing a declining imperial power like the USA, dragged down by record trade and budget deficits and beset by increasingly cocky international rivals, there is not much scope for gentleness or kindness. If Bush, ruler of what is still the wealthiest nation on Earth, could not afford the price of niceness, what chance has Major, who has to manage an even more exhausted economy?

The change of faces and style at the top will not improve things in Major's Britain any more than it has done in Bush's America. Government policy is not decided by the personalities of politicians. It is dictated by what the capitalist system can afford. In times of economic boom, the most miserly of governments can show a little generosity. But when recession sets in (especially one as serious as it is becoming now in Britain and America), it writes its own manifesto: higher unemployment, lower pay, less public spending, more law and order to hold things together, and more foreign conflicts with rival powers.

Whether Major himself intellectually grasps this yet is unimportant. The force of circumstances will drive his government to do what is necessary to prop up British capitalism.



editor  
**mick hume**

And since the economic circumstances are now considerably worse than they were when Thatcher came to power, that nice Mr Major will soon be driven to do even nastier things than her for the sake of the system. Contrary to the widely voiced opinion, Major cannot be an old-fashioned consensus leader who will heal the wounds cut into British society over the past 10 years. Instead he must, as a woman once said, go on and on.

'If it's not hurting, it's not working', Major said of the government's harsh economic policies when he was chancellor. He was telling off the employers, who had been complaining about high interest rates. But Britain's bosses are not the sort of people to keep their pain to themselves; they pass it on to their workforce. In a capitalist society, divided between the exploited and the exploiter, hurting is the one thing of which the working class gets more than its fair share.

When the new prime minister told the businessmen whom his party represents that the priority is to fight inflation, it was his way of saying 'curb pay or cut jobs'. The employers already show signs of getting the message, destroying thousands of jobs in high street shops, City banks and engineering giants like British Aerospace, while others like Rolls Royce begin cutting real wage levels. We are in some very serious hurting, some drastic attacks on jobs and living standards, in the age of Major.

How can the Tories get away with this? After all, the recent turmoil in their ranks and the unceremonious ditching of Thatcher exposed forever the myth of invincibility

which they built up through the eighties. The Conservatives are divided and suffering from an acute political crisis, clueless about how to solve the problems of British capitalism. Their ideological bankruptcy was captured in Michael Heseltine's incisive idea for sorting out the poll tax—'let's talk about it for a couple of years'. Yet despite all of his problems, Major's hand is strengthened by Thatcher's most important legacy: what she did to the opposition.

In one sense the pundits are right to say that, after the confrontational Thatcher years, parliament will return to a form of consensus politics, with all sides agreeing on the fundamentals. But they are wrong to think that it will be the same sort of consensus politics which governed Britain in the seventies.

That consensus reflected political principles established during the boom years after the Second World War: everybody accepted that the welfare state was sacrosanct, governments had a duty to maintain full employment, nationalisation was necessary, trade unions had a legitimate role in running industry and the country, etc. Thatcher shattered that consensus after 1979, because British capitalism could no longer afford to finance it. Over the next decade she set about constructing a new one on firm Thatcherite ground, by teaching the Labour Party some hard lessons about late twentieth-century capitalism.

Today, all of the parliamentary parties broadly believe in Tory ideas which would have been hotly disputed 10 years ago. The money-morals of the marketplace now inform each major debate, and yesterday's

right-wing extremism is generally swallowed as today's common sense.

Hospitals must be run on cost-cutting business principles; mass unemployment is a permanent fact of life; the law should stop unions organising effective strikes; Britain needs to spend more on its military than the rest of Europe; and councils have to prosecute poll tax non-payers. These are just a few of the openly capitalist notions around which the Conservatives can now win a considerable degree of consensus on all sides of the house of commons. If you seek Thatcher's monument, read the opposition manifestos.

The fact that Conservatism shapes the new consensus has important consequences. It means that, even as they fall apart, the Tories can still seize the initiative in British politics. Which is why, at the end of November, they could emerge from their worst crisis for 15 years *ahead* in the opinion polls, and immediately turn the leadership question into a national debate about whether Neil Kinnock was fit to lead the Labour Party.

Such remarkable events should remind us that, although they have lost the authority and mystique they enjoyed in their Thatcherite heyday, the Tories have not yet lost the next election to the pathetic opposition. And what if they are eventually defeated by events? Since the new cross-party consensus means that they are all Thatcherites now, what difference would it make to the rest of us whether Thatcher, Major or Kinnock were in No 10? If you think this a wild generalisation, don't take our word for it. Listen to the fundamentals of what the politicians say themselves, about everything from the Gulf war drive to the argument that pay rises cause unemployment, and see if you can tell them apart (a clue: Kinnock takes twice as long as the others to say it).

There is a view in the country that things will never again be as bad as they were under the Thatcher regime. That is dangerous complacency. Things can, and they will, get worse as the economy deteriorates and Major gets desperate. The Tories have been wounded, but that will only serve to make them more vicious. Those who could resist the attacks to come must be made to face this fact now if we are to thwart their ambitions. If not, we are facing a serious threat to our futures.

When Major made his first appearance in parliament as prime minister, he was asked what his new policies would be. 'Wait and see' was his teasing reply. We strongly advise our readers to do nothing of the sort, but to assume that the worst is yet to come and prepare accordingly. It is not possible to predict precisely what the Major government will do to whom and when. But we can safely say that nice will not be the word for it.

## We are in for some drastic attacks on jobs and living standards in the age of Major



PHOTO: Simon Norfolk

# Letters

We welcome readers' views and criticisms. Please keep your letters as short as possible and send them to The Editor, *Living Marxism*, BM RCP, London WC1N 3XX

## The West and the Middle East

Fiona Healy's defence of the orthodox Western position on the Gulf crisis (letters, November 1990) is entirely unconvincing. The examples she cites prove the exact opposite of the points she is trying to make.

First, the development of oil wealth has not 'undeniably raised living standards and created sophisticated economies'. Although a privileged minority in the Arab world has undoubtedly benefited from oil wealth the vast majority still live in poverty. Moreover the result of Western domination is that the whole of the Middle East is, either directly or indirectly, dependent on the production of one commodity. And the world market on which oil is sold is controlled by the West rather than by the Arabs.

Second, there is no evidence that the Americans would prefer the Saudis to democratise their society. Fiona should ask herself why the USA has never put any pressure on the Saudi elite to implement democratic reforms. The answer is that American domination of the region depends on stooge regimes whose rule is based on coercion. The Saudi regime does not even allow women to drive.

Finally, Fiona misunderstands our point on self-determination. It is true that both Kuwait and Iraq are artificial regimes. Our defence is not of Iraqi sovereignty as such but of the right

of the Arab people to self-determination. Western intervention can only be at the expense of the Arab masses.

**Daniel Nassim** London

Fiona Healy completely misunderstands both the causes of the Gulf crisis and a Marxist response to it. Firstly, are we to be grateful to the oil companies for creating 'sophisticated economies' in the region? It was, after all, in order to create these economies that the imperialists carved up the region, imposed their own rulers, and thus laid the basis for both this crisis, and all those before it: the Iran-Iraq War, Palestine, Lebanon, and so on. As for the oil companies 'raising living standards', try telling that to the tens of thousands of migrant workers who produce their massive profits.

Second, lack of democracy in the Middle East is not the result of the lack of democratic tradition historically, but is due to the fact that the imperialists imposed and supported regimes in the region which are extremely unpopular. Given the artificiality of the Gulf states, any opposition is a direct threat to their existence—and the interests of the imperialist powers. The build-up of imperialist forces in the Gulf is as much to stabilise Saudi Arabia and the other states of the region as it is to destroy Saddam Hussein.

Finally, Marxists do not, as Fiona assumes, defend Iraqi sovereignty, but they do oppose imperialism. Any victory for imperialism can only perpetrate their grip on the region and

further repress the only force for change in the Middle East: the Arab workers. Marxists offer no support for Saddam Hussein, but argue that it is the task of the Arab workers to unite and destroy him and all the other phoney states in the region. If Saddam is destroyed by imperialist aggression, the result will be another repressive, pro-Western regime and the strengthening of imperialist power.

**JK Cook** Manchester

## Malcolm X in Mecca

It's good to see Malcolm X depicted as the great man he really was in Mike Freeman's piece ('Boxing Day books', December 1990). One factor which wasn't clearly explained was why Malcolm X broke away from Elijah Muhammad and the Nation of Islam (which still have a very racist attitude: white = devil). As mentioned, Malcolm went on the Muslim Pilgrimage to Makkah in 1964, but what wasn't pointed out was his change of attitude which occurred as a direct result of this experience.

In his own words: 'In the past I permitted myself to be used...to make sweeping indictments of all white people, the entire white race....Because of the spiritual enlightenment which I was blessed to receive as the result of my recent pilgrimage to the Holy City of Mecca, I no longer subscribe to sweeping indictments of any one race. I am now subscribing to live the life of a true Sunni

Muslim. I must repeat that I am not a racist....' (Quoted from *Muslim Wise* magazine, February 1990, with permission)

Part of the experience he mentions can be seen from the following revealing quote: 'You may be shocked by these words coming from me. But on this pilgrimage, what I have seen and experienced has forced me to rearrange much of my thought patterns previously held....During the past 11 days here in the Muslim world I have eaten from the same plate, drunk from the same glass and slept in the same bed (or on the same rug) with fellow Muslims, whose eyes were the bluest of blue, whose hair was the blondest of blonde, and whose skin was the whitest of white. And in the words and deeds of the "white" Muslims I felt the same sincerity that I felt among the black African Muslims of Nigeria, Sudan and Ghana. We were truly all the same...because their belief had removed the "white" from their minds, the "white" from their behaviour and the "white" from their attitude...'

With an attitude like this, directly counter to that of his ex-organisation, the Nation of Islam, it is quite likely that it was the last straw—and he was assassinated in 1965, the same year that Churchill died in his bed.

**Fazal-R Ellahi** Liverpool

## A three-a-day man

Who is this superhuman 'friend' whom John Fitzpatrick confidently expects to read all three volumes of Isaac Deutscher's biography of Leon Trotsky on Boxing Day ('Boxing Day books', December 1990)? Stakhanov?

**Georgina McKinnon** London

## Will 'Marxist technology' destroy the world?

Dave Amis (letters, November 1990) mentions the deep-seated prejudices held by many Greens about a Marxist approach to the environment. Until the Marxists can show that a classless society could conserve the finite world, these prejudices are well-founded. What if Marxist technological development was beneficial to humans but harmful to nature? By all means destroy the existing capitalist system, but make sure that its replacement is not as dangerously materialistic.

**Simon Hopper** Cardiff

## Was Thatcher poll-axed?

Thatcher wildly underestimated the hostility to her poll tax and paid the price. Will *Living Marxism* swallow the medicine too? Let's cast our minds back to Mick Hume's words in the article 'Why the poll tax is not a "class issue"' in August's issue.

He derided our fightback against the tax, saying that 'the fact that the left felt the need to accommodate to middle class concerns demonstrates that its anti-poll tax campaign cannot beat the Tories today'. Luckily, no one

took much notice of that advice, because it was nothing less than popular hatred of the poll tax that forced the Tories to change their leader and their policy just to avoid a humiliating defeat at the next general election. Four months after Hume said the campaign 'cannot beat the Tories today', we've seen the back of Thatcher and a cabinet U-turn on the hated tax. So eat your words, *Living Marxism*—you were wrong.

**Bazza Newcastle**

## Does the working class exist?

I was intrigued to discover that, in the eyes of the judiciary at least, the working class is not dead. John Major can talk until he's blue in the face about a 'classless society', but Mr Justice Harman (the judge who said 'Who's Gazza?') has ruled that Westminster council is not allowed to sell off 532 flats designated 60-odd years ago for rent by members of 'the working classes'. The judge, an old Etonian and former Guards officer, joined forces with the Duke of Westminster, landlord of the estate and reputed to be the richest man in England, to defend the honour of the proletariat. How droll!

A further irony is that both sides in the court case shared the same quaint view of 'the working classes'. The duke and, later, the judge, seem to believe that Britain is still populated by costermongers and hawkers (important categories within 'the working classes' as defined by the 1925 Housing Act) and other forelock-tugging cockney characters aka the deserving poor. At least Lady Porter and her underlings from Westminster council have noticed that Britain in the nineties is not a remake of *Great Expectations*. But they draw an equally absurd conclusion: if we're not all dressed in cap and muffler, then 'the working classes' have ceased to exist and we must all be capitalists now.

It seems to me there are two points to be made about this episode. First, the whole event was reported in the press as a huge joke. Whether they attacked or adhered to the notion of class, every pundit assumed that the working class poses no threat. Secondly, for those of us who hold that workers could and should run the world, it is doubly important that we find a way of defining what we mean by 'working class'. If we just carry on repeating the phrase without explaining it, anyone listening will only suppose that our concept of class is as antiquated as the two Westminsters', and as irrelevant as an arcane debate between bewigged barristers in the high court.

**Dave Roscoe** London

## Exploited

I am a little confused by the way the term exploitation was used in the article of the same name in November's *Living Marxism*. I agree the rate of exploitation, that is the ratio of surplus-value to the value of labour-power

determined in the production process, increases as productivity increases. The drive to maximise profits means that the time necessary for the production of commodities will be lessened and the surplus labour-time increased. It is this increase in the amount of time that the worker works for the capitalist for free that constitutes the increased rate of exploitation.

However, I don't agree with the argument that exploitation itself changes; that people are more exploited in different areas of the economy. As the article states: 'Workers perform unpaid labour for their bosses, and are therefore exploited.' I understand from this that exploitation means the social relationship that exists in all capitalist enterprises and is not necessarily dependent on the immediate production of value. Surely it is only the rate of exploitation which varies.

**Andy Wilson** Cardiff

## Robo-strop 2

I'm glad that John McLennan only says my review of *Robocop 2* comes 'dangerously close' to 'tediously-waffly-bullshitism' (letters, December 1990). If he comes any closer he'll make my day. The one thing I have to concede is the triviality of this debate but while we're on the subject, a couple of points.

McLennan suggests that *Robocop 2*'s extrapolation of the near future as barbarism is more authentic than the versions on offer at last year's party conferences. I never doubted it. If it sounds like I think I know about a superior alternative though, I do—communism. Pardon my optimism.

I enjoyed the film. (I laughed, I didn't cry.) But I don't think it's the best of its kind. Recommending one of its kind as essential viewing of our times is not my idea of sneering at popular culture. What does come 'dangerously close' to it is the implication that people who enjoy the film can't analyse it critically.

I shan't argue with the references to postmodernism and post-radicalism because I don't know what you mean, John.

**Joe Boatman** London

## Right on in Brighton

After many discussions on how the spiritual side (or wisdom teaching) fits in with politics, I should like to offer a short answer. In Taoism, revolution means change. This is the way of the universe, the way of Tao itself: the seasons change, things come and go; only the Tao itself flows forever. We should get back to the Original System, the one run by the universe itself. Tao is not so much about rebelling against what is, but a great letting go so that life can breathe again.

You might feel that anyone speaking of 'dropping out of the flow' is far removed from actualities or realities. There is only one reality. All is already one when we see it.

**Alan Halsey** Brighton

# A thin gloss of greatness

Margaret Thatcher is supposed to be responsible for many historic achievements. So why, asks Linda Ryan, are her supporters so reluctant to name them?

**W**ithout a doubt, Margaret Thatcher was the dominant British figure of the eighties. The many tributes to her political contribution all emphasise her 'greatness' and her 'historic' achievements. And yet the many glowing assessments of the Thatcher era published over the past few weeks fail to address the obvious question: how could someone so great and so historic fall into political oblivion so swiftly and without warning? Indeed the very manner in which Thatcher was forced to resign the premiership suggests that if she was so great it was greatness of a peculiar type.

While having no desire to minimise Thatcher's role or deny her rightful place in history, it is important to avoid attributing to this individual achievements that were not of her own making. Thatcher will go down in history as an excellent leader of her class. She kept her nerve in situations where others would have panicked. She was singleminded in pursuit of the interests of Britain's capitalists. And she was ruthless in pressing home any advantage against her enemies.

Thatcher was also flexible, quite prepared to make a tactical retreat in order to prepare her forces for another day. Today, most people only recall the way in which the Tory





government hammered the striking miners in 1984-85. It is easy to forget that, back in 1981 when the miners' leadership challenged the government, Thatcher backed down. She always chose her next battle carefully and made sure she never fought on her enemies' chosen ground.

### Picked off

During the early years of her regime, when some hard battles had to be fought, Thatcher avoided a confrontation with the union movement as a whole. Instead she picked on one section of the working class at a time. By the time the union leadership finally realised that it was faced with class war instead of some old-fashioned industrial relations dispute, it was too late. By 1985 the old British labour movement had been defeated. The TUC, which only a few years earlier had been an influential pillar of society, was transformed into a relic.

Thatcher's leadership was characterised by ruthless determination rather than creative inspiration. Her intellectual contribution to British politics was nil. She demonstrated that a second rate mind could go a long way if she

stood her ground. There were no examples of Churchillian eloquence or the vision of Disraeli. Thatcher's oratory succeeded because she managed to simplify and exhort, demonstrating perseverance to compensate for a paucity of ideas.

Nor was Thatcher an innovator of policy. Many of her ideas were bought off-the-peg from the numerous Tory think-tanks, or borrowed second hand from the USA. Indeed the general policy orientation of her regime was a continuation of that outlined during the final years of the previous Labour government. For example, monetarist economic policies and anti-trade union measures had been innovated in vigorous fashion under James Callaghan's government.

### Knuckle down

But Thatcher was more than a continuation of the previous Labour government. She was far more decisive for a start, and prepared to break with all existing political practices. Every British prime minister from the early sixties onwards had understood that it was essential to carry out a fundamental shift in the balance of power, to the detriment of the unions and in the interests of the capitalists. It took Thatcher to knuckle down and tackle the problem. Instead of the traditional British politics of consensus, Thatcher introduced a new, more overt style of domination.

Thatcher can claim that, under her generalship, her class was never defeated—certainly not at home. A series of triumphs gave her the aura of invincibility: she forced mass unemployment on to the British working class, smashed the steelworkers, miners, printworkers, etc. Yet this appearance of invincibility, which confirmed her reputation as 'the Iron Lady', now only raises further questions about the manner of her departure. One editor called it a 'shabby end to a unique career' (*Financial Times*, 23 November 1990). How could someone, who for so long symbolised invincibility, experience the humiliation of being rejected by her own party? The answer is that Thatcher's strength was always a relative one. She appeared stronger than she really was because her opponents were unusually weak.

Thatcher arrived at Downing Street in 1979 at the dawn of a new era. She understood what the capitalist class expected of her government and, as a result, she could personify the interests of the employers. This was not a time of subtle choices: the policies dictated by the needs of the profit system were

clear. Thus, after overcoming some early nervousness among sections of the business community, she was able to join battle knowing full well that her class was united behind her. There were none of the serious splits or the dithering that had characterised the British establishment during the previous Tory governments in the post-war period, and which had destroyed Ted Heath's attempt to take a similar course a decade earlier. The solid support of ruling class opinion was the crucial resource for the Thatcher regime. It meant that Thatcher did not have to look over her shoulder, and could concentrate her forces against their enemies.

Thatcher was also well served by the recession of the early eighties. This recession helped to frighten the union bureaucracy into submission. Mass unemployment did the rest. With millions out of work the objective of destroying union influence became relatively simple to realise. It gave the government a tremendous advantage against the working class. It was one of the two secret weapons at Thatcher's disposal.

Thatcher's other weapon was the nature of her opponents. Throughout the eighties the Tories were blessed with an opposition that could make any party leader look convincing. The trade unions and the Labour Party were neither psychologically nor politically prepared for the eighties. They continued to live in the past, dreaming of a return to the 1945 Attlee government and failing to realise just how much times had changed. The political relationship between the two main parties was well symbolised by the two main protagonists. Against a Michael Foot or a Neil Kinnock it would not have been difficult for any number of Tory leaders to look good, even great. A verbose and shallow Kinnock was doomed to play Thatcher's foil, making her look witty, coherent and decisive.

### New Realism

The old British labour movement existed, not for fighting, but for bargaining and compromise. In a world where the aggressive stance adopted by Thatcher's government and the employers made bargaining and compromise irrelevancies, it could have no role to play. Institutions have a strong sense of survival and almost never voluntarily liquidate themselves. The British labour movement is no exception. Since the fighting option was never on, the movement decided to surrender. Adapting the philosophy of New Realism, which was really

**All cheers at the 1988 Tory conference—but Thatcher was already past her prime**



PHOTO: Gerard Livett

The establishment was willing to get rid of the woman, but wants to preserve the myths of the Thatcher era

fudged Thatcherism presented in Labourist language, the trade union movement retreated. Neil Kinnock provided the same service for the Labour Party, which was transformed into a leftist variant of the Conservative Party. With political opponents like this, Thatcher could only be delighted with her good fortune. For the Tories, it was Christmas at every general election.

The fact that Thatcher's job was made easier by mass unemployment and by political opponents of unprecedented mediocrity should not distract us from recognising the quality of her leadership. The defeat of the British labour movement, and the subsequent transformation of class relations to benefit the capitalists, stands out as an achievement of historic proportions, for which Thatcher can claim a considerable proportion of the credit. Her victory has been confirmed by the annihilation of the Labourist political tradition. British Labourism no longer stands for anything distinctive. It has been educated by the Tories in the realism of the capitalist market.

### No happy ending

There is, however, no happy ending for Thatcher. The successful containment of Labourism under her leadership was the exception, which must be entered into the record book alongside a number of significant failures. Thatcher will be remembered as a fighter—a class fighter—but not a builder of monuments for the future. As long as it was simply a question of fighting class enemies, Thatcher was in her element. But when it came to building an alternative the Tories were at a loss. When Thatcher chalked up her historic third election victory in 1987, it was already clear that the Tories were all talk and no substance. They lacked policies for enforcing the future interests of British capitalism. Which is why, as a triumphant Thatcher mounted the platform at the 1987 Tory conference, this author characterised the moment as 'The high tide of Toryism' (*the next step*, 9 October 1987).

Thatcher met her appointment with history and for that she will be remembered. But once the appointment was over, she and her party were forced to recognise that they had no obvious answers to the problems facing British capitalism. Instead of keeping quiet about this embarrassing detail, Thatcher chose to up the volume in the belief that stridency alone could continue to silence her critics. All it did was to focus attention on the exhaustion of

Tory policies. Thatcher was now a problem which the Tories were more than happy to be without.

The British establishment was willing to get rid of the woman, but is concerned to preserve the myths of the Thatcher era. It is determined to maintain the notion that the eighties represented a revival of Britain's fortunes; that something like an economic miracle had taken place and that Thatcher had put the 'Great' back into Great Britain. According to this version of events, a devastated Britain was led out of the wasteland by a great leader. Now it appears Britain has regained its lost dignity and has undergone something approximating a classless revolution.

In this image of the Thatcher revolution, made-good plebians like John and Norma Major are the appropriate role models for the rest of us. Listen to the good Lord Joseph as he lays it on thick: 'Britain's world status is now much higher than we could have dreamt of in 1979.' (*Independent*, 23 November 1990) Roland Butt of the *Times* adds that, 'unlike previous Conservative prime ministers rejected by their party she leaves office not fighting off a sense of failure but relishing her achievements' (23 November 1990).

And yet Roland Butt, like Lord Joseph, is rather hesitant about spelling out her achievements. They invariably point to her defeat of Labour and the unions, but they cannot point to any legacy that is constructive or positive for the future.

### Slump to slump

The reality, of course, is that the Thatcher government led Britain, not from devastation to dignity, but from one slump to another. Lord Joseph's claim that Britain's world status has dramatically improved since 1979 is the very reverse of reality. Britain has lost prestige worldwide. In Europe it has fallen behind not just Germany but France and even Italy as an economic power.

British capitalism is a spent force. British industry is now firmly associated with failure. The British economy faces its most severe recession since 1945. These failures are not merely narrow technical details to do with the economy. They point to a fundamental crisis at the heart of the capitalist order in this country. The British establishment, which publicly proclaims the glories of the Thatcher revolution, cannot help but betray a crisis of confidence. Various events over recent months have shown that the British ruling class is very uncertain about itself and is in a continual state of panic.

Back in September 1990, the

conductor Mark Elder caused a storm by suggesting that he would not be happy to play 'Rule Britannia' during the last night of the Proms if there was a war in the Gulf. He was immediately howled down and sacked. The national controversy whipped up around this incident was symptomatic of the importance which the shaky establishment now attaches to playing up anything associated with Britain's former glory. It is this kind of insecurity which characterises the whole debate about Britain's relationship with Europe and the loss of 'national identity'. A confident ruling class would not feel the need to resort to such cheap flag-waving all the time.

The profound pessimism which afflicts the old allies and beneficiaries of the Thatcher regime sometimes takes on grotesque aspects. Thus we find one *Sunday Times* columnist reacting to the invasion of the Teenage Mutant Ninja Turtles as if they represented a real threat to the British way of life. It appears that the popularity of Eastern martial arts 'says that Western values have failed, only these alien systems can protect us'; the growth of this 'evil' shows 'our inability to believe in the continuity and sanity of our own culture' (see B Appleyard, 'Invaded by turtles who breed cant and violence', *Sunday Times*, 2 December 1990).

It was bad enough when Thatcher was warning of the danger of British culture being 'swamped' by foreign immigrants. That was just old-fashioned racism, of the sort which we have come to expect from the British establishment at the first sign of trouble. But when a regular contributor to a respectable Sunday newspaper gives vent to his concern over the invasion of Teenage Mutant Ninja Turtles, then matters have clearly gone further than before.

The British establishment is in deep trouble. It is only a matter of time before the myths of the eighties are overtaken by the prevailing mood of malaise which afflicts society in the nineties. It is because Thatcher changed so little of the fundamentals that Major will be forced to start from the beginning and fight even harder. The problems facing British capitalism, which she set out but failed to solve, must now be tackled by the Tories with even more application. We cannot afford the luxury of following Major's advice to 'wait and see' what comes next. It's time to wake up to the fact that the end of Thatcher does not mean the end of the class war.

# Tories first, women last

Ann Bradley on the row about women in the cabinet

**T**ory MPs are not famous fighters for women's rights, so it was surprising that the first post-Thatcher row should be about the absence of women from John Major's cabinet. Despite the new PM's claim to support the 300 Group (which wants half of all MPs to be women), he appointed the first womanless cabinet for 25 years.

The debate consumed politicians, Labour as well as Tory, dry as well as wet. Teresa Gorman, outspoken Tory MP for Billericay, threatened to 'squat on the front bench' until evicted. The cabinet needed a woman, she said, to represent women's point of view. Clare Short, a Labour MP with a

reputation on 'women's issues', accused Major of making a 'crass error' and suggested that 'Mr Major's opportunity society does not extend to women'.

This all seems bizarre. Surely nobody can claim that having a woman in No 10, let alone on the front bench, has been of benefit to women. What did Margaret Thatcher do for women? Despite her experience trying to train as a barrister and rear twins, she stridently opposed what she called the 'creche generation'. Her final term of office combined a campaign to make it harder for women to get a divorce with an offensive to reduce state benefit to single mothers. She presided over a

shake-out of the NHS which has tied thousands of women to the home caring for the sick and elderly. If ever there was an example that women politicians do not necessarily fight for the interests of women, she was it.

Tory women are just that: *Tories* who happen to be women, not women who happen to wear blue rosettes. They will pursue the policies their reactionary party sees as necessary, no matter what the consequences for ordinary women. It is ironic that when Major was panicked into bringing a woman from the backbenches, he chose the obnoxious Ann Widdicombe, national patron of the anti-abortion organisation Life, member of the Society for the Protection of the Unborn Child, and general champion of the 'back to the home' brigade. The presence of Widdicombe in the government is likely to do even less for women's rights than the presence of Kenneth Clarke.

The bickering about women on the front bench does not represent concern about women's rights among Tory MPs. It simply demonstrates that, in these troubled times, the Tory Party cannot paper over its cracks for long. By trying to soothe the tensions created in the leadership campaign, Major has created many more among ambitious MPs who feel they have been snubbed—some, being female, will exploit that fact to jockey for position.

There is nothing feminist about campaigning for the advancement of women in the Tory Party. Promoting women's interests in the nineties must mean fighting for the *rights* which women need to get on in the world—like the right to abortion on demand and the right to decent childcare. That, we can be confident, no Tory government will do.

## MEANWHILE...



back at the ranch, normality continues apace.

## MEANWHILE...

at 6A CAMDEN RD  
LONDON NW1 9DL  
TELEPHONE 071-485 6600

The Art of Comics

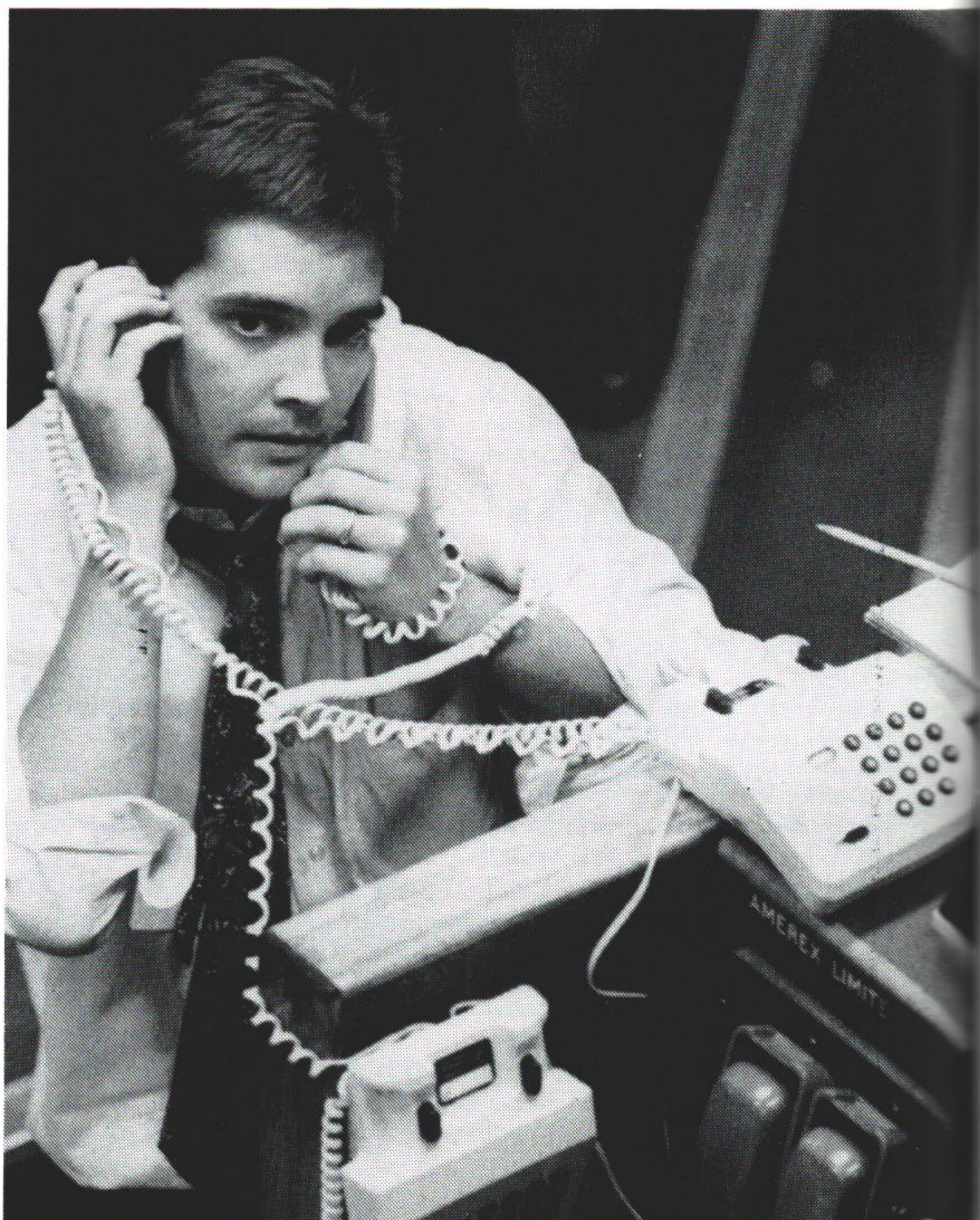
# Capitalism can't be classless

The fact that the prime minister comes from Brixton, says Sharon Clarke, hardly means an end to exploitation for the rest of us

**A**n open society', 'an opportunity society', 'a classless society': John Major's political catchphrases might sound seductive, but they cannot change the realities of living in a capitalist society. The fact is that Tory politicians have been talking like this for years, yet Britain remains as deeply divided along class lines as ever.

Although Major has tried to put his personal stamp on the idea of a classless society or 'meritocracy', such propaganda has been a staple feature of modern Conservatism. Since the aristocratic Sir Alec Douglas Home lost the 1964 general election to grammar school boy Harold Wilson, the Tories have tried to distance themselves from images of privilege and to spread the message that anybody can make it under a Conservative government if they have sufficient drive and ambition.

Margaret Thatcher was always ready to remind the nation of her relatively humble origins as a grocer's daughter, and her government's crusade for 'popular capitalism' and 'the enterprise culture' was in much the same vein as Major's talk of creating an opportunity society today. In this sense, the election of a failed small businessman's son from Brixton as Tory Party leader was perhaps less of a departure than it would have been if an old-fashioned establishment figure like Douglas Hurd had got the job.



Yet despite the fine words from the government, even official statistics illustrate the tremendous inequalities which persist in British society—not just between the homeless at the bottom and the Lord Hansons at the top, but between the vast majority of people on one side and the minority capitalist class on the other. For example, the top one per cent of adults in Britain were last year reported to own 20 per cent of the country's marketable wealth, while the top 10 per cent owned well over half of it. And in many respects the wealth gap has grown wider over the past decade. The Thatcher government's complaints about pay increases did not apply to friends like Lord King, chairman of British Airways, whose 117 per cent pay rise last year took his 'basic' income to £782 000.

Then there is the matter of share ownership, which the Tories try to use in support of their claim to be creating a classless society. True, the number of British people who own shares has soared during the tenure of the Tory government, mostly through its own privatisation issues. Yet the proportion of total shares which are owned by individuals has continued to decline.

Back in the fifties, two thirds of share certificates were in the hands of individual investors. By 1981, that figure was down to 28 per cent of shares; by 1990, just 20 per cent of all shares were owned by individuals. Years of spectacular privatisations have created millions of new shareholders, but the real ownership and control of valuable assets has been increasingly monopolised by the big financial institutions. Most individuals who have bought cut-price shares in privatised concerns like the electricity industry did so in the hope of making a few quid through a quick sale, not because they believed they were getting a meaningful stake in the system.

There are countless other statistics on income, health, education, and so on, to demonstrate that class inequalities have not just persisted, but in many cases intensified. However, this does not mean that the class system in Britain has remained unchanged. The much vaunted increase in the numbers of white-collar, service sector employees, for example, is undeniable, and those who cling to a cloth-capped image of an industrial proletariat today deserve all the ridicule they receive. But why should such a shift in employment patterns mean the removal of class lines, any more than the switch of workers from agriculture to industry did a century ago?

The class division in capitalist society is not just about the fact that some people sweep roads while others sit in offices, or even the fact that some have more money than others. It is a far more fundamental division: between the few who own the means of production, and the many who have to work for an employer; between those who control the wealth, and those who create it; between the exploiter and the exploited.

### A job is a job

The vast majority of people own nothing more than a car or a mortgaged house, and can survive only by selling themselves to a capitalist for a weekly wage or a monthly salary. Whether it is in computers or coalmines, a job is just a job: and there is no guarantee that it will still be there next week.

Whatever the colour of their collar, all workers are in danger of joining the dole queue if their employer's profits drop far enough.

Even if its intentions were honourable, neither the Major government nor any other capitalist administration could do away with classes. Capitalism is by its nature an exploitative system, in which employers strive to make a profit by extracting a surplus from their workforce. It is not possible to fulfil Major's dream of making everybody an entrepreneur. Without workers to exploit, there could be no capitalists. By producing profits on one hand and wages on the other, the market economy continually reproduces the divide between the two major classes in society.

### Old school tie

However the appearance of the class system may have changed over the years, the essential exploitative relationship between capitalist and worker remains intact. Indeed, in some respects even the most traditional aspects of the British class structure have proved pretty resilient. Thus the richest man in the country is still the Duke of Westminster, who made his multi-billion pound fortune by being in the right womb at the right time. And John Major's lack of an old school tie still remains the exception in ruling class circles: of the 21 members of his first cabinet, 19 went to public school and 17 to Oxbridge. Although it is always possible for a few suitable outsiders to be co-opted into the capitalist elite, every sociological study done demonstrates that it is just as hard for working class people to rise to the top in Britain today as it was 40 years ago.

The deceptive character of many of

the changes in the class system is confirmed by taking a closer look at the modern labour force. For instance, the tendency to bracket all white-collar workers together as a 'new intelligentsia' or 'information class' ignores the fact that the large majority of workers in this category are poorly paid, low-status clerical workers. The clerical function accounts for 65 per cent of all posts in banking and finance, 56 per cent in post and telecommunications, and 37 per cent of jobs in public administration, defence and social security. Far from being a new middle class, most white-collar employees are simply another section of the working class—but one which has been created outside of and at a distance from the institutions and traditions of the old labour movement.

### Class politics

This last point is crucial. The working class has not declined or disappeared—indeed it has grown considerably. Nor is it less exploited than it used to be—indeed the gap between the mass of wealth which workers produce and the amount they are paid in wages is wider than ever. But the working class has undergone important changes, which the Labour Party and trade union movement have failed to match.

These institutions remained rooted in the past, while new groups and generations of workers grew up. Few now identify with outdated parties and unions which cannot relate to their concerns. Consequently, there is no contemporary expression of class politics. It is this lack of any political voice for workers' distinctive interests which gives the Tory government some scope to spread its myth of the classless society.

As the Major government bids to save British capitalism by continuing the class war which Thatcher began, there is a pressing need to reconstitute class politics for the nineties—not by trying to rerun the past, but by coming to terms with the present. With the recession picking up speed, there will be no shortage of ammunition with which to launch a fresh assault on the idea that capitalist Britain is becoming a classless country. Ask the workers at the soon-to-close British Aerospace works in Kingston, Surrey (story, page 25). Some of them who moved to Kingston from BAe's old Weybridge works have now had their jobs axed twice by the same corporation—the one in which they all own shares.

The tendency to bracket all white-collar workers together as an 'information class' ignores the fact that most of them are poorly paid, low-status clerks

PHOTO: Simon Norfolk



after thatcher

# No Major miracle

Changing the government  
the fact that British capitalism  
serious recession, says

# res

cannot alter  
is in a  
Phil Murphy

**M**argaret Thatcher left office with unemployment on the rise again, industrial output in sharp decline, business failures at their highest level for over a decade, inflation higher than when she entered No 10, and the economy running a record trade deficit. The boardroom bible, the *Economist*, had to admit that, with so much evidence of recession around, 'talk of the "Thatcher miracle" will sound pretty foolish' (1 December 1990).

The Thatcher era both began and ended with economic recession. Today most commentators (often the same people who heralded the 'Thatcher miracle' only a couple of years ago) deride the ultimate failure of Thatcherite economics. The credit-fuelled boom of the late eighties has been exposed, many agree, as superficial froth, and the Thatcher government is blamed for not tackling the problems of British industry.

The general criticisms of Thatcher's economics touch upon part of the truth, but miss the real significance of the last decade for the British economy. By focusing too narrowly on specific government policies, they create the impression that a different attitude in Downing Street could have produced far better results. The obvious conclusion is that, with Thatcher and her advisers gone, John Major's government now has the opportunity to change policies and turn things around. This is a dangerous illusion.

What any capitalist government does is determined, not by the personal will of the prime minister, but by the state of health of the system. It was the underlying crisis of British capitalism which produced Thatcherite economics. And it is the more advanced state of that crisis today which ensures that Major's government will have to impose even harsher economic policies, with damaging consequences for jobs, public services and living standards.

To expand on this point, it is worth taking a look at a substantial version of the popular critique of Thatcher's policies, as provided by a recent pamphlet from the radical Cambridge Economic Policy Group ('Britain's economic problems and policies in the 1990s', Institute for Public Policy Research, 1990).

## Miraculous two per cent

The Cambridge group debunks most of the myths about the 'Thatcher miracle'. Economic growth at an average of just over two per cent a year was better than the seventies, but below the British performance in the fifties and sixties, which itself was hardly miraculous.

Productivity statistics show a rise of about 60 per cent over the eighties, second only to Japan. However, the Cambridge group demonstrates that this growth had tailed off by the end of the eighties, and that the overall level of British productivity still lags way behind its rivals: British manufacturing productivity remains 40 per cent below the German level and 20 per cent behind France, never mind the USA and Japan.

Even the productivity gains which were made during the last decade are misleading. British employers gave their firms a one-off boost, by cutting jobs and making those who were left in work longer and harder for their money. The benefits of such a slave-driver's attitude to increasing efficiency are limited and shortlived. To bring about a more meaningful increase in productivity, of the sort which could recreate some industrial dynamism, British capitalists would have had to invest heavily in new technology. This is where the 'Thatcher miracle' vanishes.

## Unbalanced payments

There was *no* net increase in manufacturing investment during the Thatcher years. Indeed the Cambridge group goes further, arguing that 'as these figures take no account of the accelerated scrapping which occurred during the early Thatcher years, it seems likely that the net capital stock in manufacturing was lower absolutely in 1989 than in 1979'. Without capital investment, the British productivity growth of the eighties is unsustainable.

The growth in British output in the eighties was largely due to the biggest consumer boom of all time. The government's encouragement of the credit economy meant that the net indebtedness of the personal sector—that's you and me—rose two and a half times between 1982 and 1989. The goods bought on the never-never didn't only boost British output, however; many of them were foreign imports. This is behind today's balance of payments crisis.

When Thatcher came to power in 1979, Britain still boasted an annual surplus on its trade in manufactures. That changed in 1983, and today Britain has a trade deficit of around £20 billion. For a time the downward trend in the balance of payments was masked by booming North Sea oil exports, and by so-called invisible earnings: primarily interest from overseas investments, and the City of London's international success in selling financial services. But oil earnings have now tailed off, and the City has had to dig deep to finance the enormous loans required to cover

the trade deficit. By the end of the eighties, the downward trend in the balance of payments had become dominant.

How long will foreign money-men be prepared to finance the trade deficit of a country which will have trouble meeting the interest payments, never mind repaying the loans? The scale of the problem prompted Sir Alec Cairncross, economic adviser to several post-war British governments, to put the Tory leadership contest in perspective: 'I'm not so worried about who is prime minister, but I am worried about the economy. The balance of payments is in crisis and, although I don't know how, we must get out of it soon.' (*The Money Programme*, 25 November 1990)

The present recession offers conclusive evidence to support the Cambridge pamphlet's claims about the seriousness of the British economic crisis. But the Cambridge group's approach falls down in two main areas. First, like most critics of the Tories, they blame today's problems on the specific policies of the Thatcher years. In particular they yearn for a return to the pre-1980s economic policies, based upon the interventionist ideas known as Keynesianism (after economist John Maynard Keynes). Their strategy for the future involves more state spending, government incomes policies, and credit controls. Leaving aside the big drop in personal living standards which this strategy would involve, the idea of diverting resources from individual consumption into corporate investment and state spending will not work anyway. It ignores the fundamental cause of the crisis of British capitalism: poor profitability.

## Profits lost

In a capitalist economy, the decisive factor at all times is profit. And the profitability of British industry remains far too low to stimulate new productive investment. Even at its peak in the late eighties, corporate profitability never regained the levels of the fifties and sixties. Over the past three years company profits originating in Britain have scarcely risen at all. They are now on the way down again, hit by the economic slow-down and aggravated by interest payments on the debts British industry has accumulated.

However much money the Cambridge economists managed to divert into the hands of British manufacturers, the bosses would not invest it in such unprofitable industries. They would simply make more of the sort of speculative investments in property and bits of

PHOTO: Simon Norfolk

Darkness falls over the huge Canary Wharf development in London's Docklands: hailed as a monument to the 'Thatcher miracle', much of its office space now looks more likely to stand empty as a symbol of slump



PHOTO: Simon Norfolk

**ABOVE: recession is hitting the economic success stories of the eighties—this is one of the wide-open spaces in Milton Keynes that the ad-men don't like to talk about**

paper—known in the trade as financial assets—which became the staple of British business in the eighties. After all, companies were not short of money to spend in the Thatcher years; they ran up record levels of debt. However, little of the funds they borrowed went into investment in plant and machinery. They used it to make a fast profit by playing the money and share markets. With industrial profitability low and falling further, any further funds they obtained would go the same way. Even then, they would find that profits from speculation are also well down today.

Low profitability is also the problem with the Cambridge group's idea for extra state spending. Britain, as these critics accept, faces limits on funding greater government expenditure from further foreign borrowing. So one way or another the money would have to come from taxing the profits of British capitalists. But it was precisely the pressure to cut back the burden of taxation on their dwindling profit base which led to the attempts to cut state spending begun by James Callaghan's Labour government in the seventies and continued by the Tories over the last decade.

In their criticisms of particular Tory policies, the updated Keynesians of the Cambridge group miss the point. Even the Tory frontbench is happy to blame specific policies and politicians for the recession, having spent the past year scapegoating former chancellor Nigel Lawson's lax money policies of 1987-88. Yet government policies can only tinker with the speed and impact of a crisis rooted in the fundamental failure of the profit system. They cannot overcome the dominant

tendency towards stagnation. Putting faith in an alternative set of capitalist policies only obscures an appreciation of the causes of the crisis.

The emphasis on 'mistaken' policies also fails to identify the rational side of the Thatcher government's actions in the past. Thatcher was no lunatic. Her government pursued two major policies which, though damaging to many people, made sense from the point of view of capitalism. First it set about shifting the ground of industrial relations to favour the employers, through a series of anti-union laws and set-piece confrontations with the unions culminating in the 1984-85 defeat of the miners. The results have been historically low levels of industrial militancy, the transformation of working practices, and the creation of a servile union leadership which has no scruples today about offering the employers real wage reductions and intensified work practices. When the renewed pressures of recession force firms to launch a sustained attack on jobs and earnings, they will have reason to thank the Thatcher regime for strengthening their hand.

### Capital City

The Thatcher government's other major counter-crisis measure involved promoting Britain as a service-based economy and international financial centre. Critics like the Cambridge group have complained of an anti-manufacturing bias in Thatcherite economics, pointing to the deindustrialisation of the British economy. In fact this trend long preceded the Thatcher years, as another symptom of the secular decline in British industrial

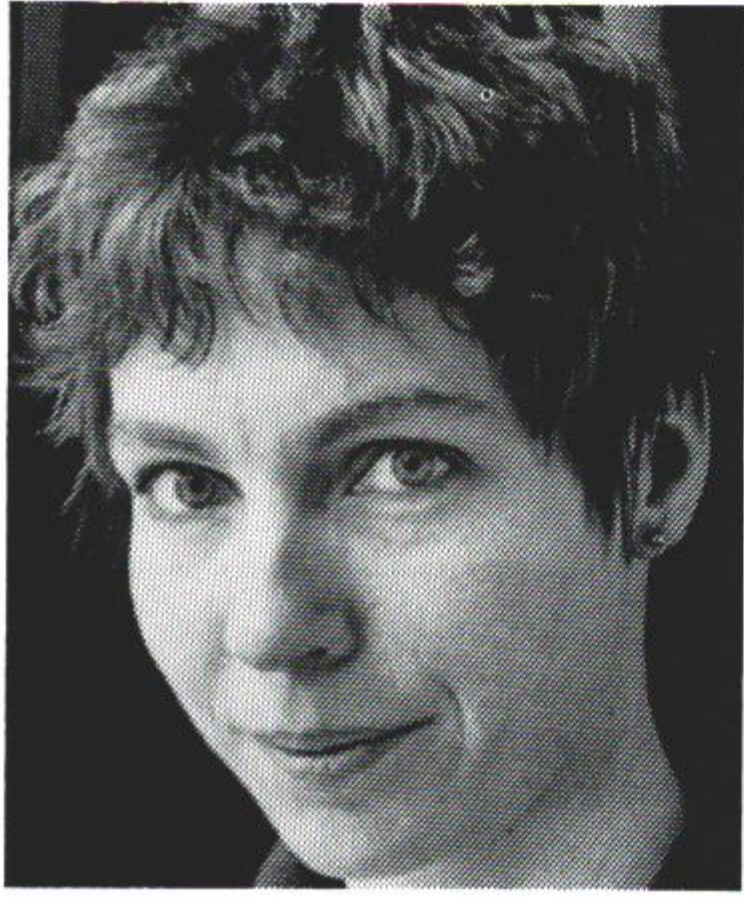
profitability. Rather than try to turn back the tide of deindustrialisation, the Thatcher government sought to maximise the impact of Britain's traditional role as a provider of services, especially financial services, to the rest of the world.

The Tories have done everything possible artificially to prolong the City of London's reign as the world's leading financial centre. The speedy abolition of exchange controls after Thatcher was elected in 1979 was the first of many liberalisation measures designed to maximise the City's attractiveness to international financiers. Foreign banks and other financial institutions flooded into the Square Mile to take advantage of London's role as the world's most regulation-free financial centre, where they could do deals which were illegal at home. The City prospered, and British capitalism survived, through handling the massive flows of other countries' capital over the last 15 years.

Those who see the Thatcher administration's economic policies as simply irrational or mistaken seriously underestimate how far British capitalism had slipped by the eighties, and so overestimate the options which were open to a Tory government. As a consequence, they also make a more important mistake: underestimating the degree to which today's developments limit Major's alternatives further still. If the government and employers are to protect profits in conditions of recession, they will have to embark on a serious offensive against our living standards.

The Thatcherite escape route of promoting financial services is now closing, as the City faces stiffer competition from other expanding





Ann Bradley

# Animal Magic

**L**ike millions of British animal lovers, I found the recently banned RSPCA advertising campaign offensive. The Advertising Standards Association demanded that the ads be recalled because of the picture of a foal dangling from a meat hook. But that wasn't what made me fume. It was the chauvinist drivel that went alongside the picture:

'The Continentals love freshly butchered horsemeat. When are we going to supply it?

'Sadly we're going to supply it after 1992. Because in 1992, it will once again become legal to transport live British horses to the Continent for slaughter....And all because the Continentals like their horsemeat freshly slaughtered...

'We can't control the Continentals' appetite for horsemeat. But we must control the transport of live British horses.'

In other words, the great British people are called upon to civilise the immoral foreign hordes. If they can't control their appetite for fresh meat, 'we' are going to have to do something about it. And we certainly won't have them eating our ponies.

The idea that Britain has a civilising hand to extend in any department is a bit rich. But when it comes to food, Britain would do well to learn from the 'Continentals' appetite'. Having just returned from a pre-Christmas weekend in Belgium, the subject of Continental food is close to my heart, or at least to my stomach. Even the most studied Anglophile would have a job arguing that British food is superior to the fare on offer over the Channel. I didn't actually eat any horsemeat while I was pigging my way round Bruges; I didn't see any on the menu. But I'm sure if I had it would have been delicious—a nation that can do so many delicious things with eels can probably work wonders with horse steak.

Why do people get worked up about the transport of British horses destined for French dinner tables? Nobody seems to give a damn about the export of pigs or cows—or for that matter of *people*. In 1989, while the RSPCA collected around £17m in voluntary donations and planned its campaign against the export of Dartmoor ponies, 2019 human beings were forcibly 'exported' from Britain as illegal immigrants. Some refugees were sent back to face persecution or even execution. Many would have been sent back to live in conditions worse than those which ponies suffer in France. Where were the full-page national media campaigns against these deportations?

The ban on exporting live horses for slaughter has been in place for the last 30 years. Even the RSPCA admits that it's due to British sentimentality about pets. 'The British', their press officer told me, 'have always been concerned about horses and ponies—after all they are man's friend. *We* don't think about them as being food'. That could well be our loss.

It's strange the way we sort out animals into those that can be eaten and those that are to be petted. The British pet is almost a national institution. I'm not immune to the prejudice. I grew up with pets of varied species: cats, birds, fish, rabbits—you name it, I had one. Even now I have a couple of gerbils, but at least I'm prepared to admit that it's entirely irrational. I keep two gerbils in rodent luxury: hay, sunflower seeds and fresh water provided at their desire. Yet if an uninvited rodent of similar size and appearance appeared in my kitchen, I'd be lacing tempting morsels with ratkiller.

How you feel about animals depends on what you see them as. When my pet rabbit died of shock after some hooligan chucked a firework into its hutch, I cried for days. But then I was only six. Today I still like rabbits. I like them best when they're stewed in garlic, tomatoes, white wine and rosemary. When I tuck into rabbit stew I do not even think about dear old Snowy. Snowy was my pet, the rabbit from the butcher is my dinner.

measures to outlaw the sale of 'unviscerated rabbits and birds'. In other words it wants to put a stop to the ancient British tradition of hanging game. It should be said that the European Commissioners haven't been sentimentalising about the immorality of ungutted, unskinned rabbits. They were merely concerned about the health risk. But our boys saw them off nonetheless. After what the *Financial Times* described as a 'distinctly blue-blooded lobbying campaign' to fight off 'the latest European threat to a treasured British tradition', the Continentals have backed off and Britain can keep its butchery practices.

Bizarre isn't it? *Horse and Hounds* magazine, mouthpiece of the hang 'em and flog 'em brigade, finds an advertisement featuring a dead horse hanging from a meat hook so distasteful that even before the ASA banned it they refused to print it for fear of distressing their readers. A few weeks later these sensitive and emotional souls from the shires are campaigning to retain the right of

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**For the French, New Forest pony equals dinner  
in much the same way as New Zealand lamb.  
And why not?**

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Presumably that's how the French and the Belgians and other pony-eating nations think about horses. There are horses for riding and horses for eating. For them New Forest pony equals dinner in much the same way as New Zealand lamb equals dinner. And why not?

In fact the only people who get dewy-eyed about New Forest ponies are people who have never had anything to do with them. To most people who live in the New Forest they're lice-ridden vermin which trample their roses. On 1 January 1992, New Forest residents will probably be out en masse helping to round the wretched things up for export.

While true British horse lovers are up in arms about the culinary habits of the Continentals, the Continentals have been complaining about ours. Unfortunately, this time they aren't campaigning to ban the British banger after 1992 on the grounds that sausages should contain meat.

The European Commission has been debating

butchers to hang unskinned rabbits and pheasants from meat hooks in their shop windows. As Margaret Thatcher said, 'it's a funny old world'.

Animals are what we humans make them. The beauty of being human is that we can make them into so many things: pets, educational exhibits, fur coats, dinner. We can even make them into objects of national discord.

Animals are a resource which can be used to benefit humanity in numerous ways. Sentimentality has no place. I rather admire the pragmatism shown by the daughter of a friend of mine. Young Peter, being a sensitive six-year old, was sobbing over the death of his goldfish. Sombrely he helped his father carry it into the garden on a trowel, to give it full funeral rites before burial. Enter Liz, who watches the performance, then declares with all the wisdom of a four-year old, 'What a waste, you should have given it to the cat!'

Happy New Year!

A night of terror in Kilburn

# 'Innocent until proven Irish'

Two Irish women went out for a 'sociable drink' in a London pub and ended up in a top security police cell, held under the draconian Prevention of Terrorism Act. They told their story to Andrew Calcutt and John Fitzpatrick

**O**n Sunday 11 November, police arrested a dozen Irish people in swoops in north-west London and detained them under the Prevention of Terrorism Act (PTA). Three of them were charged with conspiracy to cause explosions. Four others were locked up for a week and then, under the 'exclusion' powers of the PTA, deported back to Ireland without charge or explanation. The remainder were held for up to 36 hours and then released without charge.

The British papers and TV boasted about the alleged capture of an 'IRA gang'. But for those arrested under the PTA, the story of the Kilburn raids is very different. It is a tale of people whose only crime was to be Irish in the wrong place at the wrong time—something which, as the Guildford Four, Birmingham Six and others have discovered, can be a very serious offence.

Janet (35) and Kathleen (23) are sisters from Strabane, Northern Ireland, who have both lived and worked in London for some time. On Saturday 10 November, they went to the Black Lion on Kilburn High Road. After closing time they and three others walked down to the National Club, a well-known Irish dance hall. Their evening was to end inside a less sociable London venue

which has become equally well-known to thousands of Irish people since the PTA was introduced 15 years ago; the top security police station at Paddington Green.

**Janet:** The bouncer at the National wouldn't let us in because it was too crowded. As we were saying cheerio—I don't even know where they came from—somebody shouted, up against the wall, somebody kicked my legs apart. I turned round and a detective said, keep your face to the wall. They started pulling another woman away. She more or less fell on top of me and somebody hit me on the side of the mouth, cut it inside. I thought, I don't believe this. We said to the police, what are you arresting us for? They just said, shut up.

We arrived at Paddington Green police station and I said, I am totally innocent and if I ever get out of here I'm going to sue you for everything because it's wrongful arrest. A lady sergeant with short hair and glasses said, sit down and shut up. Then one of the detectives, a Scottish guy, said, you have been charged with POT. That meant nothing to me. I said something sarcastic like, you're joking—I haven't been smoking dope tonight. He said, POT is Prevention of Terrorism. That's the first time I knew what it was about. It frightened

me. I thought of what happened to the Guildford Four. I know I'm innocent but, being Irish, they don't give a shit.

I sat down on the bench and I was dying to go to the toilet. An officer said, I'm sorry, you can't use the loo. I said, why not, you must have enough loos in this place, I know my basic rights and I'm entitled to go to the loo. Twenty minutes passed, and I started walking up and down the corridor, holding myself in. I said, I'm desperate, if I can't use the loo, I'll wet the floor. The lady sergeant said, go ahead. I said, if I get out of here I'm going to remember you, and sue you for your arrogance. You're treating me like a lump of shit.

I was there in the lobby for four hours. Then they took me down to get my details. A sergeant said, you are not being charged at the moment. He read me my rights and gave me a sheet of paper with three paragraphs on it. The first two said I can make a phone call and see a solicitor. He said, you are being held under the Prevention of Terrorism Act and under the powers of that act you are denied the first two rights because you are held incommunicado. That meant nothing to me. The sergeant asked the two girls if a body search had been done. They said no, so they took me into the next room and they searched me, you know. I won't go into that.

All I kept thinking was, my kids. I knew Kathleen's boyfriend was looking after them but he's never had to look after them for more than a couple of hours. I asked to make a phone call so I could arrange for a woman to go round there. The policeman said, don't worry—if you are cooperative and give us all the information we need, then I'm sure your kids will be alright. But they could be taken into care if we can't get hold of your husband [Janet is

estranged from her husband John]. All I thought then was, they are going to go round to my house, arrest Kathleen's boyfriend and take my kids.

They asked where I'd been, what time I left the house, who I went out with, what time did I get to the pub, who did I speak to in the pub, was there anyone else that I spoke to casually, was I sitting down at a table in a group, were other members of the group communicating with other people, what sort of topics were we talking about. I said we talked about who's buying the drinks and whether we were going to a party or whatever. He wanted to know where I was born—the full address, who lived there, how many brothers and sisters, names, ages, how long since my dad died. He said under the law I could be detained for 48 hours without being charged and after that they would apply to the home office to hold me for a further five days.

This first interview was written down. I had to sign each page, I said, am I signing my life away? And he said, off the record, are you a Protestant or a Catholic? He said, if you show you can cooperate you will get out a lot quicker. It's funny how the information just flows out. With hindsight I would advise, don't say

anything. But you're so scared and you think if you don't tell them, they'll think you've got something to hide. So you probably say more than you need.

He asked me what political views I had. I said, to be honest I am a socialist. He said, ho, a socialist—as if it was a joke—what do you mean by that? I said, well I hate Maggie Thatcher and the government and I am a socialist at heart. Then he said, are you afraid of anyone. I said, I don't know what you mean. I might have said, the only people I'm afraid of is you lot. He said, let me put a hypothetical question, off the record: if you had information about known terrorists, would you tell me? I said, if I had information or if I was involved in the IRA, I would not tell you, because from what I read, if you are in the IRA you don't go round telling everybody you are in it, and the last person you are going to admit it to is the police.

Later a woman police officer interviewed me. She wanted to know about my relationships, did the others have a vehicle, where had I been with them, what pubs. She wanted the exact location of a party we went to a week ago. Who were the people you met there, were any plans made for bombings? At one point

they said, you're telling us lies, you are involved, and you know more than you are saying. I was so worried. At the end she said, are you a member of the IRA, have you ever been involved, and do you know any murderers that have killed and maimed innocent women and children? I was so angry that she was talking like this. I felt like saying, it's a bloody war. Even Margaret Thatcher knows that.

I had gone out for a quiet drink. I couldn't believe this was happening. I know now how the Guildford Four felt.

**Kathleen:** I didn't recognise the police station. Janet told me later where we were. I thought it was all a joke. I thought they were going to realise they'd got the wrong people.

One Scottish detective thought I was a bit radical because I said, you know the saying, innocent until proven Irish. And he started laughing, saying, come on—we are not all like that, there are some good police officers. I said, well after this experience you don't expect me to believe you, do you?

They sat me down, told me they suspected I was involved in either the commission or the conspiracy to plant bombs, or membership of the

**Janet and Kathleen:  
'We know now  
how the  
Guildford Four  
must have felt'**



PHOTO: Simon Norfolk

'The more they asked me questions, the more I thought, that's it—20 years'

IRA, or something. Then they asked me about my whole background: when I left Ireland, where I stayed, all the people in my family. I had to name them all. They asked me about my boyfriend, about my previous boyfriends, where they lived. I thought, all these people are going to get lifted that I've said I've gone out with. They suggested that because I was educated the IRA had approached me. They asked me in minute detail about my actions since I first came to London—places I stayed, places I worked, where I was living now and what date did I come there, who else was living there. They asked me about all my movements that night. At the end of the interview they said, we have reason to believe you will be further detained, you will not see a solicitor until we are quite sure we have all the information we need.

I was told at the very start that I had the right to remain silent. But at the time they were giving me the impression that if I didn't talk it would indicate I was hiding something. Although I was answering the questions they knew most of the information anyway, because at one

stage he stopped the interview and said, before you go any further, Kathleen, I'd like you to know we know a lot about you. So if you are going to lie, I'd advise you not to.

I was afraid to say anything because I thought they are going to twist it. But I felt they knew everything about me and they were testing me to see if I was lying. So I felt I had no option but to say something. I know that once you say nothing, you are automatically suspected of being guilty.

### 'It's a nightmare'

I didn't sleep or eat in the cell. They offered me food but I didn't want to take any. We [Janet and Kathleen were held in the same cell] weren't allowed matches. The buzzer didn't work and when you banged on the door they never heard you anyway. The toilets wouldn't flush, we ran out of toilet paper, and it was just terrible freezing cold.

At 10pm on Sunday I went in to the review officer and he said, I've done your review and I see no reason why I should let you go. He asked, have I any representation I'd like to make? I said I'd like it down on

record I'm totally innocent, I went out for a sociable drink, I can't believe this is happening. It's a nightmare and totally ridiculous that innocent people are being arrested and kept in these conditions. He said, well Kathleen, I think you should choose your friends more carefully.

It's so easy for them to frame you. Innocent things like going to the pub—they were making it seem like a conspiracy. It was a joke at the start. But the more they detained us, the more they asked me questions, I thought, that's it—20 years. They took my fingerprints and my photograph, and while they were doing it the Scottish detective said, it must be a terrible experience for you. I said yes, I know now how the Guildford Four must have felt. And he said, why, do you know the Guildford Four? They were trying to dig at you. I resent totally that the Prevention of Terrorism Act gives them so much control.

More than 36 hours after their arrest, Janet and Kathleen were released without charge.

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and deregulating international financial centres in New York, Tokyo and, more recently, Frankfurt. If everything else had remained the same, British capitalism could well have coped with these increased competitive pressures for several years. However, the international upheavals of the past year have tended to accelerate Britain's decline.

Since the Second World War, Britain has retained a world status which its economic strength no longer justified. British capitalism benefited from the political arrangements of the Cold War, which kept it at the top table of global affairs as a close ally of the USA, and restrained the political ambitions of the much stronger and more dynamic economies of Germany and Japan.

These arrangements went some way towards compensating for Britain's declining economic position—for example, enabling the City to keep up its leading international role after the war. Over the past two decades, since the world economy went into long-term decline in the early seventies, this set-up has been Britain's salvation. The close political relationship between the

Western powers has facilitated an unprecedented level of international economic cooperation. Huge amounts of capital have flowed around the globe to help smooth the imbalances in the world economy. The City of London, and the British economy, have thrived on the commissions earned for handling these capital transactions. Today, however, the combination of the ending of the Cold War and the arrival of another recession threatens to deprive British capitalism of that bonus. Now that the post-war world order is breaking up, and the tendency is towards greater rivalry and conflict among the Western powers, international economic cooperation is coming under strain. The faster it goes, the more precipitate will be the decline of the City. And when the City goes Britain will be more exposed to the ravages of the world market than ever before.

The way in which Britain's last economic advantage is slipping away has provided the backdrop for the renewed debate within the establishment about Britain's place in the world and the management of its decline. This crisis is behind

everything from the row over Britain's relationship with Europe to the despatch of Thatcher. Thatcher's successors are now presiding over a decrepit economy with even fewer options than when she took over.

Thatcher used the international circumstances of her time to prolong the twilight years of British influence, and so temporarily boosted the economy. Those left in charge today are faced with less advantageous circumstances, and have less scope for postponing the moment of truth. In their search for another short-term economic solution, they are likely to try to take advantage of the other legacy Thatcher left them—the weakening of organised resistance to job losses and wage cuts.

A return to Keynesian policies would be no substitute for British capitalists in today's conditions. Indeed, Keynes' famous statement that 'in the long run we are all dead' may turn out to involve a rather too luxurious time-scale, given the suffering which the Tories and employers will need to try to inflict on us over the next few years.



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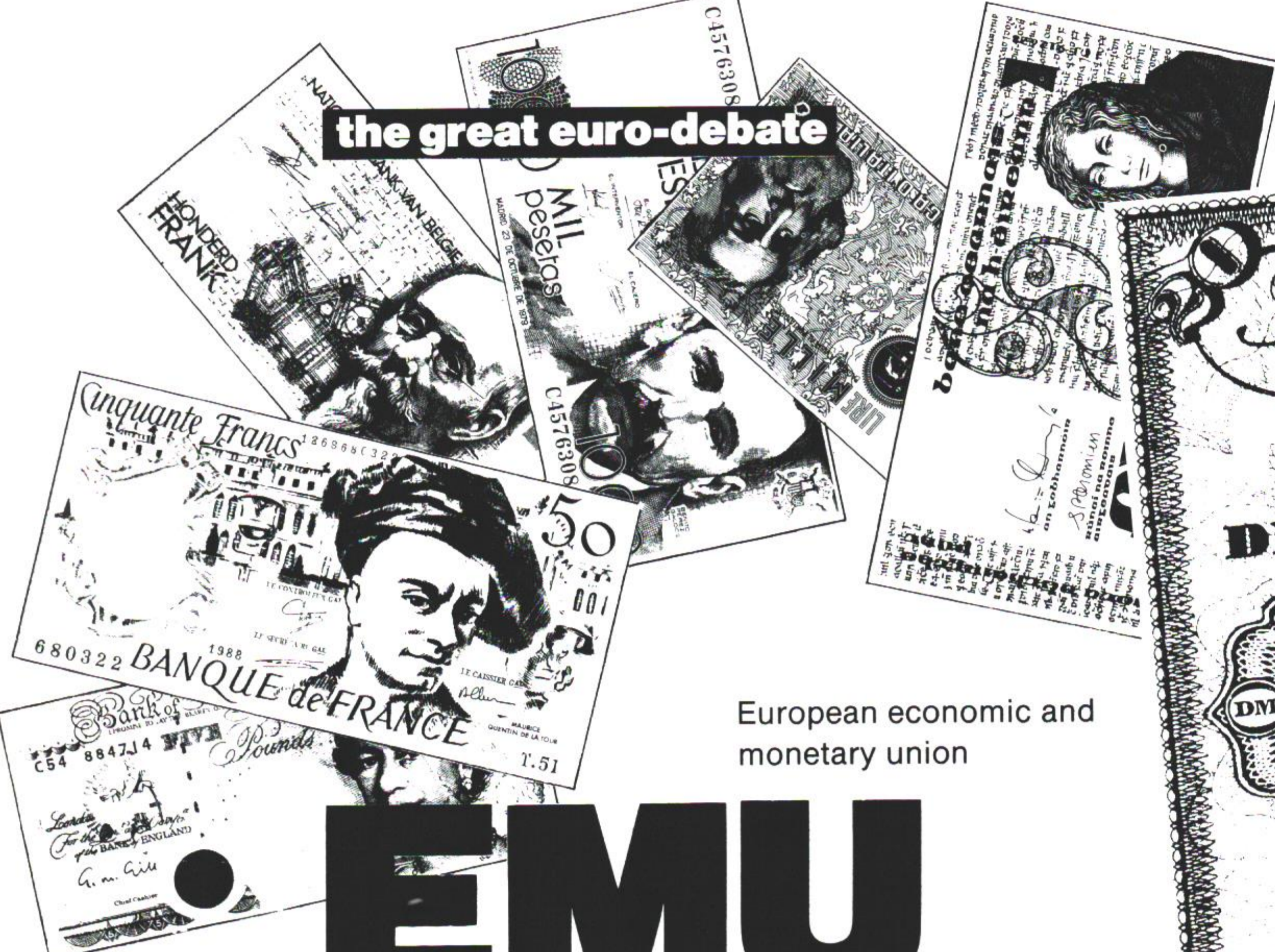
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the great euro-debate



European economic and monetary union

# EMU lives?

Europe is closer to a single currency than ever before. But, says Helen Simons, the idea of being dominated by the deutschmark in disguise still sticks in many craws—especially British ones

In a survey conducted in 1987 most people thought that the 'Ecu' was either an exotic bird or a Belgian football player. Today the Ecu (European currency unit) and 'EMU' (European monetary union, or economic and monetary union) are always in the news. If the three-stage Delors plan were to run to schedule, we could be spending the single European currency within a decade. But that is far from certain.

So far only the first and easiest stage of monetary union has been agreed; all of the currencies within the European Community have now joined the exchange rate mechanism (ERM). Stage two of the Delors plan (the creation of a European central bank), and stage three (the fixing of exchange rates

and eventual introduction of a single Euro-currency) are still being hotly debated, as was confirmed at the inter-governmental conferences which began in December.

The debate is often presented in technical terms, as a contest between different economic models offered by different European governments. Which plan will be hardest on inflation? Should the convergence of currencies be market-led or centrally imposed? Could new banknotes have sterling on one side and Ecus on the other? No doubt this is all fascinating to the financial analysts, but it has little to do with the real substance of the disagreements between the European nations. Talk of 'the hard Ecu' (Britain), 'the Euro-fed' (France) or 'a twin-track Europe' (Germany),

is a code for expressing political differences between the powers. At the heart of the single currency controversy lies a much more profound debate over the geopolitical shape of the new Europe.

Looked at from a purely economic point of view, the case for monetary union would appear compelling. The European nations have a common desire for currency and price stability. Many European politicians reason that, since trade between member states now exceeds trade between the EC and the world, it makes sense to conduct trade in a common Euro-currency rather than suffering from the fluctuations in international exchange rates. The unstable value of the US dollar, and the escalating trade rows between Europe and America, make EMU appear even more sensible.

Supporters of EMU can point out that stable currency blocs have operated in the past. Between 1875 and the First World War trade between the major nations was facilitated by each one joining the gold standard, so that their currencies were all convertible into gold at a fixed exchange rate. Since Britain was then the leading economic power and sterling was convertible into





gold, the pound played the role of world money. So all trade within the gold standard bloc was conducted in sterling.

After the Second World War, a similar system of fixed exchange rates was introduced under the Bretton Woods agreement. Just as the pound had been as 'good as gold' in an earlier era, so the dollar now became the world's money. All international trade was conducted in dollars and everybody else fixed their exchange rates to the mighty American currency.

The EC now reasons that a similar system of fixed exchange rates operating within Europe could provide some much needed stability within an increasingly uncertain world. In fact the Europeans are talking about going one step further than the gold standard and the Bretton Woods agreement (both of which eventually broke down), by doing away with individual currencies and creating the ultimate stable exchange rate system.

However, the issue of a single European currency is much more complicated than the simple matter of banknotes or trading transactions. The success of the gold standard and the Bretton Woods agreement did not rest on economic wizardry, but on the dominant political position of

the major nation behind each scheme. Sterling and the dollar were accepted as the world's money because first Britain and then the USA were world superpowers. Each system broke down when its sponsor could no longer command the unquestioned leadership of international capitalism.

To be successful the single European currency will need a powerful backer. There is only one serious candidate for this post: Helmut Kohl's united Germany. Plans for a Euro-currency representing 12 countries may look different from the old sterling bloc or a system based on the dollar's supremacy. But crack the code of the Euro-debate, and the proposal for a single European currency propped up by a central European bank is another way of saying the deutschmark backed by the economic dynamism of German capitalism. The scheme must involve the consolidation of Germany's position as the power at the heart of European affairs.

Until quite recently, the merest hint of German domination would have been enough to kill off any plan for closer European integration. However, for many Europeans, the economic realities of the present are starting to outweigh the war images of the past. In a fast-changing global situation, Continental countries are

now prepared seriously to consider what would have been unthinkable just a few years ago.

The German economic miracle makes linkage with Germany an attractive proposition for many European nations. Fear of German domination has been replaced by admiration for the success of German capitalism. Others now want a piece of the miracle, and look to Germany to act as the locomotive pulling the rest of Europe along. This is clearest in Eastern Europe, where people once terrified of Germans now plead with them to rescue clapped-out economies. Similar sentiments are growing in the West.

Changing attitudes towards Germany reflect the transformation of its economic and political standing. The German economy now towers over the Continent. Germany is the major trading partner of every big EC member—and it has a widening trade surplus with every one of them. The EC is already more of a cluster of nations gathered around Germany than a community of equal partners.

### Twin-track

EMU would only underline Germany's already central position in Europe's currency relations—a position demonstrated by the European monetary system (EMS), through which the Germans have made many of their European partners maintain a relatively stable exchange rate with the deutschmark. Germany has already pushed the weak Benelux countries close to a fixed exchange rate system, with currency fluctuation of less than 0.2 per cent now agreed.

Although they fear that Germany would run any form of monetary union, many Europeans are more afraid of being left out of the plan. Germany is the only dynamic face of capitalism on the Continent. All European states see a healthy relationship with Germany as a lifeline in the new world recession. This gives Germany plenty of scope to press for EMU on its terms. Thus Karl Otto Pöhl, powerful governor of the Bundesbank, has raised the possibility of a twin-track route to European integration, in which those countries which can't or won't run their economies the way the Germans want would be consigned to the slow lane. The threat of being left outside the dynamic centre of the European economy is a powerful one in today's recessionary conditions, and has enabled Germany to put more pressure on other member states.

Germany is better placed than ever before to dominate European business, and several smaller

Those who believe that EMU is cut and dried should note that even Germany is not yet entirely convinced

European states might already be quite happy to do all their deals in deutschmarks. However, there are still some serious barriers to be overcome before a single European currency could become a serious prospect. While the benefits and possibilities of economic union have become clearer, so have the conflicts and problems which the process will throw up. Margaret Thatcher is far from the only European politician with serious reservations about going too far towards EMU.

Weak capitalist states have traditionally treasured the ability to fiddle with exchange rates, as a way of compensating for an inefficient national economy. Through devaluing their currency against others, they can make their country's goods cheaper on the world market and give an artificial boost to their competitiveness. A fixed exchange rate system would deprive individual governments of the ability to do this. Their economies would thus be exposed to fierce competition from those with superior productivity—primarily Germany. This helps to explain why EC members with the worst productivity records—such as Britain, Spain and Greece—are among the least enthusiastic about EMU.

### Forced deflation

At present, European governments can also try to bail out their economies by manipulating interest rates: raising them to attract foreign investment and combat inflation, or cutting them to allow more credit into the economy. A single currency and central bank would close that option, since only one authority would control interest rates and liquidity in the European economy. France experienced the effects of such a system in the early eighties. The Socialist government of François Mitterrand tried to reflate the flagging French economy by pumping more money into it, clashing with the German Bundesbank's deflationary policy of strictly controlling the money supply. German economic might prevailed. The franc was devalued against the deutschmark, and Mitterrand had to replace his high-spending plans with massive cuts. Other European economies would suffer the same fate under EMU.

Ironically, this is one reason why the French are pressing for a fast move to stage two of the Delors plan. At present the German Bundesbank controls policy within the exchange rate mechanism. The French imagine that if there was a 'Euro-fed'—a central European bank—controlling Europe's money, they

would at least have a say in what happens, whereas they currently have no control over the Bundesbank. Such logic is flawed, since the Germans will not agree to any system which they cannot control; but it does demonstrate that even the French, who are publicly so pro-EMU, are fearful of surrendering all control over their national economy.

Those who believe that EMU is now cut and dried should note that even Germany is not yet entirely convinced. Germany's rulers are wary of taking on wider responsibilities prematurely and risking the economic gains that they have made since the war. Thus Bundesbank president Pöhl has consistently shown caution about the Delors plan. Many economists are keen to see the economic, monetary and political union of the two Germanies stabilise before taking on any additional burden.

The Germans are also treading cautiously for fear of provoking an anti-German backlash. Nobody believes Nicholas Ridley's dramatic claim that the British people would start 'a bloody revolution' at the prospect of being 'bossed about' by 'bloody Herr Pöhl'. But in his dismissive reply, Pöhl himself admitted that 'if the European central bank system pursued a very tough policy, Bundesbank-style, which led to higher unemployment and even a recession, you can imagine what pressure the system would come under in different countries'. This is why the Germans have made every effort to promote the plan for EMU as European rather than German. But if a politician of the calibre of Ridley can already see through the cover, the chances of creating such a system without considerable conflict seem pretty remote.

### Half sovereign

Mention of Ridley brings us to the last barrier to European integration—the fear of conceding national sovereignty. For some Continental countries, such as Holland, this is not much of a problem. But for others it is—especially Britain.

The British government's Euro-critics point out that it has little economic sovereignty left to worry about. The British economy is basically a City-based offshore financial centre, the fate of which is decided more by the mood in the international money markets than in parliament. And even without EMU, German power already influences the British economy. The extent of British sovereignty is now said to have been reduced to the 20 minutes which pass between the Bundesbank

raising interest rates and the Bank of England following suit. So why, say the critics, make such a fuss about surrendering it?

But a single currency would cause real problems for British capitalism, depriving the government of what limited control it has over interest and exchange rates. As argued in last month's *Living Marxism*, the ability to manipulate the sterling exchange rate has been a particularly important mechanism with which British governments have sought to compensate for economic decline. It is in this context that John Major put forward the 'hard Ecu' plan, for a common European currency to coexist with national currencies, to try to slow down the process of integration.

Despite these difficulties, however, the economic evidence points overwhelmingly towards Britain's need to get aboard the European train. British capitalism is simply too weak to stand alone, and British capitalists know it. The real problem they face with regard to sovereignty is a political one.

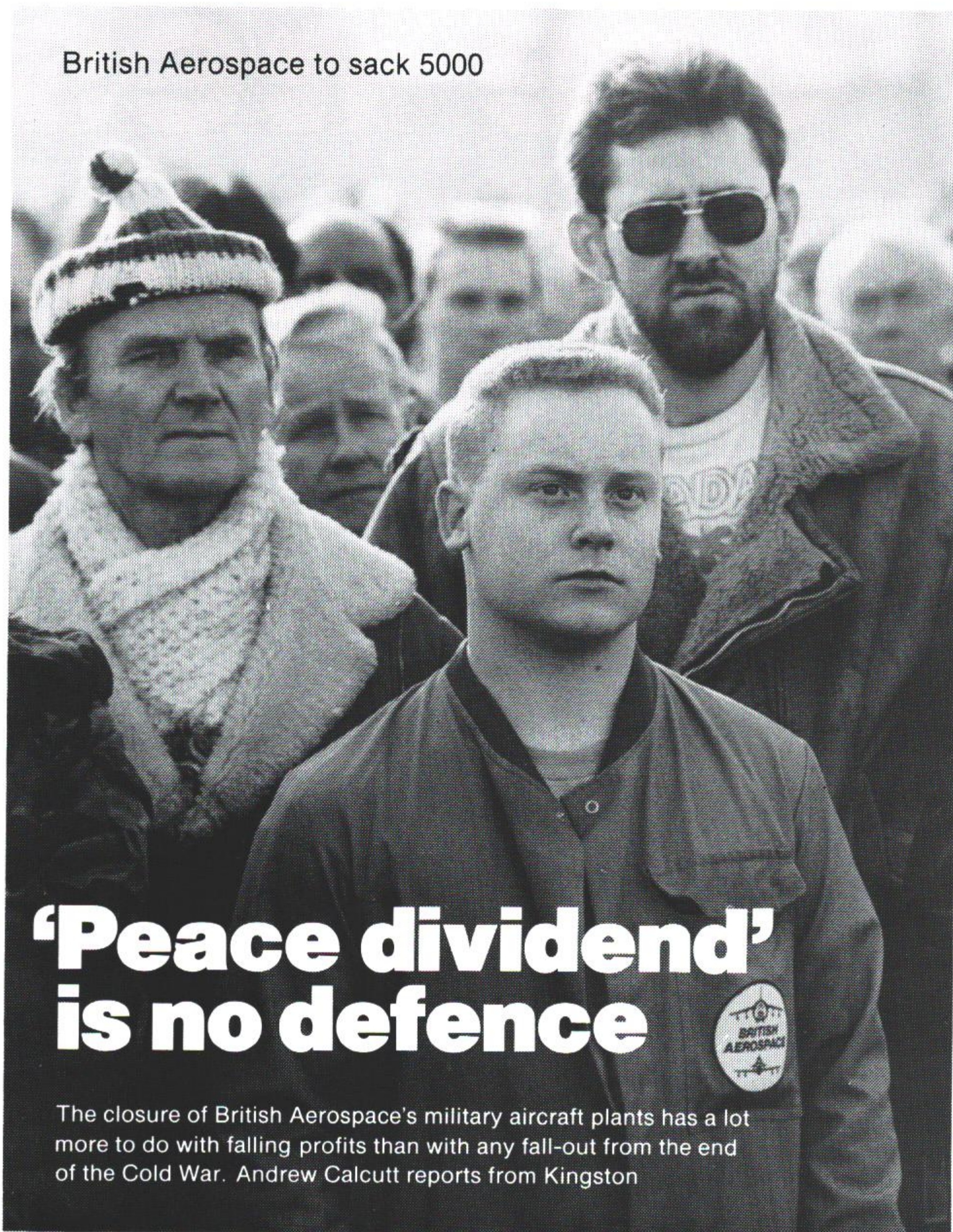
### Kaisers and Nazis

Throughout the past century, the British establishment has built up its national identity and authority on its self-image as a great world power. The assumption of British superiority underpins just about every political debate in this country. In particular, the British authorities have used Germany as a counterpoint against which to prove their civilised credentials. According to this school of history, British democrats and decent chaps have spent the twentieth century saving the world from German kaisers and Nazis. The importance of this theme is reflected in the continual cultural and political references to the Second World War in British life.

Against this background, British acquiescence in the process of European integration would threaten a serious political crisis. If the British government goes along with EMU, it will have publicly to concede its subordination to German power and to tear up the standard book of British history. The political ramifications of such a climbdown are difficult to predict. The Euro-debate has already split the Tory Party. It could yet do more serious damage to the standing of the British ruling class. The trauma and anguish which the Tories have suffered so far as they try to come to terms with Britain's decline is just a taste of what might lie ahead as the great Euro-debate hots up.



## British Aerospace to sack 5000



# 'Peace dividend' is no defence

The closure of British Aerospace's military aircraft plants has a lot more to do with falling profits than with any fall-out from the end of the Cold War. Andrew Calcutt reports from Kingston

PHOTO: Simon Norfolk

**T**he Ham Common district of Kingston, Surrey, looks like a location shot for *Howard's Way*. The greengrocer sells fresh asparagus, a semi-detached would fetch around £90 000, and there are even a couple of dozen sailing dinghies parked up behind the British Aerospace social club on the banks of the Thames. But for the 3200-strong workforce at the British Aerospace plant, there will be no more messing about in boats. In December, the company announced the rundown and closure of its military aircraft factories at Kingston and Preston, Lancashire. At least 5000 workers will lose their jobs, half of them at Kingston.

If popular capitalism ever had a homeland, where choice and share certificates were plentiful, Kingston, Surrey, would surely have been at the heart of it. But the mirage of the Tories' economic miracle is no more, and Kingston's engineering workers are faced with the consequences.

Even in the eighties mini-boom, skilled workers weren't exactly coining it at British Aerospace. Their take home pay is around £160 a week, £220 with overtime. Now they face either low-paid unskilled work or the dole. As Bert Long of the shop stewards' committee points out, 'Kingston is the last factory of any size within a 20-mile radius. There's nothing except filling shelves at Sainsbury's'.

'Recession' usually conjures up images of Merseyside or Glasgow. But when the jobless total tops two million this year, most of the new unemployed will be in the south. Government figures show that although the unemployment rate in Scotland (7.9 per cent) and the north (8.8 per cent) remains higher than in London and the south-east (4.4 per cent), unemployment is rising fastest in what was meant to be the southern powerhouse of the new Britain.

## A convenient excuse

Tory pundits claimed that the 'enterprise culture' revitalised manufacturing industry in the south during the eighties. In fact, almost the only manufacturing firms which did all right in the region were those linked to the state-sponsored defence industries. Far from the free market creating a miracle, it was government defence contracts, and overseas defence contracts won through government intervention with foreign clients, which helped keep southern manufacturing afloat. Now, as the Kingston closure illustrates, even that option is closing. In 1990, British arms producers announced more than 15 000 job cuts.

Company managers and union officials alike blame the 'peace dividend' following the end of the Cold War for the downturn in defence-related

production. But the problems of the British arms industry have less to do with the collapse of 'communism' in the East than with the crisis of capitalism in the West.

A casual glance at the Gulf shows that, Cold War or no, military hardware is still much in demand among the Western allies. But the recessionary pressures on British capitalism are taking their toll. Britain's rampant inflation has eaten into the spending power of government budgets, defence included; and the decline of Britain's influence in the post-Cold War world means that the government can't pull as many strings in the scramble for overseas contracts. After the Queen visited Saudi Arabia in 1990, Britain's biggest-ever arms contract seemed to be in the bag. But when the American military set up camp on Saudi soil in the Gulf crisis, the contract was switched to them. Clapped out British Aerospace planes like the Tornado or the Harrier jump-jet (made in Kingston) find it hard to compete with such state-of-the-art killing machines as America's McDonnell-Douglas F-15.

Exposed to the cold wind of economic reality, defence employers have responded like any other hard-pressed British industrialist: attacking the workforce, rationalising work practices and company structures, turning from productive to speculative investment. The end of the Cold War simply provides a convenient excuse for these desperate attempts to preserve profits.

At British Aerospace, rationalisation started before anyone had heard of the peace dividend. In 1987, top managers announced plans to close 10 plants and cut 15 000 jobs by 1993. Kingston and Preston are the latest plants to feel the effects of this programme. All three manufacturing divisions are involved, not just the military aircraft section. Half a dozen defence-related sites have already shut down. In early December Rover (the firm which BAe bought with the aid of illegal government 'sweeteners'), announced the closure of its car factories in Cowley, Oxford. As well as across-the-board redundancies, the company is seeking to impose a continuous working, seven-day shift system.

Things have reached the point where BAe bosses, like many other British executives, see more chance of making money through speculative land deals than through manufacturing products. Union official Tim Webb believes that 'the only growth area in British Aerospace at the moment is its property department'. The estimated value of BAe's surplus property is £1.1 billion. Development of the company's Enfield site is already under way. The Kingston site, worth £50m, looks set to be sold for housing development. 'Asset-strippers, that's all they are' says a Kingston maintenance worker now facing redundancy.

British Aerospace, as a public corporation privatised by the Tories, was supposed to be a stronghold of the culture of popular capitalism. Most Kingston workers probably have a few British Aerospace share certificates in a desk at home, making them part of the 'share-owning democracy'. But the closure announcement confirms that BAe employees, like the rest of the working class, have no control over the capitalist company which employs them. They might wear green wellies and vote Tory, but they are never more than one pay-packet away from the breadline.

The announcement of the Kingston closure came within hours of local MP Norman Lamont taking over as chancellor of the exchequer. Lamont now has three gracious homes (No 11 Downing Street, Dorneywood, and a house in Notting Hill). Many of his constituents look likely to have trouble keeping one roof over their heads.

# The West declares

As we go to press there is much heated debate about whether or not there will be a war in the Gulf. Nobody seems prepared to admit that, although they have yet to fire a shot in anger, the Western powers are already at war.

War is not just about pulling a trigger. It is about the continuation of political struggle by other means. The other means which the Western powers have used in the Gulf so far include a massive military invasion (expected to involve 400 000 US troops and 30 000 British military personnel by this month), comprehensive economic sanctions, and the United Nations resolution giving Iraq until 15 January to leave Kuwait. These measures amount to the declaration of war.

The US-led war-drive in the Middle East is an imperialist adventure designed to reimpose Western domination over the region. As such, it should be opposed in all of its aspects—economic, diplomatic and military. If we focus too narrowly on the issue of when the Americans might open fire, we risk missing the important steps which the Western powers have already taken to bring the Arab and Islamic world to heel during the Gulf crisis.

The Americans and British claim they are in the Gulf to defend the sovereignty of small states. Since they arrived there, Syria's president Hafez el Assad has once more violated the sovereignty of his neighbour state, Lebanon, cutting a bloody swathe through Beirut. Because they see their new alliance with Assad as a vital part of future plans to run the region, however, the Western powers were happy enough to give his invasion forces a free hand. So, while Syrian troops were committing atrocities in Beirut, president George Bush paid a house-call on Assad and the British government re-established diplomatic links with Damascus.

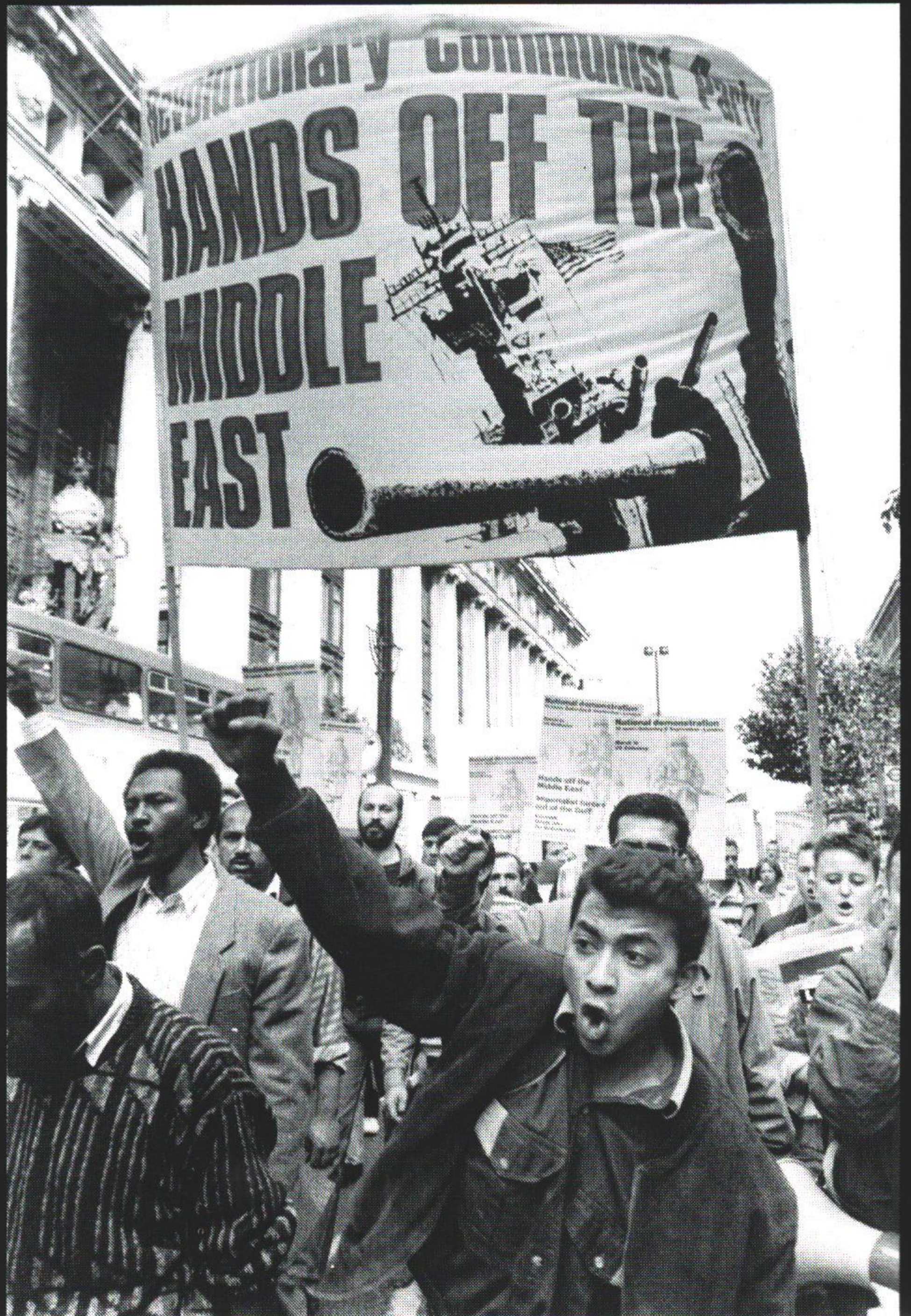
The Western powers say that they went into the Gulf to protect Saudi Arabia from Iraqi invasion. Yet the US troops in Saudi have been digging in for a long occupation, and taking out long leases on facilities there. They are planning to keep the Gulf states in the telescopic sights of the US military for some time to come, regardless of whether Saddam withdraws from Kuwait, or whether the Saudis want the Americans to pull out. As one contemptuous US military adviser said of his Saudi 'hosts', 'Either we walk all over them or the Iraqis walk all over them'.

The Western imperialists in the Gulf are prepared to start a firefight that could cause countless deaths. But even without firing a shot, they are bringing more suffering to the Arab peoples. The West has robbed the region of its oil wealth, supported local tyrants like the Saudi

sheikhs and (until recently) Saddam Hussein himself, and been the hidden hand behind an endless series of coups, wars and other conflicts across the Middle East. There can be no peace in that tortured part of the world until the Western powers are driven out.

If there is to be a war with Iraq, then we must take a stand against British and Western militarism. But even if direct military conflict is avoided this time, we

should continue to oppose imperialism in every guise—demanding the immediate withdrawal of all Western forces from the region, and an end to diplomatic and economic interference in Middle Eastern affairs by either the Western powers or their front-man, the United Nations. The Arab masses will never be able to deal with their dictators and solve their many other problems until they are left in peace by the Western warmongers.



# t has already ed war



## ...and already lost

By mid-December it seemed certain that, whether or not open war broke out between the imperialist forces and Iraq, the Gulf crisis would end in a serious setback for the Western Alliance, and particularly for the USA.

If Saddam were to survive his face-to-face showdown with the mighty USA intact (by, for example, withdrawing from most of Kuwait), he would be well-placed to become the new Nasser for the nineties, providing a potent symbol for Arab nationalism and a serious obstacle to

Western plans for the region.

If, on the other hand, the USA attacked and defeated the Iraqi military, it would still face major problems. Despite all of Washington's efforts to cloak its militarism in United Nations resolutions, such a war would be widely seen as an American adventure. The likely ramifications would be increased dissent within the USA, more fragmenting of the Western Alliance, and an anti-US (and anti-British) backlash across much of the Middle East.

The US, British and other imperialists

are in a no-win situation in the Gulf. The crisis there has exposed all of their hype about how Western values would shape a new and peaceful post-Cold War world. It has demonstrated that, even when the Soviets withdraw and the Western powers have the field to themselves, they are incapable of bringing peace or stability to a region like the Middle East. As their system spins further out of control, the Western imperialists can only threaten each other with a trade war, and threaten the third world with a shooting war.

**new age of imperialism**

ILLUSTRATION: ATB



The world order fractures

# The end of the world order is nigh

'The West will miss the Berlin Wall' we predicted back in December 1989.

Today, the old world order is cracking up and Western governments and experts are indeed getting nostalgic about the certainties of the Cold War years. Frank Füredi examines the uncertain future of international relations

**T**he Cold War years were said to be a dangerous era in which East-West tensions posed a permanent threat of military conflict. Yet that divided world system looks positively secure in contrast to the unpredictable state of global politics today.

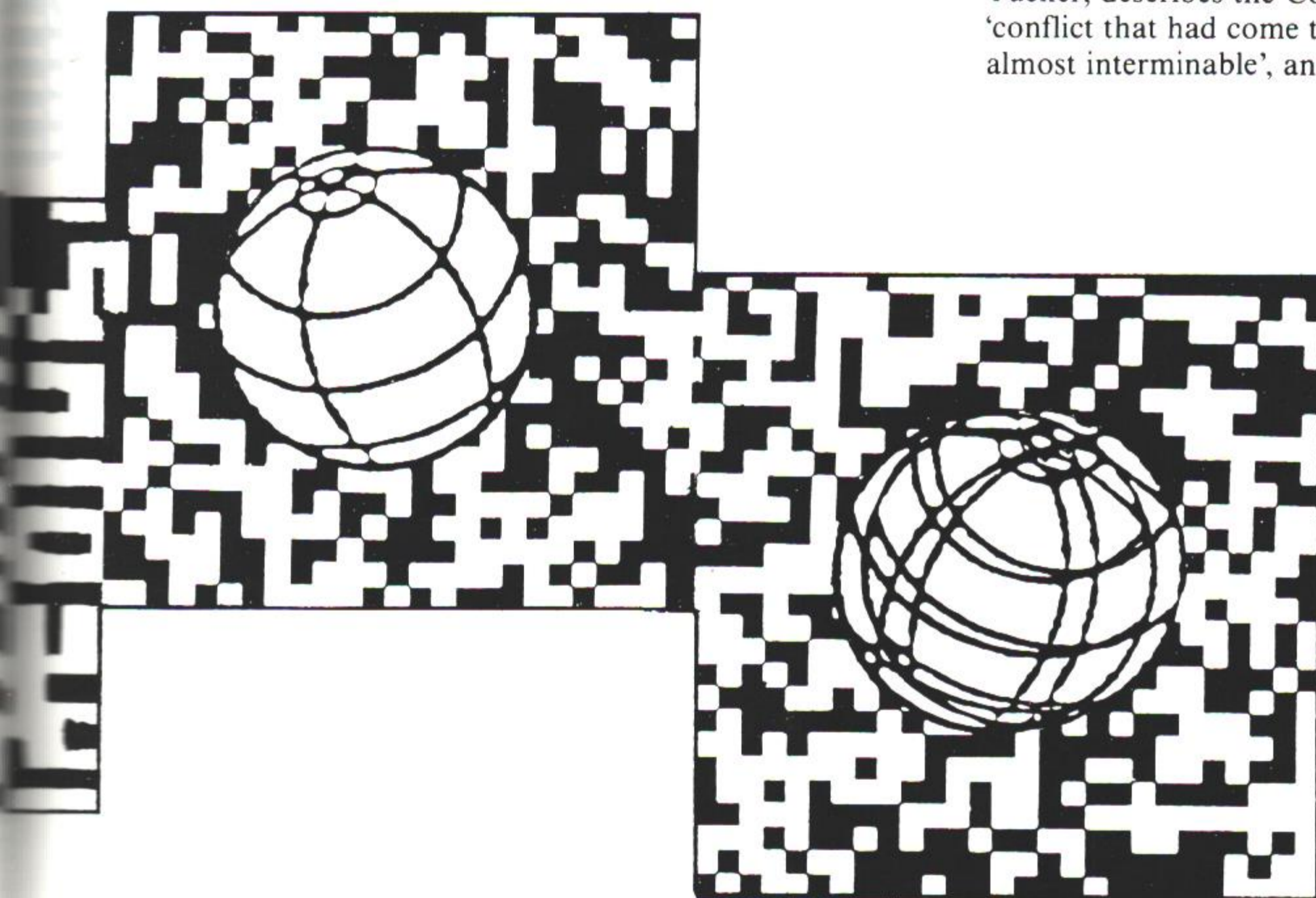
The Cold War, and the ideology it created, helped to cement a powerful alliance among capitalist nations. The religion of anti-communism even

helped to shape the image which capitalist governments projected to win support at home. One prominent American historian, William H McNeill, recently complained that a replacement for the 'plausible vision of the common good' given by anti-communism 'remains stubbornly elusive' ('Winds of change', *Foreign Affairs*, Vol69 No4, Fall 1990). Other commentators go a step further, complaining that the Cold War was not meant to end because the Soviet Union was not supposed to withdraw voluntarily from the field.

One of these pundits, Robert Tucker, describes the Cold War as a 'conflict that had come to be seen as almost interminable', and worries

that its end calls into question all of the assumptions underpinning the post-war American worldview: 'It has turned believers in the political truths of the post-war world into sceptics who sense, even when unwilling to acknowledge as such, that they have lost their once secure moorings.' ('1989 and all that', *Foreign Affairs*, Vol69 No4, Fall 1990) Tucker's 'once secure moorings' refer to the stabilising influence of anti-communism. As another expert puts it: 'Perhaps the most important consequence of the Cold War's end will be to deprive the American foreign policy establishment of its main organising principle; anti-communism.' (CW Maynes: 'America without the Cold War', *Foreign Policy*, No78, Spring 1990)

American commentators are getting nostalgic about the Cold War because there is no obvious alternative to anti-communism around which to build a consensus today. They have also belatedly recognised that, with the removal of the common enemy in the East, differences of interest among the rival Western powers can no longer be kept in check. That's why somebody like John Mearsheimer can argue that 'we are likely soon to regret the passing of the Cold War' ('Why the West will soon miss the Cold War', *The Atlantic*, August 1990). Without the bipolarity of the Cold War world, conflicts among old allies become the norm. Stanley Hoffman writes of a 'new world and its troubles' where, without the 'restraining force exerted by the Cold War', economic conflicts



## new age of imperialism

'could become acute' ('A new world', *Foreign Affairs*, Vol69 No4, Fall 1990).

Pessimism about the post-Cold War world is so pervasive that it is hard to find any serious thinker who believes that the international order is now more stable than before. In November an analysis produced by the Conference on Security and Cooperation in Europe (CSCE), which brought together leaders from East and West, was forced to conclude that there is no ground for any optimism, since the world is facing an 'explosive mix of issues':

'It has dawned on all concerned that the millennium has not arrived with the end of East-West confrontation. Europe is confronted by new problems, some of them even more intractable than the old ones.' (Quoted in the *Guardian*, 17 November 1990)

What are the main themes that have helped to create such a downbeat mood so soon after the euphoria which greeted the fall of the Berlin Wall?

Western experts, particularly those from Britain and the USA, yearn for the good old days of the Cold War because the framework established back then succeeded in minimising conflict among the major capitalist powers. The post-1945 global system established clear rules and regulations which were enforced through the undisputed power of the USA. This system created an unprecedented degree of international cooperation among the capitalist powers—cooperation which was institutionalised through bodies like Gatt, OECD, IMF, the World Bank and Nato. These arrangements were particularly advantageous to the USA, but all of the Western powers reaped benefits from cooperation.

Today the post-war institutions are reaching the end of their shelf life. As Tucker remarks, when 'alliances lose their common adversary, their normal fate is to break up' ('1989 and all that'). The Western Alliance has become a relic of the past. Although experts often use the future tense when discussing the subject of institutional breakdown, it is clear that they are discussing a process which started some time ago. That is why most of the discussion is about how to create new institutions which could help to sustain a new balance of power.

One writer argues that if the 'Soviet threat continues to recede over the period of the "two-plus-four" agreement then the relevance of Nato as a military alliance will largely disappear' (C Bluth, 'Germany and

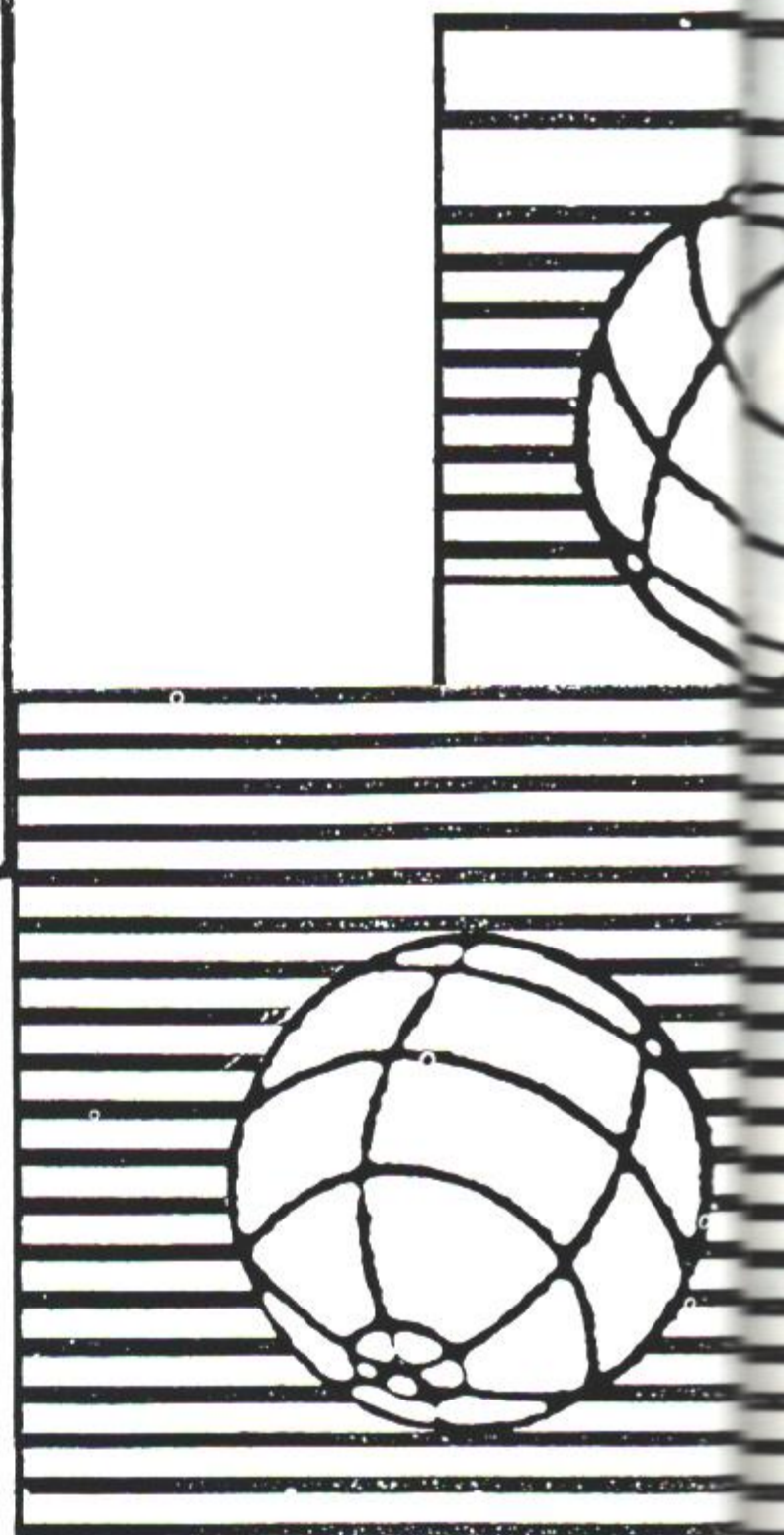
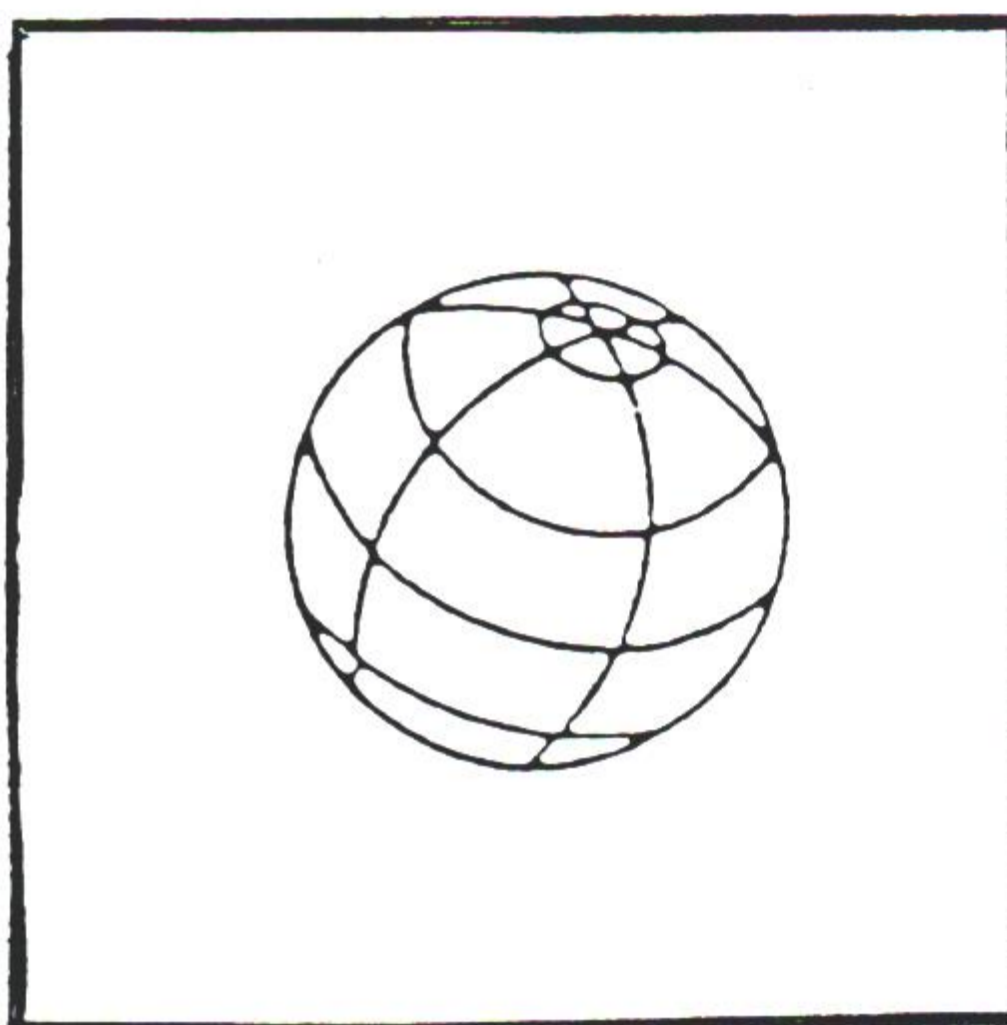
the Soviet Union: towards a new Rapallo', *The World Today*, November 1990). Another author warns that 'to prevent an ugly clash' between Japan and the USA a 'new institutional framework is required' (K Van Wolferen, 'The Japan problem revisited', *Foreign Affairs*, Vol69 No4, Fall 1990). Hoffman concurs and, with a note of alarm, adds that the 'tensions, contradictions and conflicts' will 'not be manageable unless we find the methods and found the institutions of planetary governance that are now indispensable' ('A new world').

Hoffman and his colleagues recognise that the changes in the world order are primarily at the

a great power...it also marked a visible decline in America's role.' ('1989 and all that')

Some American analysts are not prepared to accept the negative consequences of US decline. Former state department official Paul Nitze argues that the USA is still the only acceptable umpire in the world system since 'no other nation can do the job as well' ('America, an honest broker', *Foreign Affairs*, Vol69 No4, Fall 1990). Others are more realistic than Nitze and opt for a form of international power-sharing. Hoffman calls for a much reformed Nato no longer dominated by the

The changes in the world order are primarily at the expense of the USA



expense of the USA. According to Hoffman it was the widespread dependence on American military technology that gave Washington such influence. Outside a militarised context, America's economic weakness relative to other imperialist powers is exposed. As Hoffman suggests, 'Our ability to extract foreign policy gains from economic power has dropped and we depend increasingly on foreign sources for important products and technologies' ('A new world'). Tucker concludes in similar vein, with more than a note of bitterness:

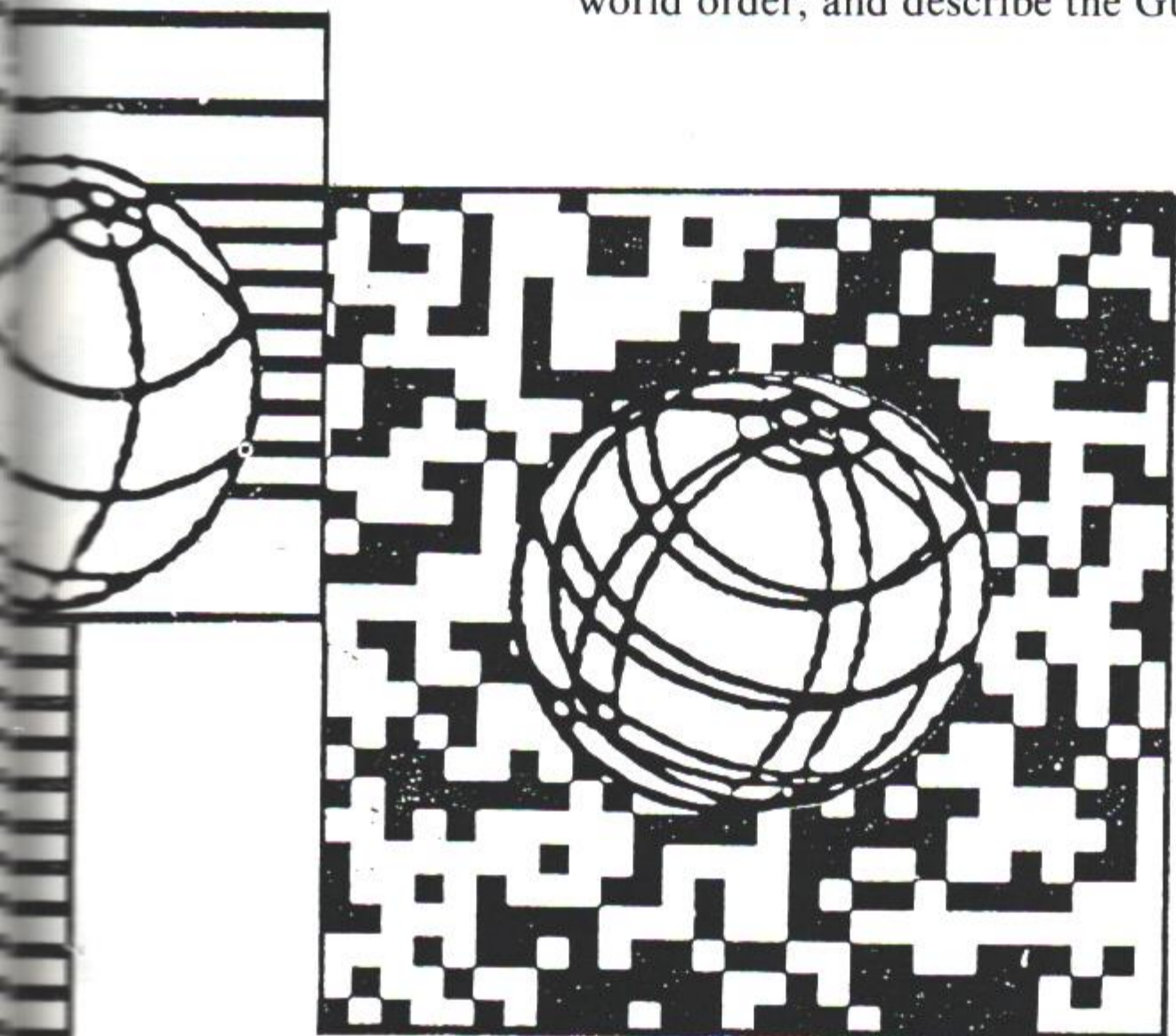
'Thus the ironic outcome of the past half-century is that at the moment of victory, our power and influence are diminished. If the end of the Cold War marked the virtual disappearance of the Soviet Union as

USA. Others approve of a 'Pax consortia' between the USA and Japan replacing 'Pax Americana', and suggest that the ability of the USA to adjust to this situation depends on its willingness to share leadership with the new powers (P Stearn and PA London, 'Deficits in trade and leadership', *Washington Quarterly*, Fall 1990).

Most of those who conclude that the institutions of the post-war order are breaking down, and that the USA is the main loser, situate these trends in the context of global fragmentation. There is widespread speculation about the world economy

fracturing into a system of three partially exclusive trading blocs. This assessment is in sharp contrast to the accepted wisdom of a year ago. Then, the buzzword was interdependence; the experts argued that the international economy was so intertwined that it would keep conflict and competition among nations in check. The speed with which this wisdom has been exposed is symptomatic of the speed with which the old order is being overtaken by events. A year after the triumph of the West in the Cold War the victory seems more and more hollow.

The new consensus view among Western commentators fails to explain what it describes. Thus they can dismiss the present uncertainties as a relatively short interlude between the Cold War and a new, stable world order, and describe the Gulf



crisis as just another third world problem without the old complications of superpower rivalry.

However, a careful examination of events suggests that things are not so certain. Instead, what emerges is a vague outline of a fracturing global order, but with its shape and complexion not yet clear. The most unusual and distorting element in the global equation is the paradoxical role of the USA. In terms of its sheer size and absolute weight the USA remains the most important power in the world, but one which is clearly in decline. So that although America remains very important, it is not strong enough to prevent the new changes that are working to its disadvantage.

America is particularly vulnerable

to foreign competition in economic matters. It has to pursue a diplomatic strategy based upon deploying its impressive military/political resources to gain an economic advantage. This perspective is clearly enunciated in a survey, 'Beyond 1992: US strategy towards the European Community', published by the Washington-based Centre for Strategic and International Studies in October. The report argued that full 'US economic engagement in Eastern Europe is needed to prevent EC activity that could potentially limit US interests' (quoted in the *Guardian*, 17 November 1990). The key assumption behind this stance is the importance of preventing Germany, or for that matter Japan, from playing an independent diplomatic role in a region like Eastern Europe. As long as the USA retains a global reach it can enforce its interests by claiming a share of the action.

### Three corners

The ability of the USA to perpetuate the status quo depends upon it not being overstretched—which is why Washington fears coming into conflict with Europe and Japan at the same time. In the short term, Europe presents the greatest challenge to America. German reunification and moves towards European integration have accentuated the conflict of interests between the two Western blocs on either side of the Atlantic. Traditional US policy towards Europe is no longer sustainable. All of its diplomacy is based on the need to contain the Soviet Union, without which the USA has no legitimate foundations for its military presence in Europe. The situation is further complicated by the possibility that a German-dominated EC will succeed in transforming Eastern Europe (including the Soviet Union) into its hinterland. The USA will inevitably be an outsider looking into the new European framework.

If Europe presents Washington with an immediate diplomatic conundrum, Japan represents a more long-term economic threat. The very interdependence of the Japanese and US economies ensures that the smallest conflicts are liable to have disproportionately significant consequences. The USA and Japan are standing in each other's way. For now economic diplomacy helps contain the differences. But this conflict cannot be postponed for long. It is interesting that Americans now frequently speak of the 'Japanese problem'. American opinion on Japan is polarised between those who want a rerun of the Second World War and those

who counsel some form of power-sharing.

It is often said that there is no direct challenger to US hegemony. Strictly speaking this is accurate. However, US hegemony in the old post-war sense has already lost its meaning and become seriously qualified by the increasing limits imposed upon US diplomacy. This can be seen clearly in relation to the Gulf crisis.

### American dependence

As far as the public is concerned, the USA has run the whole anti-Saddam show. Washington's ability to force other nations to back a primarily American crusade is testimony to the resilience of its hegemonic power. However, at the same time the USA can no longer exercise its initiative independently. It cannot follow through its own policies without regard to the views of other powers. It has to act in accordance with a broad international consensus. Ironically, the triumph of US diplomacy over the Gulf crisis also reveals the end of an era when America could act alone and force its allies to accept its fait accompli.

The swift decline of the Soviet Union has tended to strengthen US hegemony in the short run, but is likely to have the opposite effect in the medium term. The vacuum of world power left by Soviet collapse could only be filled by the USA. However, the break-up of the old bipolar system tends to strengthen the global tendencies towards fragmentation and the consolidation of regional spheres of interest.

### A serious slump

The fragmentation of the world order is already visible; an open contest among the blocs for global domination is not—yet. Great power rivalries remain curbed. Germany and Japan are as yet too busy developing their spheres of influence to be bothered with the broader issue of world leadership. This leaves the USA with a breathing space to devise a defensive strategy. Such a strategy may slow down a struggle for power between the main contenders, but cannot avoid it altogether. Moreover, every significant trend, from the world recession to the decline of the Soviet Union, seems to be working to the advantage of the USA's rivals.

What impact will the economic recession have on the international system? It now seems certain that this recession will be a prelude to a serious slump. The prospects are for a cycle of upturns and downturns in which each downside becomes more profound than the last. In the end, a

more thoroughgoing depression cannot be avoided this side of the reorganisation of the basic structures of the global capitalist system.

The process of recession and slump is likely to accelerate the break-up of the world order. Recessionary trends are always corrosive to the existing fabric of international relations. In addition today, for the first time since the Second World War, the world economy is experiencing a recession without the international regulating mechanisms being in proper working order.

Over the past decade sophisticated mechanisms of international cooperation (such as the global credit system) proved vital in controlling the effects of recession. It is now open to question whether the same regulating framework can do the job successfully. The weakening of this framework makes it more difficult to limit the scope of the recession; and, in turn, economic stagnation will stimulate rivalry. The convergence of a world recession with the weakening of the institutions of international economic regulation is one of the most original features of the present conjuncture. This combination can only intensify the conflict of interest

between declining powers like the USA and Britain, and challengers such as Germany and Japan.

The present unsettled environment is one in which sudden fluctuations and swift shifts become the norm. It was only last year that all the experts enthused about interdependence, the 'end of history' and the beginning of an era of unprecedented international cooperation. Such a scenario already looks distinctly old-fashioned. Instead it is far more plausible to see the present era as one in which the redivision of the world among the main power blocs is placed on the agenda. Although the system has become a multipolar one, power is no less concentrated than previously. The players are the blocs organised around Germany, Japan and the USA. The rest of the world—the Soviet Union, Eastern Europe, the third world—are the audience and in some cases the prize for the winners of the conflict.

The irony of course is that none of the powers are enthusiastic about getting into a serious contest. All of the main capitalist nations have benefited from the peace of the past 40 years. But the invisible hand of the capitalist market is about to unleash

forces which become more and more difficult to control. Without a Soviet Union, or something like a Soviet Union, against which the capitalists can establish an international consensus, conflicting interests within the Western camp can no longer be reconciled through the preferred diplomatic means.

At a time of such dramatic changes, it is not possible to go beyond identifying the general trends which are now emerging. We can expect to see the erosion of the relatively open world market, with the rise of protectionist pressures within the major capitalist blocs and the shift towards more regionally focused diplomacy. The USA looks set to strike an increasingly defensive posture in a bid to slow down the pace of change. There is the prospect of a growing international profile, first for Germany and later for Japan. And when these trends have worked themselves out, and the main spheres of influence have been consolidated by the rival players, then all bets on the future of international relations are off.

The redivision of the world among the main power blocs is placed on the agenda

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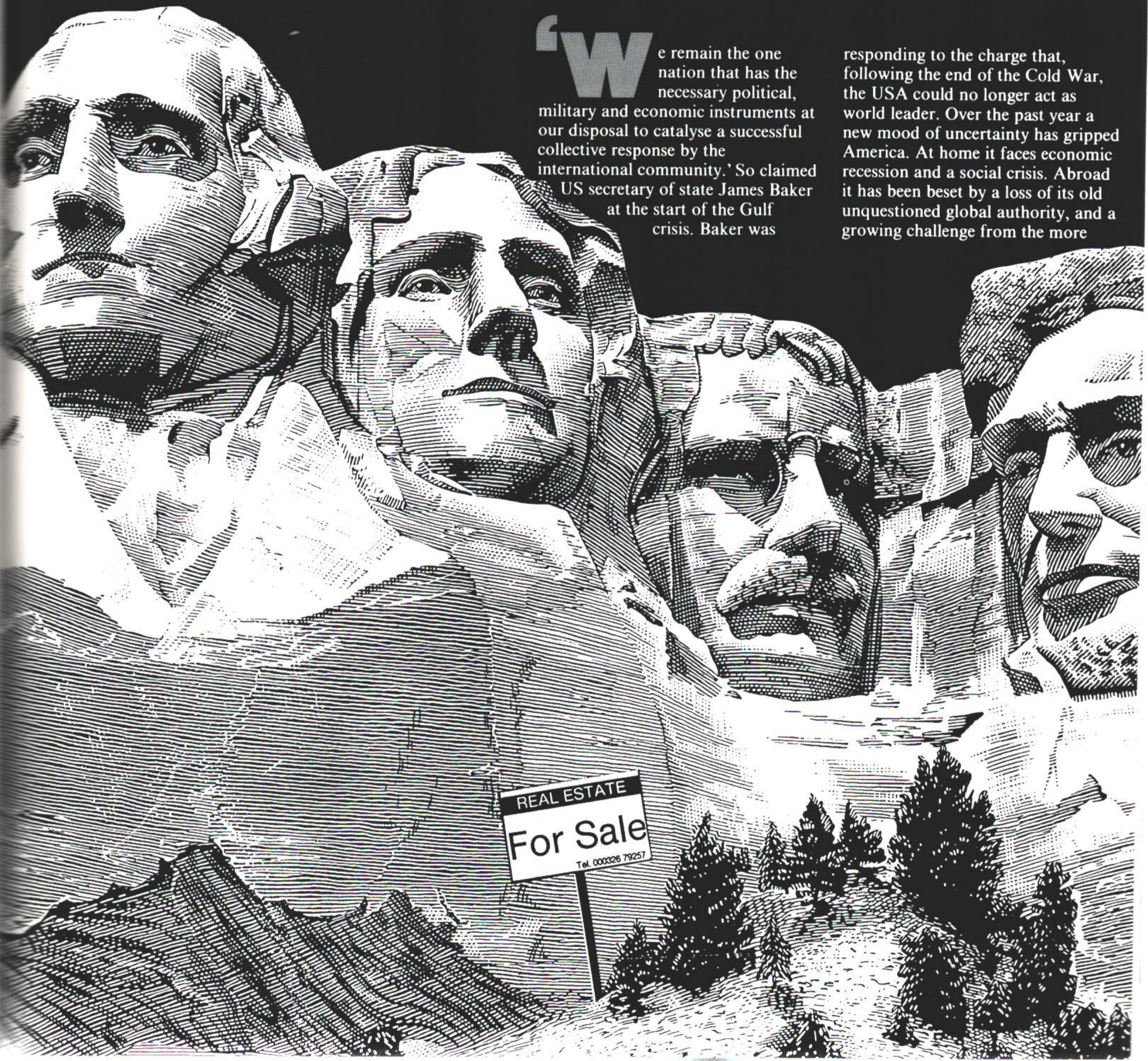
The debate  
about US decline

# Turn of the American Century?

Is the USA on top of the world or in terminal decline?  
James Malone addresses the issue which holds the key  
to the changing pattern of international relations today

**'W**e remain the one nation that has the necessary political, military and economic instruments at our disposal to catalyse a successful collective response by the international community.' So claimed US secretary of state James Baker at the start of the Gulf crisis. Baker was

responding to the charge that, following the end of the Cold War, the USA could no longer act as world leader. Over the past year a new mood of uncertainty has gripped America. At home it faces economic recession and a social crisis. Abroad it has been beset by a loss of its old unquestioned global authority, and a growing challenge from the more



economically dynamic powers of Germany and Japan. Historian Paul Kennedy caught the mood in his bestseller, *The Rise and Fall of the Great Powers*, arguing that America is in its twilight years and likely to go the way of the British Empire in the first half of this century.

Baker rejected such pessimism. America's impressive response to the Gulf crisis, he claimed, showed that the USA remained the pre-eminent nation on Earth. America was ready to establish a new global order in the post-Cold War era, just as it had shaped international affairs after the Second World War. The 'Baker doctrine' was quickly endorsed by president Bush and leading US commentators. *New York Times* columnist RW Apple Jr summed up the defiant response to the downbeat mood:

'The obituaries were a bit premature. There is still one superpower in the world, and it is the United States. More than any country in the world its interests, its exposure and its reach are global.' (21 August 1990)

Apple represents the 'revivalist' school, which rejects the thesis of American decline. Revivalist writers like Joseph Nye and Henry Nau argue that the pessimists overstate US weakness. The key problem, they claim, is simply a lack of willpower; when US leaders assert themselves, as in the Gulf, then it becomes clear that America can still lead the world.

The revivalists present two main arguments to rebut theories of American decline: that US economic decline since 1945 has been exaggerated; and that, in any case, the post-war trend of relative economic decline has been halted over the past decade. Let us examine these arguments in turn.

### Big boom?

According to the revivalists, it is misleading to talk of American power declining relative to Germany and Japan. America came out of the Second World War in an exceptionally strong position. Germany and Japan were defeated, their economies wrecked. It was inevitable, argue the revivalists, that, in rebuilding their economies, Germany and Japan would close the gap on America. However, they say, the USA has also forged ahead in the post-war period. They point out that its per capita wealth has doubled over the past 45 years and that, in terms of total riches and production, the USA remains far ahead of its main rivals.

The first problem here is that

America's post-war boom was not as impressive as is usually assumed. Between 1939 and 1967 industrial output grew at an annual rate of 5.2 per cent—less than during the 20 years before the First World War. So, although America was hardly on its uppers in the post-war years, its best days were already gone. When the recessionary years of the seventies arrived, US decline became manifest.

The USA remains the richest and most productive economy on Earth. However, in several significant respects it has lost its lead even in absolute terms. Japan's per capita gross national product (GNP) of \$22 900 is greater than the US figure of \$20 800. In many industries Japanese production outstrips that of the USA. In 1989, for example, Japan produced 9.1m cars to America's 6.8m. Only in the fields of aerospace, computers and telecommunications can the USA claim to lead the world. And even there, American capitalists face increasing pressure from their competitors.

The US economy is almost twice the size of Japan's; yet American businessmen now spend *less* than the Japanese on investment in manufacturing plant and equipment. There are three industrial robots in Japan for every one in the USA. So much for the 'exaggeration' of America's post-war decline. What of the idea that the trend has been turned around in the last decade?

On the surface, some of the revivalists' evidence looks impressive. The eighties produced a post-war American record of seven consecutive years of economic expansion, and output and productivity improved considerably. However, much of this evidence is misleading. What matters in a debate about declining global status is how the US economy has performed compared to its main competitors—Japan and Germany. And against these rivals, the USA has continued to lose ground.

**Output:** In the eighties, America roughly held its share of the GNP of leading industrial nations; it had 35 per cent in 1980 and 36 per cent in 1989. Meanwhile, Japan's share grew from 14 per cent to 19 per cent. In 1980 Japanese GNP was 39 per cent of America's; by the end of the decade it was 55 per cent.

**Productivity:** Between 1979 and 1987, productivity in US manufacturing industry increased by an average of 3.3 per cent a year. However, these gains were below those achieved not only by Japan, but even by uncompetitive Italy and Britain. In 1988-89 productivity increases in US

manufacturing trailed behind all of the major industrial economies except Canada.

**Investment:** After falling sharply in the early eighties, the US level of net fixed private investment (excluding housing) has barely recovered to its 1979 level. Last year Japan spent 150 per cent more on factories, equipment and research than it did in 1985; the comparative increase for the USA was 23 per cent.

Even US industries which rationalised their operations and spent more on new technology have found it hard to compete. Take the most traditionally American of all industries—car production. The 'Big Three' car manufacturers—General Motors, Ford and Chrysler—went in for major restructuring over the past decade. They cut wage and component costs, brought in robots and 'Japanese-style' work practices. Yet by 1989 the Big Three's share of the US market had fallen to 67 per cent from 82 per cent a decade before. General Motors sells about 10 vehicles per employee per year; Toyota's figure is 45. The Massachusetts Institute of Technology found that it takes the Big Three about five years to develop, design, engineer and manufacture a new model. The Japanese take only three years.

### Japan on the moon

America has also slipped further in newer, hi-tech industries during the past decade. The US share of the world market for semiconductors has been halved from 80 per cent at the beginning of the eighties. The USA has lost 17 per cent of the world market in computer sales in the last four years, while Japan's share has increased by 13 per cent. At the start of the eighties, 94 per cent of the computers bought by Americans were made in the USA; by 1989, the figure was down to 66 per cent.

In 1983, Japan's ministry of trade and industry (Miti) found that its country lagged behind the USA in nearly half of the 40 key sectors of commercial technology. Five years later, Miti's updated study concluded that the USA held its lead in only one area—database software.

Today Japan, not America, is expected to introduce the most spectacular hi-tech products. Among the Japanese techno-feats to come: flat TV sets with better-than-cinema picture quality; telephones that automatically translate between Japanese and English; trains which speed along at 320 mph while suspended magnetically above the ground (*Economist*,

2 December 1989). Perhaps most frustrating of all for the USA, the Japanese space programme seems likely to beat Nasa in the race to establish manned bases on the Moon. The space race, so symbolic of US supremacy in the sixties, looks set to provide more proof of American decline in the nineties.

The trade deficit demonstrates most graphically how the competitiveness of US industry continued to decline through the 'revivalist' eighties. The shortfall between the value of American exports and the cost of its imports soared from \$30 billion in 1981 to \$160 billion in 1987, and is still running at well over \$100 billion a year. And on top of the record trade deficit, the past decade has brought a record budget deficit and financial crisis.

In the first of the Reagan years, 1981, the deficit on government expenditure was \$50 billion; over the past year, the budget deficit has ballooned to \$220 billion. Much of the state spending which created this deficit has been another reflection of

After the Second World War, American money rebuilt Germany and Japan. In the last few years, Japanese and German credit has effectively kept America afloat. However, pressing domestic concerns mean that these countries are increasingly reluctant to bail out the US economy. After buying \$48 billion worth of US treasury securities in 1989, Japanese investors sold off \$8.9 billion worth in the first half of 1990, raising fears of a run on the dollar, higher US interest rates and a greater squeeze on the economy.

In sum, the US authorities did not stem the tide of decline in the eighties. American businessmen made some one-off productivity gains by slashing 1.5m manufacturing jobs and cutting real wages by almost 10 per cent. Defence spending gave an artificial stimulus to manufacturing industry. And Washington borrowed from abroad to pay the bills. Yet the funds made available did not go towards substantial new investment. America's main competitor, Japan, continued to gain

President George Bush certainly took the initiative against Iraq and won international backing for his aims. Yet the fact that Washington's only way of asserting its global leadership today is by creating such a dangerous and potentially uncontrollable situation in the Gulf seems a telling sign of weakness. America's economic decline means that military matters constitute the one area in which its international authority remains unchallenged. Bush has used the Gulf crisis to create a military focus for international affairs, through which to reassert America's role as world policeman.

Despite James Baker's claim that America had the 'necessary economic instruments' to respond to the Gulf crisis, the secretary of state has been reduced to travelling from one capital city to another, begging bowl in hand, pleading for funds to help keep his troops in the desert. *Washington Post* pundit Charles Krauthammer admitted that he was 'as embarrassed as the next American to see secretaries James Baker and Nicholas Brady flying around the

## In the eighties the USA went from being the world's largest creditor nation to the world's largest debtor

America's economic decline, as with the government's recent rescue of ailing banks and 'savings and loans' companies. Most importantly, the multi-billion dollar defence budget has provided a vital prop for US capitalism, with massive defence contracts acting as backhand state subsidies to hard-pressed industries. The defence build-up has also helped ensure that, despite its economic problems, America retains its position as the world's number one political/military power. But at the same time, the growth of government debt helped to fuel the trade deficit, as money which the state pumped into the economy was often spent on foreign imports.

The USA has financed its immense twin deficits through foreign borrowing, using high interest rates backed by what's left of the international status of the dollar to attract money from abroad. As a consequence, in the eighties the USA went from being the world's largest creditor nation to the world's largest debtor. In 1989 total US debt reached \$664 billion and is likely to exceed \$1 trillion in the next two or three years.

ground over the decade—indeed it continued to gain sizeable chunks of American ground, buying up prestigious pieces of US real estate. Foreign holdings within the USA now outstrip American holdings abroad.

The fact that the USA has become a dependent debtor nation means that it cannot back up its foreign policy aims with hard cash. The revivalists can point out that the USA remains the world's largest economy, but this provides less and less benefits. Today the USA has to look to Japan to save its indebted Mexican neighbour from financial collapse. By 1992, the USA is expected to have to pay \$293 billion in interest—more than the cost of the Pentagon budget. The USA remains the biggest power on Earth, but finds it harder than ever to exercise that power. And glancing over their shoulders, worried US leaders see the Japanese seriously threatening to become the world's top industrial nation by the early twenty-first century.

The revivalists will point to America's role in the Gulf crisis as evidence that it is still number one.

world rattling a tin cup for the Gulf deployment' (29 September 1990).

In the midst of the Gulf crisis, the gap between America's grand ambitions and modest means was further exposed by the budget-setting fiasco which led to the temporary closure of state services and facilities in the autumn. Is a country which is unable to keep Yellowstone park open the strongest candidate for forging a new, post-Cold War world order?

The world order which Washington established after 1945 was constructed on the bedrock of a dominant economy. In 1990 such a foundation no longer exists. The US economy stands on a shifting heap of debt. The possibility of the worst recession since the Great Depression of the thirties is now a real one. Behind the visionary rhetoric of the Baker doctrine, the harsh truth is that the USA is engaged in a desperate and ultimately doomed struggle to hold the old world order together, not welcoming the dawn of a regenerated Pax Americana.

Can the capitalists save the Soviet Union?

# 'Full of talk'

Soviet society crumbles—the capitalist powers offer Nobel prizes and food parcels. Rob Knight on a crisis which shows up the cracks in the economic systems both East and West

**A** recent article in the pro-market *Moscow News* attacked Robert Maxwell with the sort of vitriol which the paper has hitherto reserved for Stalinist bureaucrats. The article was prompted by Maxwell reneging on an agreement to finance *Moscow News*, but it broadened its sweep to take in many of the Western businessmen who have been trying to get a piece of the Soviet Union. 'To fall into the clutches of wheeler-dealers like Maxwell will simply mean exchanging one monopoly for another, even less attractive one...it's not just Maxwell, playing on the poor knowledge of the market and the lack of legal expertise on the part of Soviet business partners, who is full of talk and has no intention of fulfilling promises.'

This bitter tirade reflects the frustration of Soviet reformers faced with the West's lack of investment in the Soviet Union. That it comes from one of the most pro-capitalist papers is a sign of how bad things are. Almost 2000 joint ventures have been signed between Western and Soviet enterprises. But by September 1990, less than 300 were in operation. It is estimated that total Western capital at work in the Soviet Union today amounts to \$1.6 billion—the equivalent of just two US Stealth bombers. And the rate of take up of joint ventures *declined* throughout 1990.

There is now unanimous support for the restoration of a market economy among the bureaucrats who run the Soviet Union. They are crying out for capitalist investment from the West, which they see as their only salvation. 'The basis of the economic revival of Russia and western Siberia will not be some political laws', says a leading manager in the oil industry, 'it will be the existence of strong companies. They will influence the new structure of the laws to be adopted. The oil companies are very active now. They should not wait. If they wait for political stabilisation, it may take 1000 years'.

## Risky business

However, Western businessmen are being put off by the problems of running a capitalist firm in a non-capitalist economy. Why would any investor risk putting serious capital into the chronically inefficient Soviet system, rather than into a business or a bank in the West? If they are to attract any of the investment which they crave, the country's rulers are going to have to create an economic and political environment in which profit-seeking capitalists can feel at home. That will involve forcing through drastic rationalisation measures in industry, creating massive unemployment and lower living standards. To date, the divided and ineffective Soviet bureaucracy

has demonstrated neither the will nor the means to take such dangerous steps.

Growing economic problems in the West have made investors even less happy about taking risks in the Soviet economy. Germany, the Western power which granted most credit, has now turned off the tap. The *Financial Times* recently quoted 'a senior Bonn official' describing the Soviet Union as a monetary destruction machine and declaring that Germany could no longer throw good money after bad. At the end of 1990, president Mikhail Gorbachev returned more or less empty-handed from a begging-bowl tour of West European capitals.

Despite the lack of economic incentives, however, the West is being forced to consider the problems of the Soviet Union for political reasons. The crisis of the Soviet economy now threatens food supplies. Although some reports suggest that sufficient food exists, the breakdown of the transport and distribution networks has created serious shortages. Rationing has been introduced in the major city of Leningrad, while corruption, the black market and barter are on the increase everywhere in an economy where cigarettes are often regarded as a more legitimate currency than the rouble.

## Russians are coming!

There is a growing sense of desperation among Soviet people; in a recent opinion poll, only 1.5 per cent thought that things would improve in the future. The West fears that this desperation will provoke political and social upheaval, the consequences of which could spill over into Eastern and even Western Europe. Already the spectre of millions of hungry Soviets driving West has been raised. In 1991, Soviet citizens expect to be granted the right to travel abroad. They will not be going West for holidays, but for jobs or even a square meal.

To contain the threat, the West is considering how to bail out Gorbachev's government. Although the government is still unelected, Western leaders no longer demand that the Kremlin should democratise itself as the price of their support. As the Cold War ends and the Soviet bureaucrats concede the superiority of capitalism, the Western powers have little use for the old anti-communist rhetoric. It is now clear that what the West wants in the Soviet Union is not democracy, but stability, under whatever regime can achieve it. Thus there is no longer any serious Western pressure on Gorbachev to allow the Baltic states to secede, despite the fact that this

was a major theme of Western propaganda throughout the Cold War. As the Lithuanian president says, 'Gorbachev can put the army in charge and remove all the democratic institutions we have created. The West will still hand him the Nobel Peace Prize'.

The Western food aid now being offered to the Soviet Union should be seen, not as an altruistic effort to relieve suffering, but as an attempt to prop up the Gorbachev regime and contain the crisis within the borders of the Soviet Union. Scandinavian governments have offered food because they are terrified of the prospect of hungry Soviet citizens fleeing Westwards and doubling the population of a small country like Norway almost overnight. The German government's discussion of food aid is similarly motivated by concern that instability in the East could spread across Europe and reach its own borders. Although they are loath to say so publicly, a growing number of West European governments would like to erect a new 'iron curtain' that could contain the explosive potential of Soviet society today.

In practical terms, by December food aid had gone little further than

Germany's decision to dump unwanted processed food from East Berlin over the Soviet border, and chancellor Helmut Kohl's *Blue Peter*-style appeal to individual German citizens to send food parcels to their stricken neighbours. As the food supply situation worsens, the West may well be forced to do more. Charitable gestures may give Gorbachev's regime a breathing space; but they cannot resolve the problems of how to push through a transition to a market economy.

Before capitalism can have any chance of working in the Soviet Union, the regime would have to force through drastic cuts and closures in dictatorial style, and the West would have to invest there on a scale that it has never before achieved in a backward country. With the Kremlin in disarray, and a global recession under way, the chances of such an operation even beginning in the Soviet Union look bleak to say the very least.

Today the West is fairly united in its aim of preventing a Soviet collapse and the instability which would follow. How long this attitude lasts will not be decided by East-West relations alone, but by the tensions

capitalist powers are now at odds with each other over everything from agricultural trade to the Gulf crisis. A significant rupture in relations between the Western powers could quickly turn their united attitude towards the Soviet Union into a scramble for influence there. The most likely upshot would be the rapid 'Balkanisation' of the Soviet Union, as rival capitalist states staked their claims to zones of influence. At present Germany is best placed to come out of such a carve-up on top, with Japan close behind—which helps to explain why the USA has become the firmest supporter of keeping the 'evil empire' intact.

The Soviet Union has fallen into the category of third world states, to which the West will grant 'aid' only to increase its control over the country concerned. It is a damning judgement on the failed Stalinist system that one of the richest countries on Earth should become a candidate for Ethiopian-style food aid. And it says much for the state of international capitalism that it cannot create a working market in a country where people are crying out for one.

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January 1901—death of the Queen

# Victorian values

Jill Gordon on how the widely hated Queen Victoria was turned into a national monument

**Q** ueen Victoria died 90 years ago on 22 January 1901. As her funeral procession passed through London, the pavements, balconies and specially built platforms were packed solid with people. One correspondent asked what had drawn 'those hundreds of thousands...to stand for long hours in the streets and parks in the sharp east wind of a February morning?':

'It was the wish to see the last progress of the beloved Queen, to have it in their power to hand down to their children and their children's children—the last memory of one who has for two generations been the centre and the focus, growing in intensity with the years, of the love and reverence of a wide empire.' (*Times*, 4 February 1901)

A *Times* editorial mourned the loss of 'our much loved Queen' who had seemed 'part of the natural order of things, a thing as certain as the rising or the setting of the sun' (23 January 1901). But this 'natural order' was in fact a very modern invention. Victoria's funeral was notable as one of the first-ever big demonstrations of popular affection for a British monarchy which had traditionally been the subject of widespread contempt.

When the young Victoria came to the throne in 1837 the monarchy was in a bad state. Her three predecessors, George III, George IV and William IV, were all ridiculed and despised; as one of her first biographers put it, 'the first was long an imbecile, the second won the reputation of a profligate, and the third was regarded as little better than a buffoon' (S Lee, *Queen Victoria*, 1904). What he didn't mention was that, when Victoria succeeded them, she was widely seen as just another aristocratic parasite.

## Royal laughing stock

For years, the uncharismatic Victoria was the butt of jokes in the popular press, abused whenever she set foot outside the palace, and criticised for marrying another German: Albert of Saxe-Coburg, who was even more unpopular than her. Victoria and Albert and their ever-increasing number of offspring were the targets of such hostility in London that they were forced to hide out in less populous parts of Britain. In the 1840s they set up house in the Isle of Wight because, as Victoria complained to an uncle, the royal family were 'the constant object of observations and newspaper articles' in London, and a focus for popular resentment.

In 1848, the growth of militant working class Chartism in Britain alongside social turmoil and revolution throughout Europe forced the royal family into virtual exile. They were once whisked off to the Isle of Wight because a protest meeting was growing worryingly large in Kennington Park. Another favourite hiding place was Balmoral in the wilds of Scotland. Today, Queen Elizabeth's frequent trips to Balmoral are presented as proof of the affectionate bonds between the monarch and the Scottish people. But the practice of retreating



PHOTO: Hulton

## Victoria's funeral prompted a display of the new popular nationalism

to Balmoral was begun by Queen Victoria more as a way of avoiding close contact with her none-too-affectionate English subjects. She had good reason to fear them. Between 1841 and 1882, there were seven attempts to kill her.

After Albert's death in 1861 Victoria sank into the depths of self-indulgent widowhood and rarely appeared in public, even for the most important ceremonial occasions. The working class continued to despise her, and the middle class complained that the Queen was shirking her duties to the nation. Some even called for her abdication. An exasperated General Charles Grey dubbed her 'the royal malingeringer', while another dignitary claimed that the monarchy had become 'an unworn garment of state on an empty throne'. In 1864, somebody pinned a notice to the gates of Buckingham Palace: 'These extensive premises to be let or sold, the late occupant having retired from business.'

Rumours about Victoria's affair with her Scottish servant, the gillie John Brown, gave rise to a rash of music hall songs, the nickname 'Mrs Brown', and a lot of less polite jokes about her love-life. Her relationship with the Indian *munshi*, Abdul Karim, titillated London society and embarrassed the establishment. Her popularity at this point was negligible; so how could it be that, by the time of her death, Victoria was feted as a figure of national affection?

The change certainly had nothing to do with Victoria herself, who seems if anything to have got increasingly eccentric and cantankerous. Instead, her increased status reflected the shifting political climate of late nineteenth-century British society.

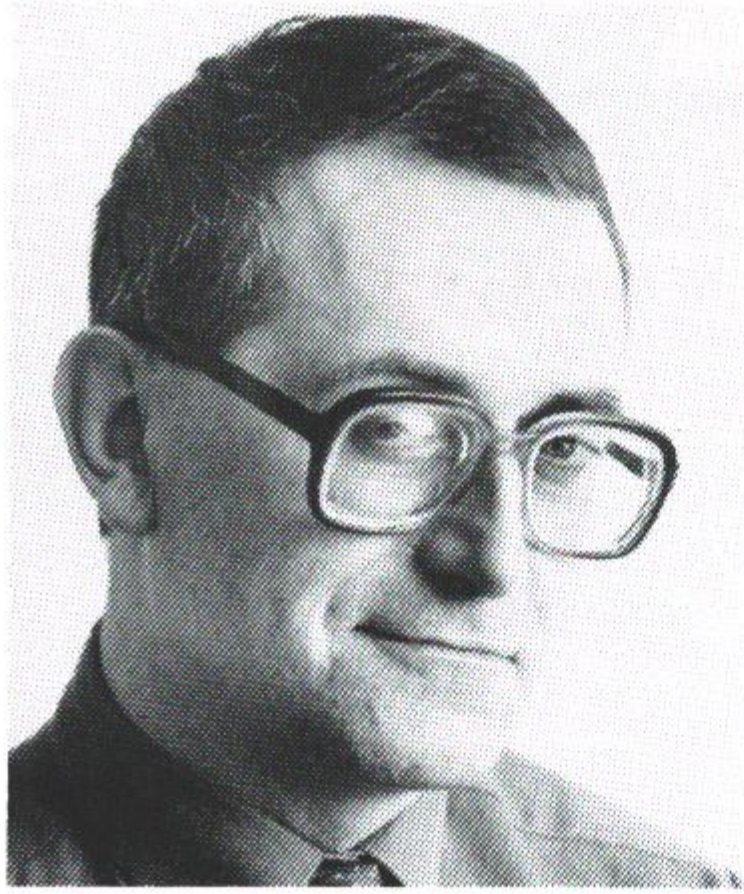
The longstanding unpopularity of the British monarchy was part of a wider disrespect for the British state and its flag, which were seen as the oppressive tools of an aristocratic elite. Nationalism did not begin seriously to influence the working class until the last quarter of the nineteenth century—the age of imperialism. Then Britain built a vast empire, and the ruling class set about using its new

wealth to win wider support at home. For the first time a proportion of capitalist profits could be spared to finance democratic and social reforms and to give sections of the working class a stake in the system. Higher living standards and reforms helped to secure support for imperialism, with the result that British nationalism finally became a mass force. This was the decisive factor in transforming Victoria's standing in the eyes of the public.

From the 1870s, the authorities dragged Victoria out of retirement and began promoting the monarchy as the symbolic hub of British nationhood and imperial power. In 1877, Disraeli made her Empress of India, directly linking support for the monarch with the benefits of imperialism. Over the following decade, she was slowly eased back into public life; and in 1887, publicly celebrated her golden jubilee. Her rehabilitation was not without its rough patches: when she visited the East End in jubilee year she was greeted by hoots and jeers. But the long tradition of deriding the monarchy was being replaced by a new one in which the Crown became the institutional symbol of British power, unity and stability.

By her diamond jubilee in 1897, Victoria had become 'a legend'. In the political circumstances wrought by a new imperialist age, she became the pre-eminent symbol of national pride. So it was that, by the time of her death, and in spite of herself, she had achieved the distinction of being Britain's first popular monarch.

Today, when we are surrounded by friendly images of 'our beloved royal family', it is worth reminding ourselves of how recently the tradition of Queen-worship was invented by the British establishment. And it is worth remembering, too, the reasons why they have tried so hard to ingratiate the monarchy with public opinion over the past century: to help spread the sort of nationalist values which, now as then, they need to support their imperialist adventures abroad.



Don Milligan

# Sour grapes

**T**he Decade of Opportunity, Year Two. It makes you think. It makes me sick. I've been in a bad way ever since the 'Boy from Brixton' got called to the palace. I haven't felt so unsettled since the 'Boy from Bermondsey' got into the charts with 'A little white bull'. The success of Tommy Steele was appalling, but the victory of John Major was little short of a disaster.

It started innocently enough. I was watching a leadership contest 'special' with my boyfriend. Nicholas Witchell was smarming over some nameless backbenchers on the trampled grass across the road from parliament. Suddenly my boyfriend said:

'He's younger than you.'

'Who's younger than me? Nicholas Witchell?'

'No', he says, 'John Major! The prime minister, he's younger than you'.

Grasping at the literal truth I testily pointed out that John Major is two years my senior.

'Well, he looks younger!'

'I'd look younger if I had his money.'

'I knew you'd say that', he smirked.

We haven't spoken since. And, I don't seem able to shake off that sour feeling. Why didn't I become prime minister? I didn't go to Eton or Harrow. And I was born in a rented room in Kilburn. It is true that my Dad wasn't a trapeze artist, but my sisters

can still be accumulated by the perpetual spinning of prayer wheels. And even this, I understand, is never entirely free. But in Britain we can be thankful. Merit is available to all, entirely free of charge.

There are, no doubt, a few bottlenecks in the supply of merit; some residues of our unfair unequal past linger on. This is why the Labour Party is committed to more equality and it is the reason that John Major wants more genuine opportunities to be made available to those who deserve them. Whether you like it or not we are going to live in an open society. The kind of society where those who merit success are successful and those who don't fail. It's as breathtaking and as simple as that.

The idea of the open society has a kind of inner tension, an elegant simplicity, a terrible beauty. The old loyalties of school tie, accent and rigger buggery will gently fade. The mellow dignity of ancient families and the patina class will give way to the sway of the meritorious from Peckham and Luton and Bexley Heath. Of course it will be tough. But difficult choices have to be made. You have to be cruel to be kind. And, we must never shrink from doing what needs to be done. However, despite the exhaustion, the nerve and the backbone that ushering in the open society will entail, it is a project that is guaranteed to succeed. We can be sure of this almost before we begin. For it is evident that those who fail to make the most of

The losers, the wallies, the nerds—in short, the failures—are going to get their just deserts and the deserving will get everything they deserve.

Of course, there are the unlucky and the less fortunate. We will be kind to them. Misfortune must be catered for, but stern resolve is required in the face of those whose unfitness for life is amply demonstrated by their failure and fecklessness. To those we will show no mercy.

I know that some of you will find this difficult to imagine, but very shortly your nostalgia for Margaret Thatcher will become palpable. You will ache for the comfortable inequities of the Iron Lady's rule. You will be begging for the return of the good old inequalities of the eighties. You will be longing for the return of the demoralised fug of the closed society as the fresh icy climate of the open society begins to bite deep.

Smart charismatic journalists have dubbed John Major the 'Grey Man'. They will be taught to laugh on the other side of their faces. I predict that as John Major sets about the process of rendering our meritless self-justifications useless and threadbare he is going to seem anything but colourless and neutral. The poor will have to prove that they are the deserving victims of misfortune rather than simply lazy, disorganised and feckless. Unemployed youth will be expected to labour like horses in make-work schemes before they qualify for a dole cheque. It will be an open society where 'solidarity' is dubbed 'the ideology of losers', a society where God helps those who help themselves.

In fact in many respects John Major's oxymoron, the 'classy classless class society' will seem unnervingly familiar, but its ruthless meritocratic character will weaken the slight suspicion of *déjà vu*. Things will indeed be the same, but somehow they will be more the same than they have ever been. Men will earn more merit than women, white people will earn more merit than black people, and, by and large, heterosexuals will earn more merit than homosexuals. The children of the rich will be better fed, better clothed, better educated and consequently more meritorious than the children of the poor. We will soon discover that in the open society of the nineties a more meritorious background is likely to be even more of an advantage than it was when John Major was clambering up out of the abyss of proletarian misery via the chairmanship of Lambeth's housing committee and the executive suite of the Standard Chartered Bank.

It is probably quite apparent by now that my grapes are still rather sour. John Major does look younger than me. And he is undeniably richer and more successful. In a word, he's meritorious. Yet still it *rankles*, it rankles terribly. I can't help feeling that what he really deserves is a kick in the teeth. I can't stop day-dreaming, day-dreaming about a future meritocracy where we do it to him before he does it to us. Now, that really would be a funny old world!

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## I didn't go to Eton or Harrow. I was born in a rented room in Kilburn. So why didn't I become prime minister?

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did reels and jigs in their stockings feet, and one of them had a boyfriend who could tap dance. Yet still the glittering prize has eluded me. It makes you think: 'It's a funny old world.' Still, I've started to dwell on merit. And I'm sure that this will help to pull me through.

Merit is very widely available. Indeed, it's something that we can all have. After all, we do live in a meritocracy. Its source and its supply are infinite. Of course, this was not always the case. As Margaret Thatcher has pointed out, in order to be the Good Samaritan you had to have money. In the middle ages merit could be purchased from Mother Church. In some more traditional societies merit

the opportunities open to all have only themselves to blame. Those who are audacious and thrifty, imaginative and hardworking, intelligent and steady will succeed. Those who fall short of these virtues will not.

In the old reactionary aristocratic past the rich and powerful were considered to be more intelligent, more resourceful, better quality human beings. Today, in the Decade of Opportunity, things are going to be different: the more intelligent, the more resourceful and the better quality human beings will become rich and powerful. For the first time in history the distribution of merit is going to be entirely rational.

The scene is an airstrip in the Thai jungle. Jerry Westerby, the honourable schoolboy of John le Carré's novel, has just returned from Laos chasing down one more lead in this labyrinthine plot. He is greeted by a cousin (CIA man) who has been drinking:

'Mr Westerby, sir?'

'Yes, old boy.'

Masters held out his hand.

'Old boy, I want you to shake me by the hand.'

The hand stuck between them, thumb upward.

'What for?' said Jerry.

'I want you to extend the hand of welcome, sir. The United States of America has just applied to join the club of second class powers, of which I understand your own fine nation to be chairman, president and oldest member. Shake it!'

America's passport to membership was the fall of Saigon in 1975, which signalled Uncle Sam's final defeat in Vietnam. So le Carré sums up the British establishment's sense of its own decline, and its smugness that the country which had been the beneficiary of that decline must now meet the same fate.

British decline and the loser's resentment of the winner are themes of the twentieth century as a whole. They come into their own, however, after the Second World War, when the reality of US economic and military power was brought home with humiliating effect to the British establishment. Britain was excluded from exercising power in area after area which it had previously dominated. It is with this decline and the sense of loss and nostalgia for better days which it occasions, and the invention of a field in which the Brits are still superior to the blustering Yanks, that the spy novel has its genesis.

Post-war Britain is a nostalgic society. For the personalities who figure in the spy novel, the war itself was the last era of the golden age. Britain was on the winning side and so had a seat at the top table despite the hegemonic position of the USA. For the protagonists themselves, it is the period of their youth, vitality and achievement, all of which will never be recaptured. As Bernard Samson struggles to get the prize agent Brahms 4 over the Wall in Len Deighton's *Berlin Game*, he ruefully recalls the immediate post-war days when 'there was no way the Russians would touch a vehicle with British army markings'.

In *Casino Royale* in 1953, Ian Fleming introduced Commander James Bond who epitomised the straightforward values of the war. By then Britain was already becoming a mere spectator in world affairs, while British intelligence was despised by the CIA because of its leaks and its air of decadence. So Fleming invented a more dangerous espionage system in which Bond was larger than life and licensed to kill. The reality of decline and the crisis in morale were still submerged themes.

But other themes were already out in the open. Felix Leiter, the CIA man who appears in the early Bond books, is bluff, jovial, a natural sidekick and the butt of the superior Bond. The Americans are put in their place by the patronising assumption that they have more money than sense. Spy novels are full of stories of dumb Americans who try to buy intelligence and end up paying for the sex lives of devious Levantines.

A second theme is misogyny. Fleming's cardboard cutout women set the precedent for

# So, f

The classic spy novel



The spy novel comes in from the Cold War

# are well then, Smiley?

is under threat not only from the end of the Cold War, but also, argues Alan Harding, from the terminal decline of Britain as a world power

all the female ciphers who follow. Women are either perfidious and the origin of all sin, or the repository of all the homely values which the dirty game is played to preserve.

The spy novel proved an apposite literary genre through which to describe how the establishment of American hegemony was mediated by the old apparatus of British power. In 1945 Britain was still a global power. It had a complex network of relations, trading and diplomatic, institutional and personal, throughout the world. The USA had no such position: it overcame this limitation by operating through its junior partner. The USA's lack of familiarity with the Byzantine affairs of the Middle East and Central Europe was offset by the expertise of the British ruling class. All spy novels are littered with honest Central Europeans with an undying affection for the British ruling class and its right to rule. At the same time, the British establishment discovered a new role as the ponce for the USA—a role which, while allowing it to maintain at least a semblance of power, caused considerable resentment among the rulers of the old Empire.

British decline has accelerated since the Second World War, and been accompanied by a crisis in the morale and identity of the establishment itself. It is this sense of ruling class insecurity behind the 'good v evil' certainties of Cold War propaganda which is evoked so well in the shadowy world of the British spy thriller.

There have been numerous practitioners, from Ian Fleming who died in 1964 to Len Deighton who published the last of a seven-volume saga earlier this year. Deighton conforms to the standards of the genre. His rough and ready hero Bernard Samson has to put up with ineptitude and snobbery in his immediate superior Dickie Cruyer. Samson is suffused in the atmosphere of the Berlin of his childhood. This enables Deighton to suggest the importance of inside knowledge (which the desk men and the Americans can never have), as well as the rootlessness which is the mental state of the authentic agent.

Deighton is good but le Carré is the master. He is so obviously an insider. This isn't just a matter of the vocabulary of tradecraft—the lamplighters and the scalphunters. It is the cumulative impact of the attention to detail which establishes the world of the Circus; a world so arcane and self-conscious that you doubt it could exist until you remember Maurice Oldfield, Kim Philby and the *Spycatcher* saga. It is a world in which deception is so ingrained that the only truth seems to be the shared assumptions of its initiates. It is a world which is bitter and mournful since the future can bring nothing but more memories of a vanishing past and a decaying present.

The best example of early le Carré is *The Spy Who Came in From the Cold*. Alec Leamas is more down at heel than le Carré was later to make his central characters: a man outside the establishment's charmed circle. But the themes are already unmistakable. A Mitteleuropa which is divided by the Wall, but in which British engagement is still crucial. A world in which the professionals in the field come to have more respect for their opposite numbers than for the men who run them. A world in which the work that humans do is so dirty that there can be no absolutes. Any concept of right and wrong becomes lost in a world of betrayal of country, moral codes and people.

It seems that this world must fall apart. It doesn't because of two characters created by the more mature le Carré: George Smiley and Bill Haydon. Haydon is the mole who is discovered by Smiley at the end of *Tinker, Tailor, Soldier, Spy*. He is everything that the ruling class would like to be: brave, urbane, cultured and a wow with the ladies. Haydon is a man with a brilliant career who never seems to need to exert himself to reach the summits, whether this be the best innings for his school, bedding the beautiful wife of Smiley or reaching the top floor of the Circus.

## Moles in high places

Haydon is also everything that the establishment has come to fear: a man who can achieve all this and still betray his country. The peculiar fascination with moles in high places has less to do with its merit as a plot device and everything to do with the sense that the ruling class has lost its way. Even though Haydon is discovered by Smiley and killed by an agent whom he had personally betrayed, his figure still haunts the Circus. Order, respect and service have been superseded by failure, loss and incoherence.

Reconciliation is achieved through the unlikely person of George Smiley: careful, punctilious, self-deprecating and a bibliophile (of classical German literature). Smiley is betrayed by his wife and put on the scrapheap by his superiors who are forced to kowtow to the Americans. But only Smiley holds things together. His professional background as a field agent in Central Europe at the height of the Cold War is exemplary. This makes him worthy of the respect of all professionals, as does his attention to detail. With such impeccable credentials, his views on the world have to be taken seriously. Smiley is tough enough to know that success is all that matters and this makes him ruthless. His superiority is established over his arch rival Karla by his concern for the suffering of others, including the many men whom he himself puts into danger. But

his lasting importance is that he preserves and articulates an unswerving belief in the values of England.

Smiley does not figure in the latest le Carré, however. The marginalisation of Britain has been accentuated by the collapse of the post-war order after the events of 1989. The end of the Cold War, the loss of identity and the reassertion of ambiguity are the themes pursued in his recent work.

In *The Perfect Spy*, Magnus Pym is the epitome of English rectitude and competence, if a man who will never quite make the top grade in intelligence. He is a mole but he is more than this: above all he is somebody who has never had a secure sense of himself. Indeed, le Carré now perceives the moorings of the British ruling class to be so insecure that its representative is a chameleon without any real allegiance. In the context of the spy novel, this means that he has been controlled since early manhood by the Czech agent Poppy. He betrays his country and incidentally (as it is presented in the novel) his wife without a qualm. This is presented as the all but inevitable outcome of the unravelling of the certainties of British life. The unravelling of Pym's own deception and life provides the ideal atmosphere for le Carré's own profound sense of loss and nostalgia for a world in which some certainty was possible.

*The Russia House* is the end of the road. Back comes the amateur gentleman and adventurer. Barley Blair is hard drinking, ramshackle, unconventional and public school to his bootstraps. A businessman who fails because he is too nice and a sax player with whom professionals like to jam. A man whom le Carré would like to be? He accidentally brings news of glasnost and dissident heroism to the West. His enemies are equally the KGB and the CIA both of which would prefer the old game to continue. In this game, Britain is not just the junior partner: it is a pawn. All key decisions are taken in Washington. The professional expertise of the agent's craft and the inspired bravery of the British governmental caste are so much hogwash to the men in suits from Langley, Virginia.

The world of the secret agent and the British place in the sun which that world was designed to articulate in its decline are gone. It is difficult to see how the genre can go on. Not only is the Cold War over, but British decline has gone so far that it is hard to see how the rich relationships which so much depended on the British ruling class at least being party to the action can be re-established. The terminal decline of British imperialism has very few drawbacks. The end of the spy thriller as we know it may be one of them.

'Somebody get me high, this is my five hundredth show!' shrieked one, as another ran past quacking like a duck. 'You get confused!' remarked a third, to nobody in particular. 'Please, please, please, please, please, please, please...' said number four until somebody bought one of her flowers. Next to them, three men who looked like truckers discussed the Raiders game over a beer. It was just another Grateful Dead concert.

It may have been at Wembley, but the only London accents to be heard in the bazaar encamped on the concrete forecourt belonged to the tracksuited touts and the bewildered stewards. The rest were American, mainly West Coast. They are part of an American adventure, a world tour that has been on the road since 1967, when the former house band of Ken Kesey and his Merry Pranksters Acid Test changed their name to The Grateful Dead.

Five of those original six members are still intact, physically at least. The keyboard players haven't been so lucky—three dead and one lost to Scientologists—and the band now wisely employs two. But these *Spinal Tap*-style mishaps are about the only thing to disrupt the Dead's pursuit of their unique vision (so unique that even they haven't seen it yet). Unlike many of their contemporaries, they haven't come back clean-shaven in suits with rolled-up sleeves to make a killing on the CD market. They have doggedly ploughed their lonely furrow, never selling many records, but grossing huge amounts of money from frequent live performances thanks to their legions of dedicated followers.

### Freaks and anal-retentives

The Dead may not play all night at open-air festivals any more, but they remain true to their roots. True enough, at any rate, to provide a direct line back to Haight Ashbury for the oldies, and to a nicer safer place for those who are too young to remember the sixties but don't like the look of today's cold world. Probably more than anyone else, the Grateful Dead are an alternative national institution for the Vietnam generation: even people who hate their music have a soft spot for them. And as for those who *do* like them...

Who are they, these 'Deadheads', hundreds of whom see every show (up to 80 a year), and thousands more who see most of them? Rather like *The Invasion of the Body Snatchers*, the most unlikely people can turn out to be Deadheads, including college professors and businessmen, who fly across the world to see them. However, most Deadheads, it must be said, are the *most* likely people, and they don't exactly try to hide their allegiance.

At one end of the spectrum are the tie-dyed freaks who never actually go into the auditorium, preferring to party outside, dancing to the distorted sound of the band through concrete walls. At the other end, are the anal-retentive trainspotter variety, who record the length of every song with stopwatches and notebooks. Somewhere in between are the tapers, with their boom microphone stands and professional recorders. They queue up in orderly fashion for the special section by the stage set aside for their equipment (bootlegging is officially sanctioned in keeping with the old hippy ethos—they probably still 'share their chicks'). The atmosphere is one of reverence rather than hysteria. Nobody claps at a Dead show and the band never addresses the audience.

Their English equivalents take to all this like ducks to water. These are the 'serious' record

# Still Deadheads after all these years

Why do Grateful Dead fans not fade away?

Toby Banks went to a Wembley concert in search of the meaning of Deadheadedness

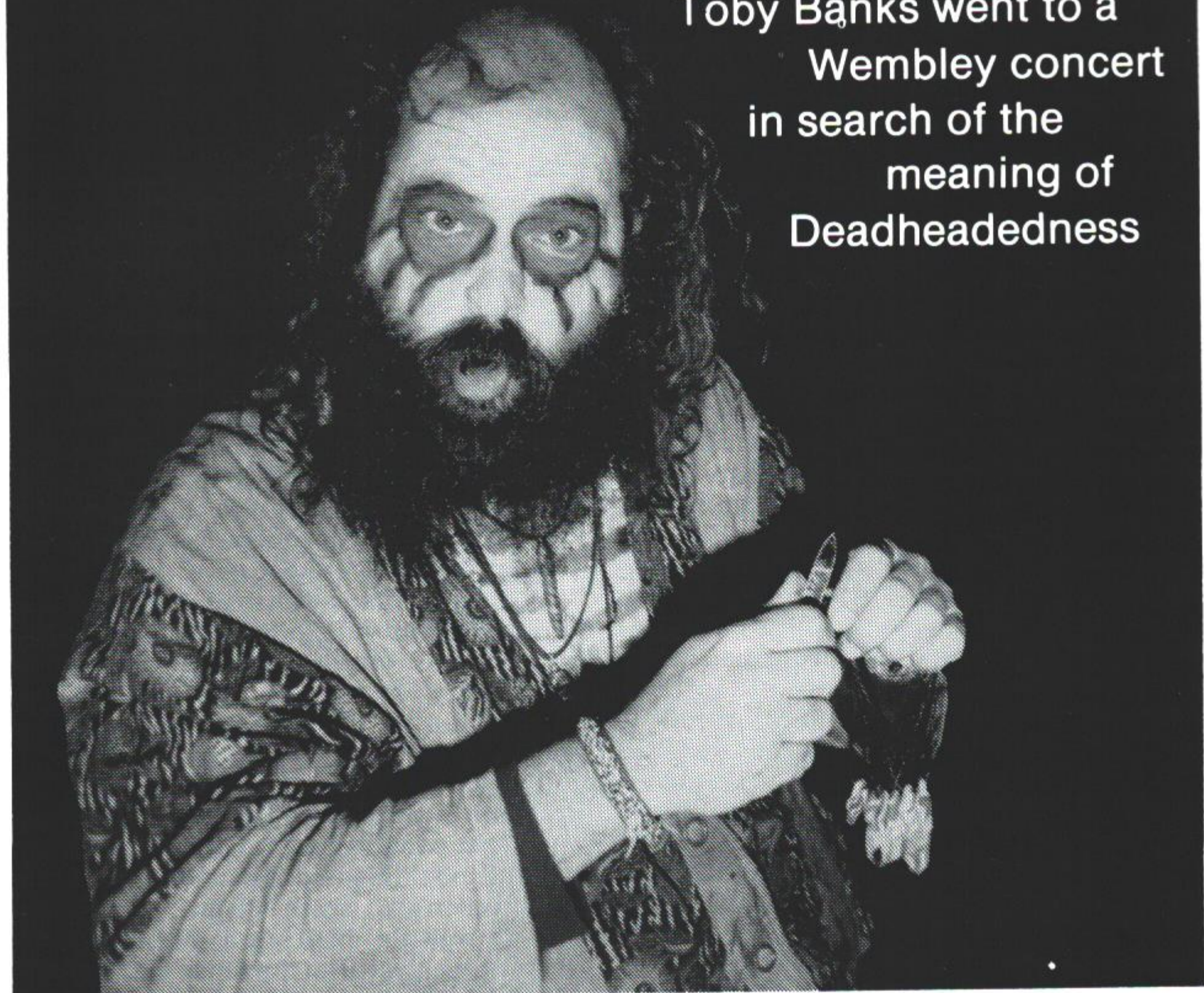


PHOTO: Simon Norfolk

collectors who frequent specialist record fairs and don't let 'the wife' touch their 'original copies'. In their spare time, they stand around pub pool tables whispering 'Shot, my son', or thump down empty glasses on the bar and say 'That was a convincing pint'. At Wembley, they stood around the tapers nodding approvingly. 'There must be 5000 here' declared one. 'Yes' whispered his mate with a touch of awe, and they nodded on in silence.

Indeed, for all the devotion shown to the Dead, it is the followers themselves who are the main attraction. For US shows, 20 000 people will camp around the auditorium for several days before the show. The group have half seriously suggested that they should play deliberately bad music for a while to whittle the numbers down to manageable proportions, but they know this would make no difference: they acknowledge that these people simply have nothing better to do.

The hardcore Deadheads are an itinerant community, who survive by 'panhandling'—

begging or selling food, beer, ponchos and other hippy junk outside shows. Some of the more seasoned travellers have fitted their psychedelic painted vans with patio doors. In the States, they have their own magazines, radio shows and even a nationwide computer 'interactive magazine'. There are contact ads for alcoholic Deadheads, blind Deadheads and amputee Deadheads. Deadheads announce marriages, births and deaths (baby Deadheads are born to the sound of Grateful Dead tapes). Letters thank other Deadheads for contributions towards hospital operations and for general kindnesses. Nobody has panhandled to raise cash for a zimmer frame yet, but the day can't be far off.

Concerts are times for reunions, and Deadheads swap travelling tales the way old soldiers talk about wars. They particularly enjoy telling newcomers about their First Time. 'I threw up', said one. Another put it more thoughtfully: 'It's like being a beer drinker. When you're a kid, you don't like the taste of beer, but you like

beer drinkers. The music was nice, but I preferred the scene. The more shows I did, the music got better and so did the scene.' The scene, they love the scene. Judy and Kim, both in their early twenties, thought the Dead were 'cosmic—on a different level'. A head pointing out of a woolly tube agreed: 'Good vibrations, good energy, good wavelengths, good conversation, good communication. It's a way of love.' Her partner was draped in the Stars and Stripes, so I asked about the Gulf. 'Oh my, I think it's heavy, the apocalypse is coming, we all need to be ready.' So why was he wearing the flag? 'It's cool. See you later. Peace.'

Younger people spoke of the peaceful atmosphere at Dead concerts, and they've got a point. Even when Deadheads get mad they do it reasonably. As the woolly tube shuffled off I turned to see a spindly youth throttling his girlfriend. 'You're being so fucking uncool!', he wailed, 'Give me my ticket!'. The only acceptable target for bad vibes seemed to be the ticket touts. 'Stick this cock up your ass, pal!' screamed one aerated youth, in need of a good bath and a haircut. I was alarmed to learn

that *Living Marxism* reader and self-confessed Deadhead 'Paul' (name unchanged) had been mistaken for one, on account of his wholesome proletarian appearance. Fortunately he was unharmed.

The teenagers may be the most passionate fans, but they couldn't articulate the secret of the Dead's appeal. I decided to seek out some of the older punters. I approached an ordinary looking bloke wearing a carcoat and metal frame glasses. He was English, needless to say, and first saw the Dead in 1972 ('Cor blimey, in those days I'd go and see anything!'). It was their 'culture and lifestyle' that attracted him. This surprised me, given his appearance, and I told him so. 'Well, we've all got to make a living, haven't we?', he said, a little defensively I thought.

I looked around for a more typical specimen, and found a 47-year old man with a two foot long beard who has followed the Dead for 20 years, since he 'came to them through folk music'. He considers Jerry Garcia (leader of the Dead) to be 'the best melodist since Chopin'. Better than Brian Wilson? His mouth

twitched a millimetre, indicating astonishment. 'Oh, absolutely. Absolutely. The man is a serious musician and...the work he composes is very serious work. He has at least three suites.'

Several theories about German *lieder* and folk traditions later, I departed, none the wiser. In a final bid to get to the bottom of it all, I sought out some Zen, in the form of the first Japanese hippies I've ever seen. 'What's special about the Grateful Dead?', I asked a woman who looked like Yoko Ono 20 years ago, when she used to sing songs like 'Who has seen the wind?' ('Only me and John, but when our smile goes round the world our love is catching on'). To my surprise, I found that I had carelessly fallen into another time/space continuum and I was talking to Yoko Ono 20 years ago. She tilted her head and fixed me with a beatific smile. 'Have you ever seen them?' she asked. 'No', I admitted. 'Aaaaaaaah! You sho-ou-ld! Then you will know.' Her friends grinned. The one who looked like John Lennon leaned forward and tapped my arm. 'Friends. Lots of Deadheads', he said. Then I knew.

Egon Schiele

## 'Filth is in the eye of the beholder'

Egon Schiele's paintings at the Royal Academy of Arts have caused a storm.

Helen West went to see what all the fuss is about

At the turn of the century, Vienna was at the centre of the disintegrating Hapsburg Empire. At the centre of Vienna was a vibrant café society which boasted an astonishing clientele: Sigmund Freud, Robert Musil, Arnold Schoenberg, Adolf Hitler, Leon Trotsky, Adolf Loos, Gustav Klimt and many more.

Given the society they were living in, they were preoccupied with change. Those at the forefront of the modernist movement were out to exploit what they saw as the disparity between reality and the preferred image of Viennese society. Themes embraced by writers, artists, poets and thinkers of the time included doom, decay and especially sexuality and suffering. Out of this came Egon Schiele. Sex and death feature heavily in Schiele's work. A draughtsman of genius and an outstanding painter, his work could not be described as pleasant. The sexual explicitness and graphic images led Schiele's contemporary and rival, Oskar Kokoschka, to refer to him as 'that pornographer'.

In 1912, when Schiele was only 22, he was arrested on two charges: exhibiting drawings of an erotic nature in a place accessible to children, that is, his house in Neulengbach; abducting and seducing a minor. The police confiscated over a hundred of his drawings as being pornographic. At the end of his trial, the judge made a point of burning a piece of his work in front of the assembled crowd. He was imprisoned for 24 days on the former charge, the latter being dropped.

In 1914 some of Schiele's work was included in the Neükunstler exhibition in Vienna. One of the visitors to the exhibition was the Archduke Ferdinand, who told his secretary to keep quiet about him having been there: 'No one may learn that I have seen this filth.' The



reaction to Schiele's lifestyle and work tells us as much about the hypocrisy of the society he lived in as it does about the man himself. The judge who sentenced him was reputedly a collector of pornography; paedophilia and child prostitution were rife; the archduke could look at Schiele's work but no one was to know he had.

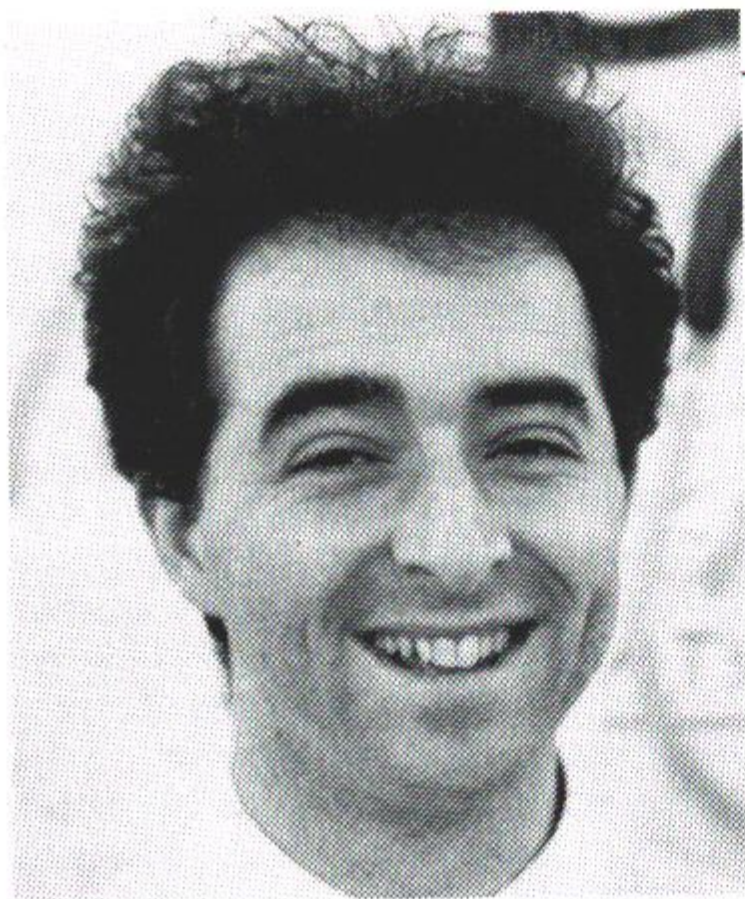
That Schiele was self-obsessed there is no

doubt. He portrayed himself as a victim, the 'tortured artist'. He was a victim, not only of the mock moralist society he lived in, but also of his own sexuality. In his prison diaries he confessed, 'I believe that man must suffer from sexual torture as long as he is capable of sexual feelings'. This comes across not just in the content or pose of his portraits, self-portraits and nudes, but in his style of painting.

The economical but strong, distorted use of line focuses your attention immediately on the individual. Often there is no backdrop or background to distract the viewer, but sometimes a white aura-like band which seems to suspend the figure. Detached from external events, you are forced to concentrate on the emotion and expression involved in the representation of the person. A similar effect is achieved through the unnerving addition of bold colours such as reds, greens and yellows which are bled into one another to create a bruised and tainted look to the flesh, often highlighting the erotic nature of the pose.

Schiele was not a pornographer. He felt that 'no erotic work of art is filth if it is artistically significant; it is only turned into filth through the beholder if he is filthy'. In 1991, however, 73 years after his death, Schiele's work is still regarded as suspect. At the end of last year, when corporations were approached to sponsor the current exhibition, many refused, saying they would not want their companies associated with his work. That tells us something about the sort of society we live in.

'Egon Schiele and His Contemporaries' is showing at the Royal Academy of Arts until 17 February



Frank Cottrell-Boyce on TV

# When Gazza wept and Thatcher fell

**T**he patron saint of television is of course Santa Chiara di Assisi. She got the job because when she finally withdrew from the world, she continued to instruct her disciples by means of a daily vision, a kind of primitive *Thought for the Day*, the world's first long-running broadcast series. Living alone in a cave, the saint kept her administrative overheads low, but production values were consistently lofty, not to say celestial. I bet many a hardened TV producer or harassed executive lit a sneaky votive candle to her last year.

1990 was always going to be a bad year for television. The ITV companies were playing safe for fear of losing their franchises, and the BBC was running scared and skint. The blinds came down all over Soho as one facilities house after another went to the wall in the wake of Channel 4's massive cutbacks. Impoverished of ideas as well as money, the Beeb relaunched *The Generation Game*. Lacking shame as well as shekels, they commissioned a second series of *Waterfront Beat*—a programme with the narrative drive and complex characterisation that you normally only see on a Woolworth's closed-circuit TV security monitor. Admittedly, it is cheaper than its Woolworth's rival. Meanwhile, *Brookside* finally collapsed into a sub-*Crossroads* twilight zone and BSB disappeared altogether.

Politics fared no better than drama. The Sinn Fein ban stayed in place looking more ridiculous every time it was challenged, first with subtitles, finally with extravagantly precise lipsynch. The coverage of the Gulf—silly war-game scale models in the studio and more or less no questioning at all of the government's line—was terrifying. For a while it looked like the old companies' fear of losing licence fees and franchises was going to pave the way to war.

This was the year in which we were told that TV would finally become so fragmented and so underfunded that it would more or less lose its significance altogether. It would survive in some shape or form but like the 'miraculously preserved' corpse of Santa Chiara—actually, a blackened cadaver with a hideous grin—it would not be what it was. Somehow though, this hasn't quite happened and maybe it's just me, but I'm starting to get the feeling that there's a new confidence and optimism about.

I suppose it all began at the end of '89 with the events in Eastern Europe. They were compellingly televisual in themselves of course. More importantly, they showed that good TV journalism could be instrumental in changing the face of history, by providing a forum for debate, and a means of instant national communication. Then there was the World Cup. There wasn't much great football, but Gazza wept! Great drama, great TV.

One of the few innovations that Channel 4 produced all year was to produce big audience figures in unsuspected slots—Sunday mornings

and 6pm on weekday evenings. Until this happened, expansions in scheduling had been largely aimed at the lone vindaloo or video fiend—*The Hit Man and Her* at four in the morning, for instance. These new slots, on the other hand, are distinctly social. *The Waltons* on a Sunday morning is definitely family viewing (unlike *Network 7* which used to hold that slot). And the early evening high class American comedies seem like the old teatime telly. Indeed, every Monday evening, our neighbours come round. Their kids play with our kids and the grown-ups watch *Roseanne*. Just like old times.

The other thing that brought the neighbours round of course was the Fall of Thatcher. No one wanted to watch it on their own, in case it was all a dream. And sometimes the pictures did have a dreamy lack of reality to them. When Howe issued his call to arms, for instance, his delivery was so downbeat that we really did not believe our ears. At one point, Downing Street was inexplicably full of

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## Even Nicholas Witchell weeping live could not disguise the deliciously Dallasy emptiness of the central players

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sheep (another reference to Howe?). On the day Major seized power, Tony Newton was live from Westminster on Channel 4 and simultaneously live in the studio on ITV (I thought of Chiara's bilocations).

Then there was the moment Thatcher did her varicose waddle down those steps in Paris and announced that she would fight on to a second ballot. She had lived and ruled by television—who could forget the time she allowed the cameras into her car on the dash from Downing Street to the Finchley count in 1983? So it seemed apt that this impetuous dive into the mouths of the hungry lenses was the act which finished her off so far as her colleagues were concerned. The rightness of her fate momentarily raised what was really only a squalid little palace coup into something resembling drama. The final day saw the most comprehensive rescheduling of programmes since the Kennedy assassination. By a Shakespearian irony, this too had taken place on 22 November. But even omens like this, even Nicholas Witchell weeping

live, could not disguise the deliciously Dallasy emptiness of the central players. And the twist at the end, with Major ending up in No10 (it was the butler what done it...), would have been the most delightful comic surprise of the year had it not been pipped by the scene in which Percy Sugden really did catch Mavis' burglar.

The Passing of Thatcher not only made great telly at the time. It should be a good thing for telly in the long term. I think it will take some time for it to sink in just how far we have collaborated not only in the legislation—the censorship and the cheeseparating—but also in the ethos of mediocrity, blandness and formulaic commercialism. I know that the policies won't change and that the values were there to promote the policies but Thatcher on TV was able to lend a glamour, a personality, to those values which made them look as if they were new and important. Major does not have a personality to lend, so maybe we will be less timorous now. But I don't know...

When prime ministers change now the rituals are mostly televisual, and none more important than the doorstep statement to the cameras. On the day he heard that he had won, the new PM stepped out of No11 to say a few words. When Thatcher recited her prayer of St Francis (friend and mentor of St Chiara), on a similar occasion in 1979, she seemed to be on top of the lens, bearing down on us all. This time, Major was actually out of shot. The BBC had the back of a policeman and the flare of some rival's lights. I flicked to ITV and got his bald patch over a journo's shoulder. On Channel Four they had his leg. Now was this just sheer incompetence and lack of charisma? He must have been talking straight into *somebody's* camera. Bernard Ingham would never have allowed this.

Then in the quality press next day there was a photo of him blinking accurately into my face, under the caption, 'What BBC and ITV didn't show you when the new prime minister faced the nation'. It was an advert for Sky TV. Now did Major just wander up to the first camera he saw, or was this preference some kind of statement, or had he signed an exclusive contract? Anyway, it's pretty worrying. But don't let his apparent blandness fool you. There is somebody who bears an uncanny resemblance to John Major who has had a long, glittering career before the camera. Yes, it's Sooty.

At the time of writing Saddam is still waiting for his 15 January deadline to come and go. Once again, Santa Chiara had her own approach to such matters. When the Saracen armies marched north through Umbria, they came to rest at the gates of Assisi, where the saint appeared before them, alone and unarmed, save for a monstrance, which she held aloft. On seeing this, God knows why, the Saracens turned and fled. Statues of the saint still show her in this pose, holding the monstrance above her head. She looks just like a member of a news crew holding a light meter or a boom mike. As they say down Coronation Street, think on.

# the marxist review of books

Alan Harding reviews

Roger Scruton, *The Philosopher on Dover Beach*, Carcanet, £18.95 hbk

## Pessimism v progress

The essays and articles in this volume were written between 1981 and 1990. In these years, Roger Scruton, professor of aesthetics at Birkbeck College, a barrister and editor of the *Salisbury Review*, has been in the vanguard of the attempt to theorise the Thatcher revolution. He has extolled the sanctity of the nuclear family; enthused over the traditional and particular against the modern and the universal; and preached the need for a transcendent piety as the only sure way to hold society together.

Whatever you may think of its arguments, this collection does provide a comprehensive survey of the preoccupations and prejudices of the new intellectual right in the Thatcher decade. Edmund Burke, Georg Friedrich Hegel and Oswald Spengler rub shoulders on *Dover Beach* with Matthew Arnold in Scruton's defence of Western civilisation.

Scruton's intellectual revolution is not triumphalist. Its purpose is to hold the line against the advance of what Scruton interprets Arnold as foreseeing on the 'darkling plain': 'The loss of respect for what is holy and untouchable; and in place of them a presumptuous ignorance, fortified by science.'

Scruton joins a long line of conservative thinkers who attribute the problems and evils of the world to the very attempt to advance human progress or emancipation. Scruton agrees with TS Eliot that humankind cannot bear too much truth. Nor should it get ideas above its station. Scruton is always at pains to remind us that without god no meaning is possible:

'And without the sacred, man lives in a depersonalised world: a world where all is permitted, and where nothing has absolute value. That, I believe, is the principal lesson of modern history, and if we tremble before it, it is because it contains a judgement on us. The hubris which leads us to believe that science has the answer to all our questions, that we are nothing but dying animals and that the meaning of life is merely self-affirmation, or at best the pursuit of some collective, all-embracing and all-too-human goal—this reckless superstition contains already the punishment of those who succumb to it.'

For Scruton there are two categories of demons who have succumbed to the delusion of human progress: liberals and Marxists. He has a talent for dissecting the absurdities of what he terms the left establishment. I recommend his 'Beastly bad taste: the work of Gilbert and George'. In this piece, his withering contempt for the gullibility of the trendy left temporarily outweighs his pomposity.

Scruton on Marx is not enlightening. He tells us that Marx's theory of religion is 'trivial'; his imagination was 'morbid'; and his descriptions of communism are 'impoverished and impatient'. Scruton's method of dealing with Marx is either not to read him or to approach carefully with garlic and crucifix before running away.

For the most part, Scruton communicates a painful sense of isolation. He has spent too long on the intellectual margins. The dogmas of the liberal left such as multiculturalism which have been his bane are discredited and fast disappearing; and the same opponents are fast adopting the parameters of his argument with

respect to family responsibility, patriotism and the blessings of the market. Yet he still seems unsatisfied.

This is not surprising since Scruton is a true reactionary. Not only does he fear the future, he abhors the present and finds solace only in the past:

'It is unfashionable to say that Western civilisation still lives, that it is nobler, better and more worthy of survival than its rivals, and that we ought to cease our childish lamentations and give ourselves to its defence. Nevertheless, I hope that these essays offer some partial vindication of the culture of Europe, and of the moral sense that speaks through it. And I hope that some of my readers will take heart, recognising that there is a way out of the barrenness of modernism, and that it is a way not forwards into the unknown, but backwards into the familiar.'

Scruton's search for the familiar is a plaintive and subjective statement of his credo. He believes that society and culture become irretrievably lost when they disown the traditions and beliefs which have uniquely characterised them. He is therefore at his strongest when counterposing an organic concept of national development with the liberal theory of a society based on contract rather than on historical custom. This is equally true of his defence of community and identity against the notion of the abstract individual common in liberal thought.

He makes the simple point that the individual self is never merely a product of itself but is socially determined; 'the realities through which we might in our fallen condition, live and find fulfilment'. In the case of Britain, these realities are for Scruton the established order prior to liberal interference, a culture understandable only to an elite and a patriotic loyalty to an immanent national identity which finds expression both in its institutions and culture.

Scruton's philosophy is well summed up by another ideologue of the new right, Maurice Cowling. He says that Scruton 'gives unambiguous allegiance to art and culture as modern substitutes for religion, and leaves the impression of believing in "Conservatism" either as an aborted mixture of Christianity and secular truth, or as simply secular truth in itself' ('Sources of the new right: irony, geniality and malice', *Encounter*, November 1989).

It is an outlook which counterposes the rootlessness of modern life to a sense of identity in nationhood. The yearning for the certainties and the glories of the past is a salve for the loss of power of the British bourgeoisie. But this concentration on national identity also has a contemporary function. Britain's diminished role in the world demands the creation of a new exclusive sense of nationhood which identifies all threats to the political establishment as outsiders and justifies any repression which is necessary to ensure the survival of the system.

New right thinkers such as Scruton have articulated this need for the past decade, promoting the themes of family, race and nation which more authoritative and powerful establishment figures were later to endorse. Yet intellectuals such as Scruton still remain marginal. This is not surprising since their elitism, and the arcane nature of their preoccupations, make it very difficult for their ideas

# The lie detector.

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to be taken up much more widely in society.

Moreover, they still retain a maudlin sense of their own irrelevance to contemporary life—and for once they are all but right. Despite the collapse of the Stalinist system in Eastern Europe, there is still little confidence in the capitalist system. It too is associated with the cardinal heresy of belief in progress. In his essay 'The idea of progress', Scruton quotes approvingly the German academic Marxist Theodore Adorno: 'No universal history leads from savagery to humanitarianism, but there is one leading from the slingshot to the megaton bomb.'

Historical pessimism has come to dominate bourgeois thought more and more since the middle of the nineteenth century, when the

working class emerged as a challenge to the bourgeois world order. This pessimism has often been expressed in an ambiguous attitude to human progress and a tendency to reduce it to autonomous technical developments. But progress is a social phenomenon which material progress makes possible.

Adorno's pessimism is rooted in the historical experience of Stalinism and the Holocaust. Scruton's pessimism is a product of the redundant nature of the capitalist system in general and the moribund nature of the British variety in particular. His self-ordained task is to preside stoically over the relics of this society. Our task is to clear away the mumbo jumbo and ensure that the worship of the past does not sacrifice the future.

### Mike Freeman reviews

Paul Foot, **Words As Weapons: Selected Writings 1980-1990**, Verso, £9.95 pbk

## My left Foot

Winner of the *What the Papers Say* Journalist of the Year award in 1972 and 1990, Paul Foot is Britain's foremost radical journalist. He has won a national reputation through his regular page in the *Daily Mirror* and for his columns in *Socialist Worker* and the *London Review of Books*, as well as for his television and radio appearances. He is also well known as an inspirational speaker at countless rallies and public meetings of the Socialist Workers Party, of which he is a longstanding member. This selection of his writings over the past decade conveys both the strength of Foot's investigative and campaigning style of journalism and the breadth of his literary and political interests. It ranges from his hard-hitting exposures of the parliamentary intrigues of merchant bankers Hill Samuel and Morgan Grenfell to extensive reviews of Shakespeare, Shelley and Coleridge.

Foot is at his best in articles such as his revelations about the affairs of '23-stone Buckinghamshire businessman Patrick Doyle', a cowboy contractor who made millions from cleaning government offices. Foot devotes four hilarious paragraphs to the luxurious housing, cars and yacht acquired at public expense by this 'perfect representative of the new entrepreneurial Britain'. He pursues his quarry, until, three years later, he is back from Spain and behind bars. All this reveals Foot's keen eye for detail, his enthusiasm for exposing corruption and profiteering, and his journalistic skills in marshalling the facts and telling a story with humour and gusto. Foot brings the same talents to his exposures of mendacity and hypocrisy in high places, from the Tory government's handling of the *Belgrano* incident to the activities of MI5, from the Liberal Party to the liberal *Guardian*.

Foot's profiles of labour movement figures such as Harold Wilson, Norman Willis and Neil Kinnock are filled with acute observation and telling anecdotes, derived from wide reading and long personal acquaintance with the world of the official labour movement. In his antipathy to the established leaders of the opposition as well as to the mainstream of the establishment, Foot follows in a radical tradition that stretches back to William Cobbett and includes his own uncle Michael, who is generously acknowledged in this as in previous publications. His concern, reflected in this collection, about miscarriages of justice—the Birmingham Six, the Guildford Four, the Tottenham Three—bring Foot into alliance with campaigners like Ludovic Kennedy, who share his outrage against injustice but not his socialist outlook. Foot's own establishment origins and his conventional public school/Oxford education give him both intimate insights into the ways of the ruling class and a deep-seated hostility to them, as his embittered obituary for a sadistic former housemaster reveals.

The weakest aspect of this collection is the section 'Workers in action', which includes Foot's accounts of the steelworkers' strike in

1980 and the miners' strike of 1984-85. Here Foot simply describes the enthusiasm and creativity of the struggle and cheers the workers on from the sidelines. From all his reading and experience he can offer no political or strategic guidance to workers faced with powerful enemies and encumbered by a backward-looking and bureaucratic leadership. His conclusion on the miners' defeat is that 'next time we must be better prepared'. But how? A parallel political weakness is evident in Foot's sympathetic appraisal of *left-wing* social democratic or Stalinist politicians, such as George Lansbury, Tony Benn, Ken Livingstone or Ruth First. Foot is comfortable when railing against right-wing Labourism, but in his concern to defend the left against the right, he fails to distinguish between the revolutionary Marxism he claims to espouse and radical reformism. This is a significant evasion because history shows that it is the left wing of the official labour movement that, in crucial moments, restricts the revolutionary potential of the working class.

When Foot ventures on to a wider canvas, as in his 1977 pamphlet 'Why you should be a socialist' or his more recent 'The case for socialism', both excerpted here, his ambition to popularise Marxism leads him to blur the distinction between Marxism and reformism. For example, he identifies three principles of socialist society—social ownership of the means of production, equality and workers' democracy, based in workplace councils. Although today's feeble Labour left wingers might balk at workers' councils, generations of radical reformists from Keir Hardie to the young Aneurin Bevan would have had no hesitation in endorsing Foot's programme. Foot ignores what for Marx was the essential precondition for socialism—the abolition of the capitalist state and the establishment of the 'dictatorship of the proletariat' which 'constitutes the transition to the abolition of all classes' ('Letter to Wedemeyer', *Selected Works*, p669). Foot's approach brings to mind Lenin's criticism of the left social democrats Kautsky and Vandervelde who 'pass over in complete silence what is most essential in the experience of the proletarian revolution, precisely that which distinguishes proletarian revolution from bourgeois reforms' ('The proletarian revolution and the renegade Kautsky', *Collected Works*, Vol 28, p320). Like Robert Blatchford in the 1890s, Foot is a journalistic populariser of socialism who vulgarises as well as simplifies, adapting revolutionary ideas to prevailing radical prejudices.

In his autobiographical introduction Foot traces his career from the *Glasgow Daily Record* in the early sixties to *Private Eye* in the late sixties, through a spell as editor of *Socialist Worker* from 1972 to 1978, to his current job on the *Daily Mirror*. He defends himself against people who are always asking him—'how can you work for the *Daily Mirror*? or 'how can a SWP member work for Robert Maxwell?'. After surveying his work a more appropriate question

might be—'how could a radical investigative journalist edit the paper of what claims to be a revolutionary Marxist party?'. Foot explains how the *Mirror* accepted that his page should 'take the side of the poor against the rich, public enterprise against private enterprise, Labour against the Tories, wrongly convicted prisoners against the judiciary, and so on'. This is an accurate summary of the populist content of Foot's writing, not only in the *Mirror*, but also in *Socialist Worker*. What appears a sound commercial judgement by Robert Maxwell amounts to an endorsement of radical reformism rather than revolutionary Marxism by the leadership of the SWP.

Foot's assessment of his years at *Socialist Worker*, in what was the heyday of the SWP, is revealing:

'It was invigorating to write not only what I saw, heard and discovered, but also what I thought. But the revolution we had all expected did not happen. It was easy to predict that the Labour government would hammer the people who had voted Labour, but less easy to believe that the organised working class movement, so strong and confident in 1974, would roll over on to its back and ask for more.'

This passage contains more than a hint of the radical intelligentsia's patronising scorn for working class people who fail to live up to its

expectations. It also contains the familiar evasion of responsibility by the left for its role in fostering the disillusionment that followed 1974 by exaggerating the potential of industrial militancy in the early seventies and underestimating the need to challenge the grip of reformism (in the left-wing form advanced by figures such as Tony Benn and Arthur Scargill). With its uncritical enthusiasm for militancy, its neglect of the influence of state socialist programmes like the *Plan for Coal* that were subsequently ratified under the 'social contract', and its 'Vote Labour without illusions' slogan in 1974, *Socialist Worker* under Foot's editorship contributed to the demoralisation of the workers' movement in the late seventies.

Foot notes the paradox of the current situation in which the failures of capitalism have never been more starkly apparent and yet the socialist left is everywhere in retreat. He hopes that this selection of his writings may help to stop the rot. Unfortunately, it is unlikely to help. Now, even more than in the seventies, we need to pull together a hard core of activists to develop a rigorous critique of the new forms of capitalist domination and to anticipate and promote working class resistance. In the presence of such a movement, Foot's moral outrage, his agitational exposures and his inspirational prose could play a constructive role. In its absence, his radical populism and vulgar Marxism are more likely to intensify confusion and demoralisation.

### Charles Longford reviews

Benjamin Pogrund, *How Can Man Die Better: Sobukwe and Apartheid*, Peter Halban, £14.95 hbk;  
Jurgen Schadeberg (ed), *Nelson Mandela and the Rise of the ANC*, Bloomsbury, £14.99 pbk

## ANC v PAC?

After the volumes written about Nelson Mandela and the African National Congress, the publication of a book on Robert Sobukwe—the founding father of South Africa's other black liberation movement, the Pan Africanist Congress—is timely indeed. A former deputy editor of the liberal *Rand Daily Mail*, Benjamin Pogrund tells the story of his friend Sobukwe, who played a key role in the development of modern black politics.

Given the current debate in the mass movement over the efficacy of negotiating with the apartheid regime, a book which examines the roots of the split in the black nationalist camp is to be welcomed. According to Pogrund, Sobukwe and the PAC offered a radical new direction for black nationalism. But the story he tells suggests on the contrary that they never broke with the political approach of Mandela and the ANC. What divided and still divides the two movements as they debate the future direction of black nationalist politics is tactics not strategy.

Jailed for three years for incitement after the Sharpeville massacre on 21 March 1960, Sobukwe was to suffer under the new draconian powers of the apartheid regime like no other. He spent a further six years in jail after the regime rushed through the 'Sobukwe Clause', which empowered the authorities to keep him in jail indefinitely. After six years of near solitary confinement on the notorious Robben Island, Sobukwe was eventually released, banished and placed under house arrest in the backwater of the Orange Free State, Kimberley, where he died of cancer in 1978.

Sobukwe played an important part in the political debate which led to the split in the ANC in 1959. Divisions had emerged as early as 1954, after the Defiance Campaign, the ANC's passive resistance to the introduction of apartheid legislation, was violently put down by Pretoria. The ANC's impotence in the face of state brutality provoked the internal political upheaval which eventually led to the formation of the PAC.

Sobukwe and his followers never broke with the ANC's strategy however. The Africanists distinguished themselves primarily through the *means* they advocated for realising the common goal which they shared with the ANC. They blamed the ANC's alliance

with the South African Communist Party and other race groups, which was institutionalised in the Congress Alliance of 1955, for diluting the appeal of African nationalism. Their remedy was a return to the Programme of Action adopted by the ANC's Congress Youth League in 1949.

This is instructive because it illustrates how the political debate in the mass movement was always about *means* rather than *ends*. Until the adoption of the Programme of Action, the ANC was a moderate organisation advocating reform through petitions and appeals to the British Crown. This conciliatory approach aroused the impatience of sections of the nationalist movement, particularly the younger generation of educated blacks. In the face of a growing revolt in its ranks, the ANC old guard allowed a Congress Youth League to be formed in 1944. Many of the future leaders of the ANC, such as Nelson Mandela, Walter Sisulu, Oliver Tambo and Robert Sobukwe, were part of this initiative.

Pogrund's description of Sobukwe's early role in this process is illuminating. Sobukwe, who was to become the first national secretary of the Congress Youth League, argued forcefully against the ANC's participation in the Native Representative Councils. The boycott controversy was in fact the issue which led to the adoption of the Programme of Action. The debate was about tactics: the younger, more militant generation took its stand on promoting boycotts and refusing to collaborate with any institutions of white South Africa. When the ANC leadership was captured by the Congress Youth League in 1949, the Programme of Action became its programme.

Sobukwe and his followers argued that this programme was never implemented. But their criticism missed the mark altogether. The problem was not the implementation of the programme, but the programme itself. The Programme of Action aimed to build a mass movement which would pressurise the state into reforming a system which was unreformable. The denial of democratic rights was not an optional extra for the ruling class: it was the essential component of a developing capitalist system which relied upon the super-exploitation of the black masses. This fundamental point was



ignored by both wings of the black nationalist movement.

In 1960, Sobukwe launched the PAC's defiance of the pass laws. The fact that he advocated the same tactics which had failed in the old Defiance Campaign confirms that he shared the same political assumptions as those whom he accused of failing to implement the Programme of Action. In 1953, the Defiance Campaign was beaten off the streets. In 1960, the state gunned down protesters in cold blood, killing 69 at Sharpeville. A state of emergency was declared. The ANC and the PAC were banned and their leaders arrested, killed or forced into hiding and exile.

Sobukwe's attempt to come to terms with failure is commendable. Unfortunately, he shared the same interests and prejudices as the leaders from whom he broke in the ANC. Ironically, while he was intensely hostile to the South African Communist Party, he shared its vision of the need for a two-stage revolution in South Africa: first a national democratic revolution and then a socialist transformation of the economy. Sobukwe saw the PAC's programme as combining 'political democracy from the West and planned economy from the East'. Like the SACP, he separated this struggle in time.

Sobukwe's hostility to the SACP blinded him to the crucial role it played for the middle class leaders of the ANC. The petit-bourgeois leaders of the nationalist movement were a socially insignificant class. To realise their ambitions they needed a mass constituency. The only mass constituency that existed was the black working class, a class whose interests were in direct conflict with the capitalist system. The SACP's militant image and its radical programme of two-stage revolution were the means through which black workers became part of a mass movement subordinated to a moderate middle class leadership. Through the separation of the struggle for democracy from the struggle against capitalism, the SACP mobilised the working class behind a strategy which was doomed to failure.

Sobukwe's aloofness from the masses and his religious hostility to communism prevented him from developing a revolutionary alternative to the ANC. His criticisms of the ANC leaders for diluting African nationalism through their alliance with communists

and others missed the point altogether. It was not the alliance which was the problem: it was the politics which bound the alliance together. With nowhere else to go, Sobukwe ended up arguing that 'blackness' was the basis for political interest and mobilisation.

Tragically, the same pattern has been repeated more recently. The liberation movement has experienced further generational splits along the same lines: the emergence of the Black Consciousness Movement over questions like boycotting black education mirrored previous struggles and splits. And like Sobukwe, to whom many of this generation looked in counterposition to the ANC, they shared the same political assumptions.

Pogrud's liberalism comes out in his hostility to this new generation of militant black youth. He writes angrily about Sobukwe's funeral, when Zulu chief Gatsha Buthelezi was attacked for being a collaborator by radical youth in the Black Consciousness Movement. Quoting Sonny Leon, the leader of the coloured South African Labour Party, who was also forced to leave the funeral, Pogrud argues that 'once you remove the recognised leaders then the mob becomes a leaderless rabble and anybody can influence them'. Pogrud takes issue with the most positive element of the youth's behaviour, which they share in common with the man they came to bury: their rejection of collaboration. The tragedy is that this positive instinct will never be translated into anything of political significance while it remains tied to the politics espoused by Sobukwe.

Jurgen Schadeberg's book provides a unique pictorial accompaniment to many of the events described by Pogrud. Compiled from truly remarkable photographs from the popular black magazine *Drum*, it presents a striking visual panorama of the black struggle of the fifties. For example, Pogrud's description of Sharpeville is brought to life by Ian Berry's photographs of the massacre. Looking at them is a bit like watching the movie of the book you have just read. Both books are a must for those who want to learn something about the political struggles of the fifties and the political problems of the nineties.

### Eve Anderson reviews

Eberhard Kienle, *Ba'th v Ba'th: The Conflict Between Syria and Iraq 1968-1989*, IB Tauris, £29.95 hbk;  
David A Korn, *Human Rights in Iraq*, Yale University Press Human Rights Watch series, £12.95 hbk;  
Samir al-Khalil, *Republic of Fear: The Inside Story of Saddam's Iraq*, Hutchinson Radius, £7.99 pbk

## The secret of Saddam's success

Over the past year there has been a plethora of publications about Iraq. This reflects Iraq's increasing domination of the Gulf region, rather than the particulars of the present Kuwait crisis. All the books under review attempt to fathom how the Baath Party and Saddam Hussein took power and how they have retained it. *Ba'th v Ba'th* is the most intelligent of the three. By focusing on Iraq's rivalry with Syria, Kienle tries to uncover how such unstable, artificial states find avenues through which they can establish some legitimacy. At the same time, Kienle touches on the broader problem facing most Arab countries: 'To what extent the successor states to the Ottoman Empire in the Mashreq have developed into nation-states or rather remained the purely territorial states, all part of the indivisible Arab nation, which they supposedly were when created by the mandatory powers.'

Ironically, the Baath Party was originally concerned with the goal of pan-Arabism: uniting the disparate Arab statelets carved out by the British and the French into a single Arab fatherland. But as soon as the Baath came to power in Iraq and Syria in 1968, they were at each other's throats. Kienle argues that this intra-Baathist conflict was necessary to strengthen the rule of the Baathist cliques

inside both countries. Lacking a social base, both had to pose as the true defender of Arab nationalism and Arab interests in order to popularise their rule.

Coming so soon after the defeat and demoralisation of the 1967 war with Israel, this was no easy task. It was not made easier by the fact that a neighbouring Arab state was claiming the same mantle. The simultaneous rise of Baathist power in Baghdad and Damascus created a crisis of legitimacy. Who were the real Baathists? A war of words started, with each regime trying to discredit the other and bolster its own position.

Kienle argues that every foreign policy initiative can be explained in these terms. Syria's move into Lebanon was an attempt to boost its regional hegemony and promote itself as the foremost Arab nation with the authority to resolve conflict. Iraq's condemnation of this move, emphasising Syria's collusion with Israel at the expense of the Lebanese people and the PLO, was an attempt to monopolise radical Arab opinion and present Iraq as the foremost defender of Arab interests.

Was there a victor in this propaganda war? Kienle does not give a definite answer, but argues that Iraq has the upper hand due to its

oil wealth. Despite the devastation of the Iran-Iraq War (another bid for regional domination on Iraq's part), Iraq retained the capacity to continue to raise living standards. This is an important factor in helping to foster a sense of national identity and loyalty. In so far as the Iraqi state is repugnant to its own people, then oil money has helped to quell social unrest by creating a sense of material well-being.

Just how repugnant the Iraqi state is, is well recorded in *Human Rights in Iraq*. This depicts a society in which there are no human rights: it is a police state which controls every town and village, even every household. Parents who talk too much in front of their children have been known to be shopped to the secret police. Unexplained disappearances, torture and murder by the state are a commonplace. The book documents the plight of the Kurds, an oppressed minority in several parts of the Middle East. Not only has the Iraqi government used chemical weapons to subdue their struggle for an independent state, it is also uprooting Kurds from the mountainous northern areas and sending them to southern desert regions.

## 'By presenting imperialism in a positive light, al-Khalil fails to make sense of the reaction against it by millions of Arabs'

The book provides a chilling description of life in Iraq, but since it offers no rational explanation, the reader is left to conclude that the Iraqis are mad. The same problem is apparent in *Republic of Fear*, which has been widely quoted by journalists seeking to demonise Saddam Hussein. Al-Khalil dwells on the brutality and terror of the Iraqi state. He also discusses the cult of the leader, Saddam Hussein. In one passage he compares the power structure in Iraq to other repressive societies as being like a sphere compared with a triangle. In the triangular version, the dictator stands at the apex and power spreads downwards to the people at the bottom. The dictator rules through several bodies and agencies, but cannot touch everyone. In the spherical diagram, Saddam is at the centre of the sphere and directly controls every single spot on the surface. It seems that al-Khalil is so taken in by the cult of the leader that he has started to believe that Saddam really is the all-mighty and all-powerful.

Worse still, al-Khalil elevates his nightmarish picture into a theory purporting to explain what makes Iraq tick: 'I believe that fear was, and still is, the socially dominant motivation in Baathist Iraq... Herein resides the most fundamental specificity of the Baathist regime in Iraq.' This thesis is a version of totalitarian theory, borrowed from the Cold War ideologue Hannah Arendt. Originally the theory was designed to explain to American schoolchildren the evils of the Soviet Union. The problem with both Arendt and al-Khalil's copy is that the theory abstracts one aspect of society from the real social relations and historical movement of that society. The notion of fear can supposedly explain the specific characteristics of Iraq and how the Baathists have retained power.

If al-Khalil is wrong and the Baathists do not hold power through terror alone, then what is the real explanation? Some clues can be found by returning to Kienle's *Ba'ih v Ba'ih*. Many commentators on Iraq underestimate the strength of Iraqi nationalism. This did not fall out of the sky one day in 1968, but was constructed by the Baathist regime over the years. Oil wealth is one important factor in laying the basis for a strong economy which has radically improved the lives of the Iraqi masses.

More importantly, however, Iraqi nationalism has come to represent the culmination of Arab nationalism to ordinary Iraqis. Most would agree that Arab nationalism is no longer a force in the Middle East. The aspiration for a single Arab fatherland was thwarted by the creation of 22 separate Arab states. The victory of Israel in two wars with the Arabs, the capitulation of radical Egypt to the West, and the plight of the Palestinians have all added to the

sense of loss and demoralisation. Few writers have been able to explain how the Iraqi Baathists managed to turn the defeat of pan-Arabism to their own advantage and create a popular basis for their rule in a backward and unstable society.

By emphasising the continuity between Arab nationalism, Baathism and the existence of the Iraqi state, the Baathists have promoted the idea that Iraq is the historical consequence of the glorious project of Arab unity, freedom and socialism. Here, the conflict with Syria plays a crucial role. Having defeated the traditional Arab nationalists in 1968, the Baathists came to power. In the bid for Baathist legitimacy, Syrian moderation and collaboration with Israel and the West were counterposed to Iraqi radicalism, oil nationalisation and the friendship treaty with the Soviet Union. Once the Iraqi regime had stabilised, it could make its peace with the West in the late seventies. Iraq's Baathist legitimacy was further strengthened by the fact that Michel Aflaq, the Syrian founder of the Baath Party, fled to Iraq in 1972. In his absence, he was tried and sentenced to death. For several years, other Iraqi Baathist sympathisers within the Syrian party were persecuted and executed.

Now that Arab nationalism had been defeated and usurped by its own creation, Baathism itself was destroyed. Although the Iraqi Baathist Party remained intact and in power, the aspiration of Baathism for a single Arab state had been destroyed through the break with Syria. The scene was set for the vigorous promotion of Iraqi nationalism in its place. Indeed, the Baathists began to turn against themselves. After Saddam Hussein became president in 1979, a huge purge of the party took place at the highest levels.

What is beyond doubt is that terror and fear alone cannot sustain any regime for long. Without a degree of consensus, dictatorial rule is challenged and eventually overthrown. Saddam and the Baathists could not have lasted unless they had a measure of popular support.

This brings us to the greatest error in the fear school of analysis. Running throughout al-Khalil's book is a contempt for the struggle against imperialism and an admiration for the imperialist project:

'The British mandate, and the institutions it gave rise to in Iraq, were the agents of a modernisation that did not arise gradually or indigenously as the outcome of a population's own resourcefulness and engagement with the world. The British in Iraq were modernisers more than colonisers, despite acting out of self-interest.'

This generous appraisal does not stand close scrutiny. In his classic work *The Old Social Classes and Revolutionary Movements of Iraq*, Hanna Batatu shows that British rule had the opposite effect. The British held back Iraqi development and promoted the traditional tribal sheikhs at the expense of an indigenous capitalist class.

Not only is al-Khalil wrong, but by presenting imperialism in a positive light he fails to make sense of the reaction to it by millions of Arabs. Arab nationalism in all its forms, be it Baathism or Nasserism or Iraqism, becomes inexplicable. The language of anti-imperialism in his ears sounds like gobbledegook. Any popular appeal it may have is discounted as mass manipulation induced by fear of torture and death.

Sadly, many regimes, including Iraq, have used anti-imperialist rhetoric to gain popular support, while making their peace with imperialism behind the scenes. Nevertheless, the sight of nearly half a million troops poised to bring Iraq to its knees should remind us that imperialism is alive and kicking. As long as that is the case, despots like Saddam will continue to thrive by manipulating the deeply felt aspiration for freedom among the Arab masses.



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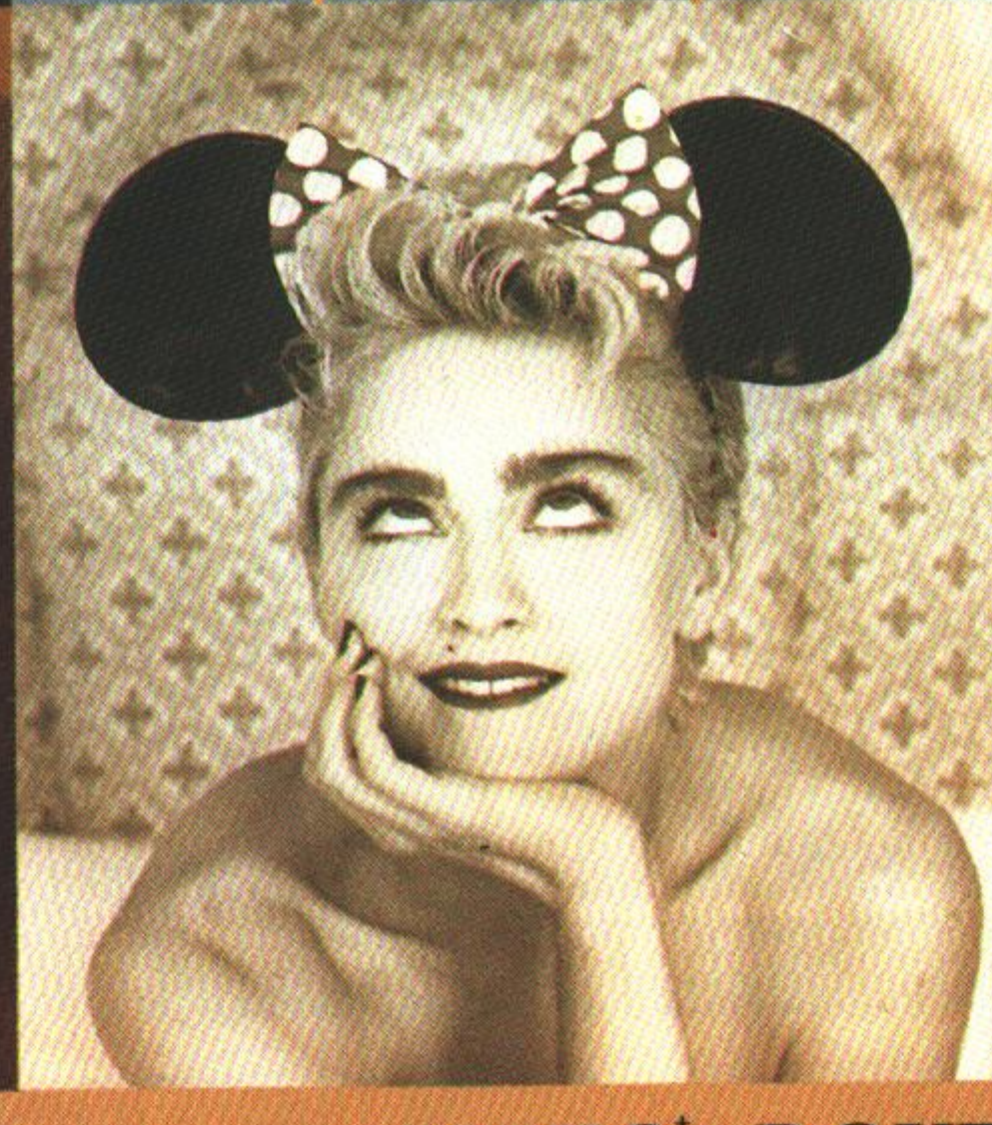
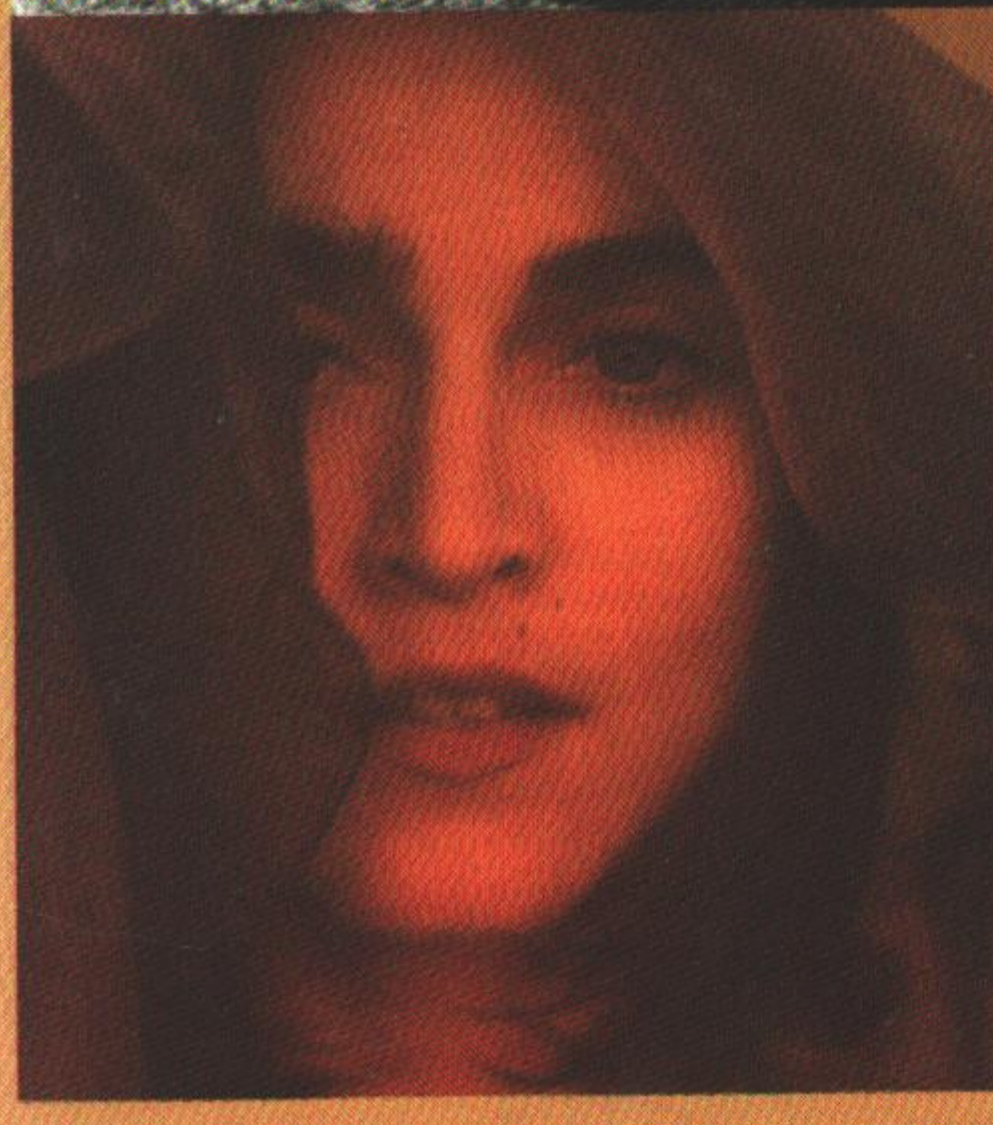
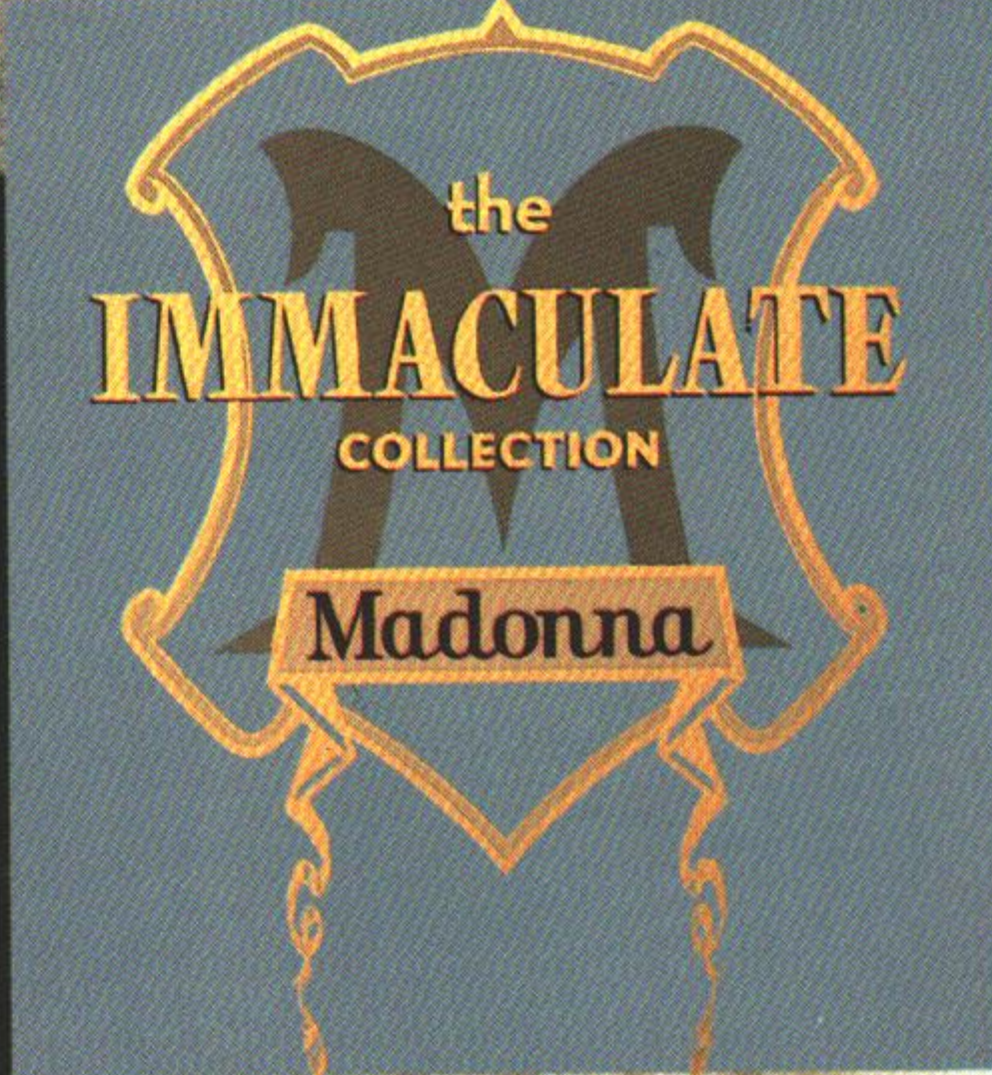
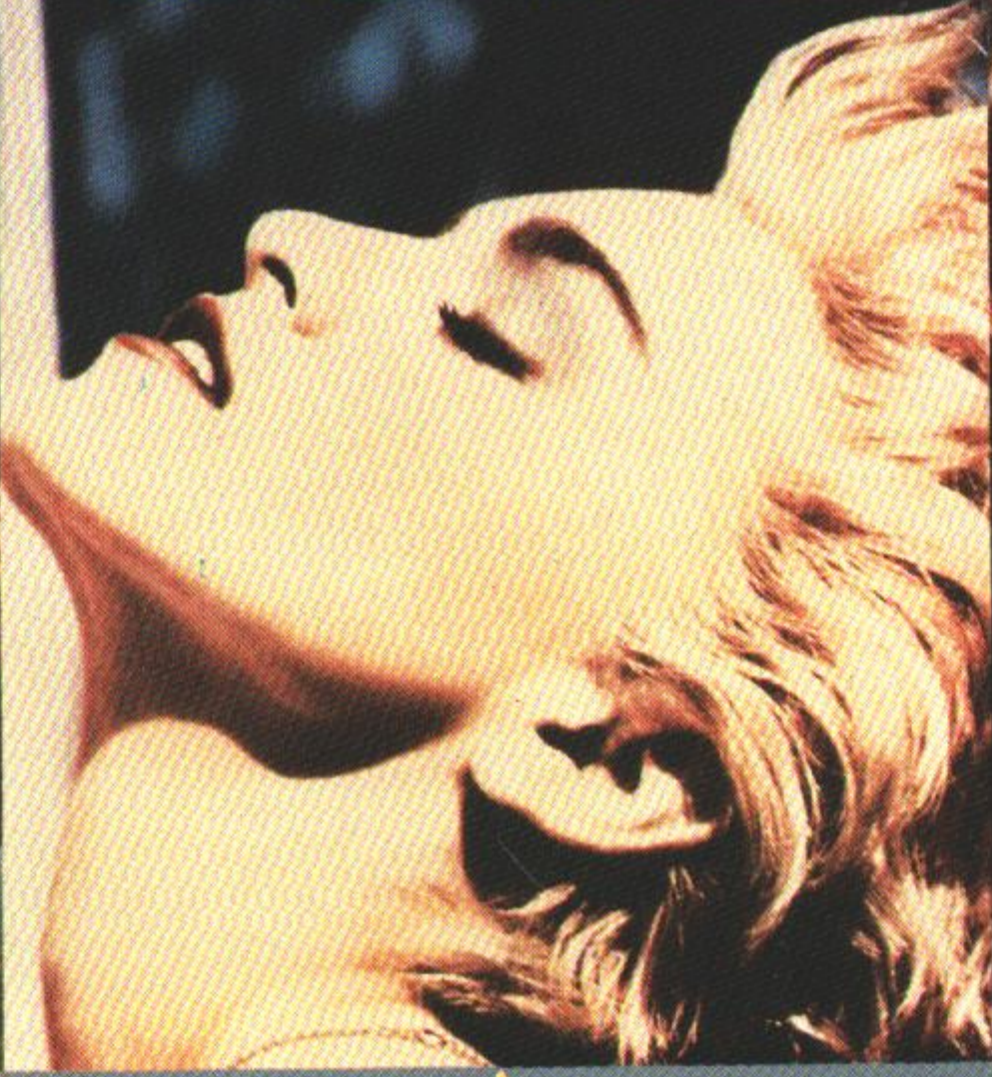
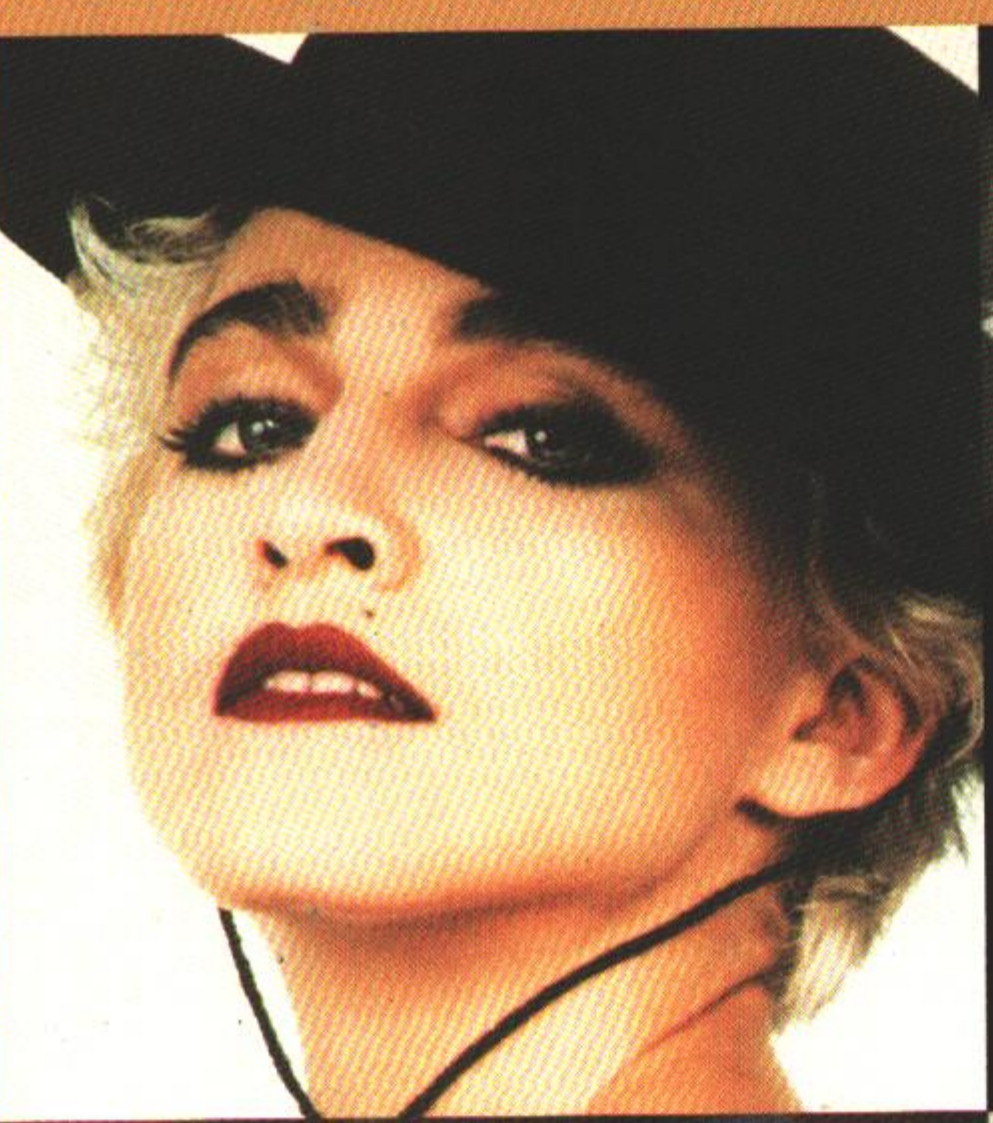


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