MARIE SIN

LIES, damn LIES and BOSNIA

page 8

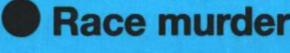
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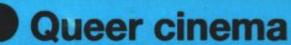


STERLING, THE SLUMP AND THE SPECULATORS

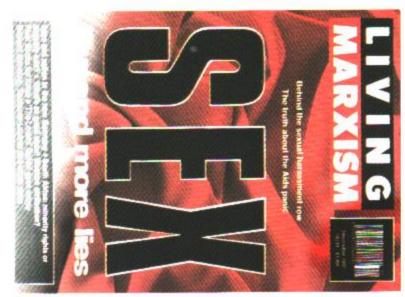
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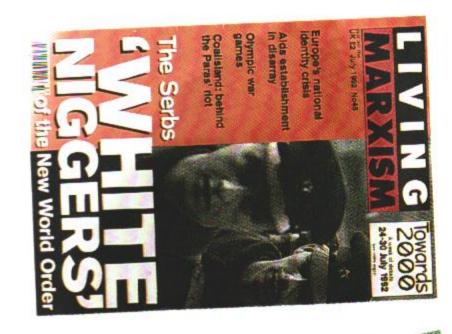














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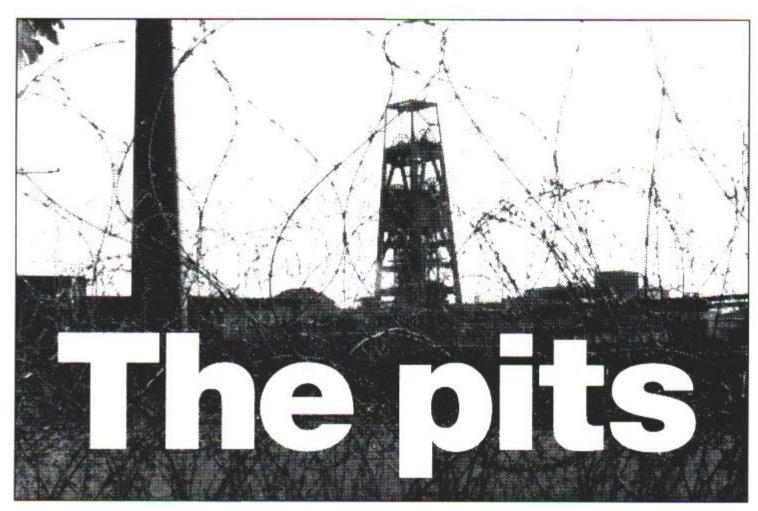
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The swingeing pit closures and job losses announced by British Coal on 13 October amount to the biggest-ever single blow to employment in a British industry. The scale of the job cuts reveals the dire state of capitalism in this country. It also shows who is expected to pay for the slump—working class families like those in the ravaged pit villages.

Everybody from the *Daily Express* to the Labour Party expressed outrage at the pit closures. Who are they trying to kid? When the miners fought to save pits and jobs in the strike of 1984-85, the media backed the Tories to the hilt in their war against 'the enemy within'. And Labour spent the strike echoing Tory condemnations of miners who dared to take on the riot police.

The fate which their communities are suffering at the Tories' hands shows the miners were right to fight. The strike-breaking Union of Democratic Mineworkers has now been rewarded for its services to the government by having its stronghold in the Nottinghamshire coalfield devastated too.

Moderation does not pay, and we will get nothing without a fight. But as the experience of the miners has demonstrated, we also need the right politics to win. The pathetic reaction of the old labour movement to the October announcement shows that working class people will also need new organisations to win future battles. The trade unions which exist today are not worthy of the name.

Even the National Union of Mineworkers (NUM), pride of the old trade union left, is a shadow of its former self. The NUM has paid the price for its bureaucratic failure to unite rank and file miners in an all-out battle with the government. As we go to press, the NUM executive is calling for a national strike ballot. If it had called a ballot in spring 1984, and let miners campaign for a united national strike, they might not be in this mess today.

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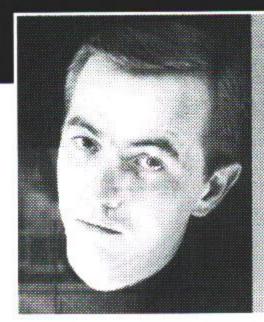
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mick hume

Kraut-bashing: the British disease

t is always the fault of the bloody Germans. From the sterling crisis to the shortage of poolside sunbeds, from football to fascism, the British establishment seems to lay the blame for everything at Germany's door.

The latest outbursts by British politicians have raised the art of Kraut-bashing to fresh heights. The Conservative Party was fighting them on the beaches once more during its conference at Brighton, the most xenophobic Tory gathering for years. John Major and Norman Lamont blamed the Bundesbank for shooting down the pound. Margaret Thatcher warned more pointedly of the threat of German domination. The tactful Teddy Taylor simply said that the Boches were getting 'too big for their jackboots'.

The anti-German propaganda is partly an obvious attempt by the British authorities to deflect criticism of their own economic failures. The idea is that, when your boss hands you your P45 or the bailiffs bang on your front door, you should blame the Bundesbank rather than the real culprits closer to home. But the ploy was so transparent and tired that few people outside the Tory conference were entirely taken in by it.

There is also, however, a more sinister aspect to these British attempts to rerun the Second World War against Germany.

The explanation for the anti-German outbursts cannot be found in current economic developments alone. After all, there are three dominant economic players in the world today: Germany,

Japan and the USA. Yet the British authorities do not rail against the Japanese car manufacturers who have helped to wipe out the British motor industry; indeed, in his speech to the Tory conference, chancellor Norman Lamont boasted of how Japanese plants in this country were producing more British cars!

Nor have the British government and its allies conducted a campaign of criticism against the huge American debts and low American interest rates which have helped to destabilise the international financial markets. Instead, it seems, the villains are always the Germans (even when, as we now know happened in September, the Bundesbank does more than the Bank of England to try to prop up the pound).

So why do the Tories and the media focus their complaints on Germany all of the time? The key lies in understanding the special place which Germany occupies in the patriotic mythology of Britain's past.

The formal victory over Hitler's Germany in the Second World War was Britain's last act as a true world power. As such, it remains the British establishment's most precious asset in the international prestige stakes. The weaker Britain gets in the present, the more important becomes its glorious past.

This is why there is more discussion of the Second World War in Britain in the 1990s than there was 20 or 30 years ago. It is why, for instance, the annual number of references to the Nazi Holocaust in

British newspapers has soared from less than 20 in 1984 to more than 750 in the past year. Whether it's the Queen Mother unveiling a statue to Bomber Harris in the Strand, or Percy Sugden banging on about the fiftieth anniversary of El Alamein in *Coronation Street*, the war is hardly ever out of the news today.

Those who are still trying to keep the home fires burning would no doubt say that they talk about the Second World War only to foster a positive sense of pride in Britain's achievements. Even leaving aside the small matter of whether we should take pride in the fire-bombing of cities packed with German civilians, that is a spurious argument.

Reworking the wartime legends is an attempt to feed off the negative residues of British nationalism. It is about demonstrating that, although Britain is now the most rundown of all the major capitalist countries, it is still somehow superior to Germany.

The pound cannot keep up with the deutschmark any more than a British-built mini can match a BMW. But never mind all that: 'we' can still bash the Krauts, Gerry, the Boches, and the Hun on the battlefields of history. And they better not get too big for those jackboots again, because, as John Major warned them at Brighton, 'You cannot bully Britain.'

The practice of German-baiting is generally considered to be harmless in this country. The consensus is that the Germans are big enough and ugly enough to take care of themselves, and can cope

with a bit of witty British stick. So the running anti-German commentary which accompanies life in Britain is allowed to go on more or less without censure.

Even such an English gentleman as St Gary Lineker feels able to say on national television that he likes to see the Germans get their come-uppance. Kraut-bashing is considered to be in perfectly good taste. And that is itself a symptom of how serious the British disease has become.

The truth is that Kraut-bashing is a harmful habit. It is rather unhealthy for British capitalists, since it undermines their chances of being bailed out by German wealth and power in the future. Much more importantly, however, it is dangerous to the rest of us.

Anti-German feeling underpins and exacerbates what we might call the Daily Mail mentality, an outlook which dominates politics in this country. The Daily Mail mentality is petty, narrow, and parochial. It is prejudiced against anything new, different or foreign-and especially anything foreign. It is a pungent concoction of bigotry and conservatism. Nostalgia for the Second World War and hostility to everything German are among its most powerful ingredients.

By endorsing the Daily Mail mentality, the British disease of Kraut-bashing helps to create a poisoned political atmosphere in which all manner of racial and chauvinist ideas can readily breed.

Many in Britain may not necessarily believe that the Bundesbank caused the pound's specific difficulties in September. But the dominant response to Black Wednesday will have strengthened the general impression that Germany is as much to blame as Britain's rulers for the problems facing ordinary people over here.

It helps to create a poisoned political atmosphere in which all manner of racial ideas can breed

More broadly still, rhetorical onslaughts against Germany can only strengthen antiforeign feeling on every front. The higher profile of anti-German sentiment in Britain today is closely tied in to the rise of the dangerous political trends which are identified in our Manifesto Against Militarism (see page 16): national chauvinism, racism, and the right's 'cultural war'. Which is why the 'innocent' British pursuit of Kraut-bashing is really a destructive force that needs to be confronted whenever it rears its ugly, Blimpish head.

All of this makes it ironic to see so many anti-racists in Britain joining in the jamboree of German-baiting. In a bid to win easy public approval, many of those concerned to combat racism in this country have tried to connect their arguments with the prevailing climate of opinion. This they do by emphasising the allegedly alien, and usually German, origins of racial politics.

From the Anti-Nazi League to the Education Guardian, British anti-racists spend much of their time going on about German fascism and the danger of Britain becoming infected by Nazism. They seem almost oblivious to the threat of homegrown British nationalism and racismand entirely ignorant of the way that their own anti-German emphasis is adding fuel to those dangerous home fires.

Opponents of racism who adopt the

narrow anti-Nazi approach are effectively appeasing British nationalism. The consequence is to create an unholy alliance, encompassing anti-German everybody from Dennis Skinner on the left of the Labour Party to Norman Tebbit on the Tory right. It is impossible to imagine anti-racists going along with Tebbit on his 'cricket test' campaign against Indians and Pakistanis. Yet when similarly chauvinist sentiments are turned against the Germans, many on the old left will line up with the Lord of Chingford.

No amount of talk about 'our' glorious triumph in 1945 should be allowed to distract from the fact that Britain is a clapped-out country where jobs, homes and living standards are in mortal danger in the here and now. No amount of Krautbashing propaganda should be allowed to disguise the fact that the responsibility for this disaster lies squarely with British capitalists and the politicians who support them. And no confusion between anti-German politics and opposition to racism should be allowed to expose more people to the Daily Mail mentality.

A first step towards curing the British disease would be to isolate the carriers from the rest of society. If Major, Lamont & Co want to fight the Germans on the beaches of Brighton, let us leave them to it and hope the tide is in. Those of us living at the sharp end of the slump have other battles to fight.

If you would like more information about Living Marxism readers' groups in your area, write to Penny Robson, Living Marxism, BM RCP, London WC1N 3XX, or phone (071) 375 1702

letters

The Chips are up

Not one but two letters (October) accusing Helen West of conniving in her own oppression for daring to see and enjoy the Chippendales. What are Zoe Richmond and the anonymous correspondent from Gwynedd really saying? Would boycotting male strippers strike a blow for women's liberation? Or perhaps it's OK to watch them as long as you don't like it? I think there's some confusion here.

The oppression of women is real. It's not false notions about ourselves and each other that make women second class citizens but social facts. We don't have the right to abortion, or adequate childcare, or even equal wages. It's beyond doubt that sexual relationships are distorted by such facts but there's no way of redefining those relationships without tackling real life obstacles to equality. Suggesting that women perpetuate their oppression by 'rejoicing in the Frankenstein's monsters' of beefcake strippers is to trivialise the whole affair to one of personal choice.

Love 'em or loathe 'em, holding the Chips responsible for the aspects of the relationship between men and women which their stage act evokes just doesn't make sense. In fact objecting to them in today's moral climate carries the risk of lining up with the 'family values' brigade. What kind of blow for women's liberation would that be?

Maybe a social movement which is actively reshaping society will make male strippers a thing of the past. I hope not; I want to have my Chips.

Manda Kent London

Do universities breed **Marxists?**

Two articles in last month's Living Marxism ('Access to what?' and 'Studied ignorance') claimed to represent a balanced critique of contemporary higher education, yet they demonstrated a rather sensationalistic hit at authority on behalf of the student population. This cannot be seen as a serious Marxist approach.

Khalid Morrison's item, right-on kid though he may be, seemed to display that he had learned a fair degree of self-expression and the ability to think for himself and not swallow the established discourses of the ruling middle classes. Surely, he is partly a success for higher education, not a proof of its failure?

Penny Robson points out about higher education change, 'a large proportion of the academics will go along with it'-just as a large proportion of women will go along with the abortion laws. Yet Living Marxism doesn't overtly condemn women. A large proportion of

lecturers are as concerned as Penny about falling resources and big unwieldy classes.

There is a ray of hope, though. The Victorian capitalists recognised the potential dangers of having an educated and politically conscious mass of unemployed and expressed alarm at the rising number of schools and colleges. Perhaps we shall see more Khalid Morrisons coming out of the higher education system; but perhaps better directed in their anger. Penny Robson suggested that the 'old system' of education 'gave students something worthwhile in the way of education': in defending the capitalists, it did. Maybe the 'new system' will (inadvertently?) give them something more worthwhile.

Richard Pearson (lecturer) Worcester

Out of Bosnia

'Here we go again' I thought reading Attila Hoare's ludicrous letter (October). He seems to be suggesting that to take a stand against Western intervention in Bosnia is tantamount to support for British imperialism, an oxymoronic view if ever there was one. In fact the interests of Whitehall are ambivalent-witness former defence secretary Alan Clark calling the diplomatic machinations a 'charade' to get UN (ie, Western) troops involved, and saying that the Bosnian crisis is 'none of our business'-all quite true, but opinions that would have been inexpressible during the Gulf crises.

The point is, Attila, to develop a genuinely internationalist perspective, allowing the indigenous populations of the Balkans to sort out their own problems. A position that endorses Western intervention simply allows the political elite to make up the rules as they go along. After all, I don't recall any Western power rushing to intervene to save East Timor, if I can name just one notorious, or rather what should be a notorious example.

As for 'slaughtering their own people', it is a well-documented fact that all sides have been attacking themselves in order to deceive the peace monitors and a gullible media. In the case of the mortar attack on the funeral—which Radovan Karadzic claimed was staged with pre-planted mines-virtually every newspaper was begging for armed intervention. Any decent experienced journalist would have been suspicious, but black propaganda or not, the media response made it clear that attacking your own side is an excellent tactic.

Gary Edinburgh

Attila Hoare needs to slow down and look at the situation in Bosnia. The bone of contention is the creation of a holocaust in Bosnia which Hoare obviously feels is going on. Where's the evidence? Maybe his approach is more 'this

person's evidence cannot be independently verified but....'? Maybe it's the United Nations' evidence he believes. This is the same institution that murdered 200 000 Iragis and created a safe haven for the Kurds but never lifted a finger when they were bombed by Turkish war planes. Or maybe it's the selected scenes on TV?

Nobody has found mass graves, gas chambers or anything else attributed to the mass extermination of the Jews in the 1940s. The Final Solution was not the result of an ethnic war between the Jews and the Germans but a symptom of capitalism in extreme crisis. The civil war in the Balkans is a result of Western intervention. It is a war fought along ethnic lines because ethnicity itself has been given a political strength by, most notably, the recognition of certain states by the West and the demonisation by the West of others (ie, Serbia).

The call for greater Western interference in the region (or anywhere else for that matter) to stop a 'holocaust' gives credence to the idea. But if the governments of the major capitalist powers can intervene in their lives-who's to oppose the government intervening in yours? Imperialism must be opposed around the world.

Steve Hodson West London

I would like to congratulate you for your brave articles and accurate analysis of what is really going on in ex-Yugoslavia. I have not seen anyone that has provided such a good analysis in so few paragraphs. In my view many of the so-called 'left' have simply failed. They do not understand what is going on.

There is a strong German and American interest in the war, the latter for the purpose of destroying the last remains of communism in Europe. There is an awful propaganda machine in place which is centrally orchestrated. To win the war, the enemy needs to be denigrated and satanised. In the case of former Yugoslavia, the techniques have been perfected much beyond what we have seen in Iraq and Panama.

Yugoslavia is an early example of the 'New' Germany muscling for power in the 'New World Order', and in Europe in particular. In some sense it is the 'Sudeten Gebiet' of the 1990s. What is all of this going to bring and 'who is next?' (as you rightly point out)—we shall wait and see.

Ivan D Trifunovich California, USA

Health matters

I would like to comment on the article by Dr Michael Fitzpatrick 'The dangers of healthy living' (September). As a life-long physique and fitness trainer also dedicated to the reconstruction of society largely in accordance with your

aims, it is my belief supported by pragmatic observation and continuous study of numerous subjects from quantum mechanics to health matters that it is desirable to maximise what might be called the living potential.

It is not that healthy living necessarily ensures longevity, that is to say, living beyond the so-called allotted span, but that the person who looks after his or her health via diet, exercise and perhaps nutritional supplementation increases the probability of at least living to that theoretical limit, as well as living better and free from many of the diseases which trouble numerous people.

On the other hand I fully agree with the author's statement that it is the social conditions which contribute largely to the ill health which plagues our society. The poverty and demoralisation of unemployment and the stresses and strains of overwork constitute what I call the adverse society.

Nevertheless, this observation does not negate the need for individual care for his/her own physical well-being. The brain was surely evolved firstly to secure the survival and therefore the well-being of the organism, and with the evolution of the human brain this should be its basic directive. If well-being is the goal then the legitimate purpose of social organisation should be to ensure that well-being. Clearly this is not being done and the need for radical reassessment is paramount.

John Everett

The Irish War—a blast from the past?

Just to say 'thanks' to James Lynch of London (letters, October) and to the article by Fiona Foster on body-counting politics ('Blood on whose hands', October)—all very interesting if you're a historian. I'm not.

I've had the pleasure of living and growing up in Northern Ireland and supped up first-hand the propaganda machines, and was 'kindly' told that my experience made me too 'emotionally involved' to see the truth and the lies. The secret lies, I'm told, in past constitutions and country arrangements—the North back to the Irish and no to military intervention.

It's all a nice thought but falls on one small point—we no longer have the past but the future.

Despite the history of Northern Ireland the population, motives and feelings of the people have changed. Artificial and propped-up the state of Ulster may be, but the illusion of borders on maps is a desired reality by most people. A return to the past situations, dragging the Loyalist community behind, will no longer do as the past was the source of the present problems. Instead we, the people of the North, South and the UK must build on our present foundations.

Where stones are crumbling in the tower of human rights, they must be replaced and a new state born where the rights of each minority/majority are equally protected and the means of violence to guide politics abandoned whether by security forces or terrorists. Giving Northern Ireland back to the Irish is no longer a solution and neither is greater union in the UK. Time moves on, so must we.

Kenneth May Glasgow

Eta and the working class

I have been following the debate on Basque nationalism with interest. While agreeing that Eta is not an anti-imperialist movement I think Andy Clarkson should look again at some aspects of his analysis.

Andy assumes that with the granting of a Basque regional assembly in 1981 Eta went into decline. I think this is incorrect. Certainly when I was in Madrid in 1988 there was a degree of panic following publication of a survey showing Herri Batasuna poised to become the largest single Basque party.

The key to these developments seems to lie in the relationship of Eta to the working class. A number of observers have pointed to the shift of Eta support towards the urban working class. This doesn't imply anything positive about Eta itself. But close study of the development of Basque nationalism, especially its relationship to working class aspirations, provides us with the opportunity to develop a materialist analysis of the dynamics of regionalism in the West as opposed to the East.

Andy paints a rosy picture of 'the post-Cold War unravelling of European nation states like Spain' but the only thing to unravel 'by default' will be working class unity.

John Murray Dumbartonshire

Life on the dole

Considering today's spiralling social problems of crime, drug abuse and homelessness, is this the best moment to make life more difficult for the unemployed?

On becoming unemployed one must now provide good reason before receiving either unemployment benefit (£43.45 per week) or income support (£42.45 per week) otherwise the circumstances surrounding this sorry state will be investigated. In waiting for the inquiry (often a matter of several months) those involved will receive only £25.50 per week, and if found culpable will receive this same princely sum for a period of not less than six months.

A rent officer, a government agent, may decide the present rateable value of a home falls beneath that of either the rent or mortgage payable. This shortfall must of necessity be drawn from either income support or employment benefit.

Small wonder perhaps that as the safety net is dismantled, more individuals are falling through the holes. Disenfranchised, either through an inability or unwillingness to pay the community charge and well beneath any recognised minimum living standards, can we afford the luxury of treating this growing underclass as if they had engineered their own misfortune?

Brian Davidson Wiltshire

Writing on the wall

I would like to ask your readers if they could help me to gather information on wall murals throughout the world. I am interested in the location of murals, what the murals are about, why they were painted and a photo of the mural if possible. I am interested in all types of wall murals. Readers can contact me at the address below—thank you.

Leo Morgan 6242 D Wing, H-Block 6, Long Kesh Gaol, Lisburn, Ireland

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, or fax them on (071) 377 0346

Lies, damn lies

The biggest lie being perpetrated about the war in Bosnia is that we are being told the truth. Joan Phillips reports from Bosnia and Serbia on the war the papers don't report. Photographs by Michael Kramer

t's a big lie', said the man in Belgrade who had so much to say that he couldn't find the words. He was talking about the Western media presentation of the Yugoslav civil war. 'We're not asking you to take sides with Serbs', he said. 'Just tell the truth.'

The truth about what has gone on in Yugoslavia has been well and truly buried by the British media. Recently, an article in the Media Guardian by Channel 4's Alex Thomson contrasted media coverage of the war in Yugoslavia to that of the Gulf War. The truth may have been the first casualty in the Gulf, said Thomson, but 'the truth about Serbian aggression in Croatia and Bosnia is in better shape, although at a price with scores of news-gatherers dead and injured'(24 August 1992). The casual manner in which the truth is equated with 'Serbian aggression' says a lot about the partiality of the British media.

The good thing about Yugoslavia, according to Thomson, is that journalists are 'actually witnessing war', after being kept away from the war zone or censored silly in Grenada, Panama, the Malvinas and the Gulf. 'The public is better informed as a result', he concluded.

I don't think so, Alex. There may not be censorship of the sort we saw in the Gulf, but only one story is coming out of Yugoslavia nevertheless. There may be a lot of journalists covering this war, yet it is as if all their stories are pooled. And the story is very simple. The Serbs are to blame

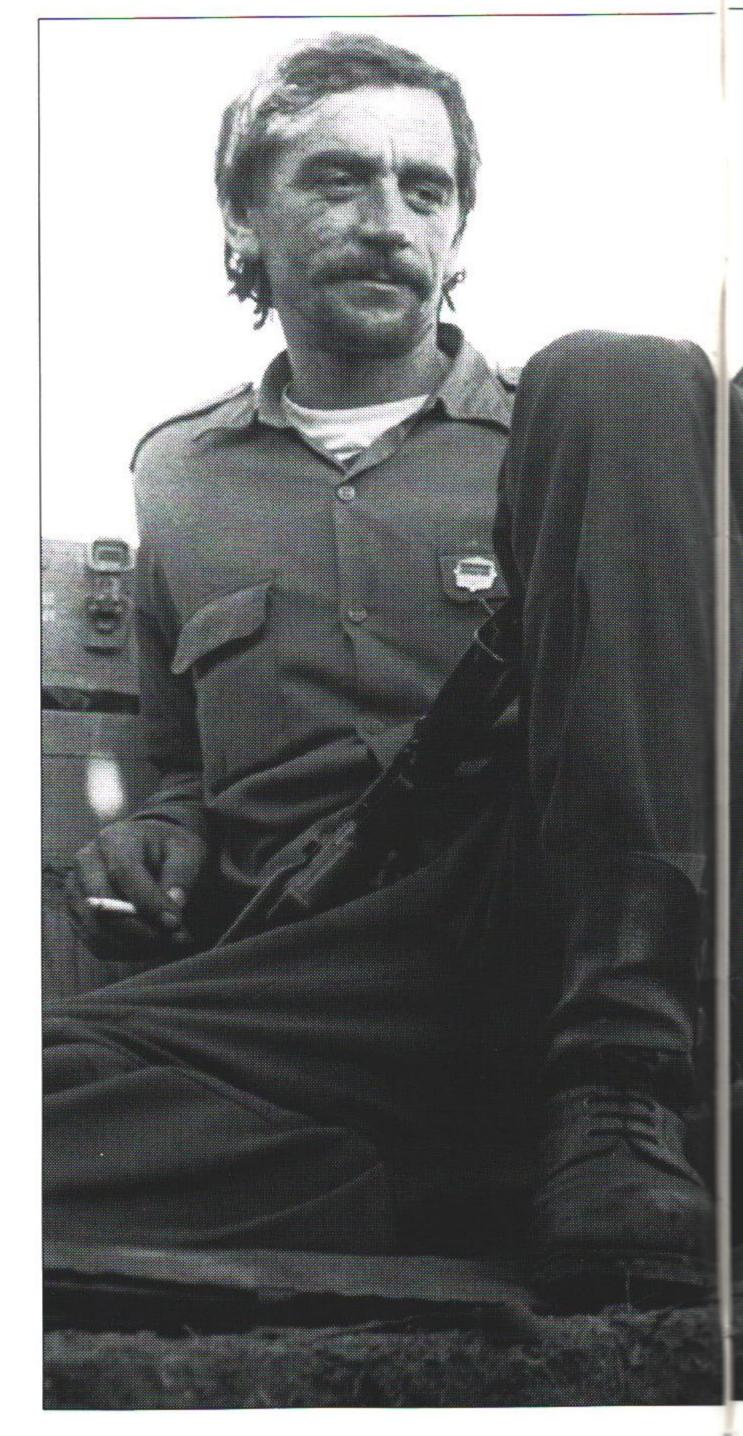
for everything bad that is happening in Bosnia. End of story.

Journalists covering the war in Bosnia are feted as heroes over here. They are hated over there. And it's not hard to see why. 'To see the Western TV reports you would think that there were no Serbian refugees, no Serbian deaths, no Serbian suffering', objected Stanislava, a Bosnian Serb. 'When I see CNN or Sky I can't believe it', said a Serbian woman from Belgrade. 'There is so much disinformation.'

'Do I look like a barbarian?', demanded the first young man I spoke to in Serbia. 'Have you seen anything like that in Belgrade?' I must confess that I didn't see anything like that anywhere in Serbia or Bosnia, although I know that plenty of Western journalists have spotted Serbian men with 'inhumanly dense brows' and 'large amounts of roughly trimmed hair' (Misha Glenny), which I presume is what barbarians look like. I'll keep looking.

Not surprisingly, there is a great deal of anger against the West in Belgrade and Bosnia these days. Serbs are livid about the way they have been singled out by the media and subjected to a barrage of abuse. 'What's the West got against us?', asked one woman in rage and frustration. 'We are normal people like anywhere else.'

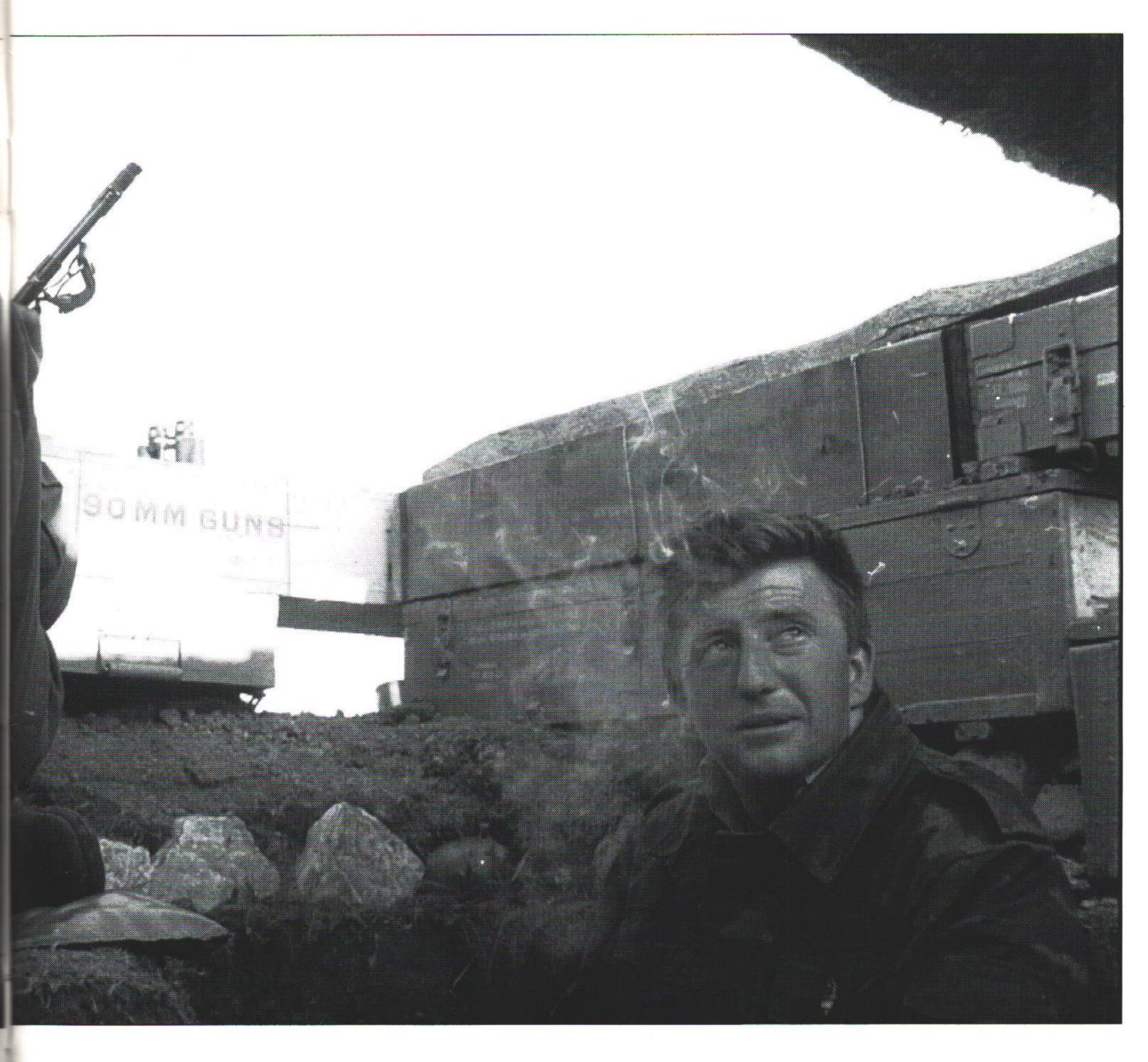
'Why do you want pictures of us', shouted an irate man in the middle of a scrum of Serbs who had waited four days in the 40 degree heat to reach the pumps of a petrol station. 'So that



everybody in England can have a good laugh?' At another petrol queue a furious middle-aged man expressed his revulsion at the media coverage: 'When I see a Western film on television I want to smash the TV.' Another man refused to talk, saying, 'we've been told too many lies, we don't believe you will tell the truth'.

The media has managed to turn many Serbs against Westerners. But that is not the only consequence

and Bosnia



The new
Nazis?
Serbian
soldiers are
no better or
worse than
soldiers on
the other side

of their campaign of vilification.
They have also managed to turn the whole world against Serbs. After the Iraqis, Serbs are the new international pariahs. Of all the participants in the Yugoslav civil war, only the Serbs have been singled out for Western economic sanctions.

Sanctions are seen as a soft option in the West. Well, sanctions are strangling Serbia, slowly but surely. Driving into Belgrade, I caught my first

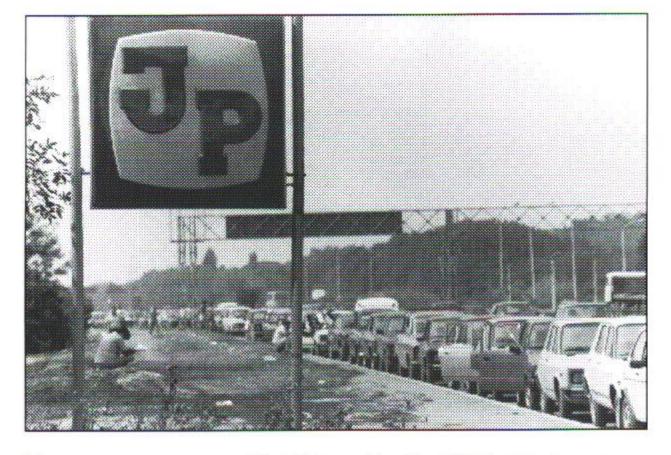
glimpse of what sanctions are doing to the Serbs. The bus in front was swaying wildly from side to side as if the driver had drunk one *sljivovica* too many. On closer inspection, the problem was not an excess of alcohol but a surfeit of bodies. That bus would have matched anything on the Tokyo underground in the rush hour—and it was eight o'clock in the evening.

Then we saw the queues of cars, snaking out from the petrol station and stretching for kilometre after kilometre. When we arrived in Belgrade, the queues were two days long; when we left, they were four days long. Petrol is like gold-dust, public transport is crippled, factories are closing, emergency services barely function and hospitals are improvising desperately.

At the regional hospital in Bijeljina, in Serb-held eastern Bosnia, Dr Milivoje Kicanovic, the chief surgeon, called for sanctions to be ▶

propaganda wars





Top

No 'ethnic cleansing' here: Serbian soldiers in the Muslim village of Satorovici in eastern Bosnia **Bottom**

Sanctions are bringing Serbia

to a standstill

lifted immediately. 'We have almost run out of medicines, and even if we had money we couldn't buy medicine in Serbia or abroad.' His team is having to treat large numbers of soldiers and civilians suffering from terrible head and leg wounds in the worst possible conditions. The shortage of electricity means they cannot use x-ray machines or respirators; bandages and rubber gloves are washed and re-used; they have no splints to support legs shattered by mortars and bullets, and have to improvise with home-made contraptions.

Sanctions are taking their toll in other ways too. Wages can buy very little. There are now about 57 varieties of the dinar in circulation in the former Yugoslavia; but nobody is proud of their crisp, new worthless notes. Inflation is rampant. Rents are rising by 150 per cent in Belgrade. Milk is about to disappear, and sugar,

flour and cooking oil are in short supply. Ordinary people, living in working class districts of Belgrade like Rakovica, are in dire straits. 'I'm not to blame for anything', said one man, 'yet I'm the one who's suffering'. Only the black marketeers and war profiteers want the war to continue.

'I ask myself how I am still alive?', said a woman standing at a bus stop in Vukovar. She wasn't talking about how she survived the Serbian siege of the city, but how she has survived Western sanctions. 'People here have nothing', said another woman. 'Pensioners receive no money, how can they survive like this? The UN sends convoys to Sarajevo, but what about us? We have no food here.' People appear to be surviving on a diet of bread and peppers in Vukovar, and most haven't eaten meat since the war started.

People can scarcely believe what is happening. 'Why is it only the Serbs who are guilty?', asked one man. Most people take the view that sanctions are unjust, if only because they have been applied against one side only. 'I think the West is making a big mistake', said another man, 'we cannot be the only guilty ones'. Convinced that they are the victims of a great power game, many Serbs are waiting for what the world is going to visit upon them next: 'The Western powers are just looking to their own interests', concluded one man whose cynicism has deepened as sanctions have squeezed tighter. 'They don't care for truth and justice.'

But journalists are supposed to care for truth and justice, aren't they? So why does the truth automatically become synonymous with 'Serbian aggression' for so many Western journalists?

As far as most of the world is concerned, the Serbs are a foreign army of occupation in Bosnia. For instance, the media continually uses the expression 'Bosnians' when describing the victims of war. Are they referring to Bosnian Serbs, Bosnian Muslims or Bosnian Croats? In the media usage of the word, Bosnian has become synonymous with 'Muslim'. The effect is to suggest that only Muslims live in Bosnia, and that the Serbs are an invading army. 'It makes me so mad when I hear this word', said a young Serbian woman from Bijeljina. 'My family has lived here for centuries. How can they say we are aggressors. I am a "Bosnian"—a Bosnian Serb.'

Bosnian born and bred

While it is true no doubt that some soldiers from Serbia are fighting in Bosnia, the Yugoslav People's Army (JNA) withdrew from the republic months ago. When I asked three soldiers from Sokolac what they used to do before the war, one said he had an import-export business and two were long-distance lorry drivers. Like many in the Bosnian Serb army, they are raw volunteers. Others are former members of the JNA who happen to hail from Bosnia. These men resent being accused of being outsiders



Serbian refugees fleeing from Gorazde, arriving at the frontline near Rogatica

in their own land: 'How can Serbs be aggressors in Bosnia?', shouted one young soldier sitting in a dug-out on the frontline near Rogatica. 'We were born here, we live here, this is our land too.'

Soldiers in the Bosnian Serb army are no angels; but neither are they the devil incarnate as some media reports suggest. The biased reporting rarely raises any critical questions about the other side. Meanwhile, entire divisions of the regular Croatian army are active all over Bosnia-Herzegovina. They have received no censure from the international bodies which have imposed sanctions against Serbia. While all eyes were focused on the Serbian siege of Gorazde in eastern Bosnia, for example, not far away in Tuzla, another majority Muslim town, the Croats have taken control without anybody raising an eyebrow.

Retreat or rout?

What happened in Gorazde recently is a good example of how the Serbs can do nothing right in the eyes of the Western media. At the London

conference in August, Bosnian Serb leader Radovan Karadzic agreed to pull back his forces from Gorazde, which had been under siege for months.

When the order to retreat arrived on 27 August, the Serbs abandoned their emplacements overlooking Gorazde to the west of the river Drina. Over the next few days, thousands of Serbian civilians in the surrounding villages and on the east bank of the Drina also fled their homes and made their way to Rogatica. The Muslims responded by going on the offensive, advancing from Gorazde and burning down Serbian settlements in their path.

Within a week the history of the Serbian retreat had been rewritten. According to the Daily Telegraph, the Serbs had been routed: 'It now appears that last week's withdrawal by the Serbian forces from positions west of Gorazde was prompted not by a political decision, as claimed by Dr Karadzic, but by a counter-offensive by the city's mainly Muslim defenders.' (7 September)

Untold story

Not only has history been rewritten, part of the story has not even been told. That is the story of the Serbian refugees who were killed and wounded by Muslim forces as they fled Gorazde. For months, Western reporters had focused on the suffering endured by the mainly Muslim inhabitants of Gorazde while the town was under Serbian bombardment. Fair enough. But why did they see fit to ignore the suffering inflicted on the Serbs fleeing Gorazde?

The worst attack on the Serbs happened as Tadeusz Mazowiecki was preparing his report for the United Nations, accusing the Serbs of being mainly responsible for atrocities committed in Bosnia. The former Polish prime minister was particularly concerned about 'grave incidents of physical abuse of Catholic priests and nuns' in the region of Banja Luka. I can assure him that far graver abuses were being carried out against Serbs fleeing from Gorazde.

propaganda wars

Decomposing bodies

In one incident, men, women and children were killed when a convoy of refugees was attacked at Kukovica, half way between Gorazde and Rogatica. Six of the dead were buried in a graveyard in Rogatica. Other decomposing bodies were still strewn around the hillsides, according to Western observers travelling with the first UN convoy to reach Gorazde after the siege was lifted.

A week after the incident, the refugees I spoke to in Rogatica were still traumatised. An old woman with a wounded ankle told us what happened: 'An order came that all Serbs should leave Gorazde. We had to run. I can't believe now that I am still alive.' Her husband cried silently as he spoke. 'Our houses have been burned down. My heart is broken. I want only to live in peace.' Another woman, with bullet wounds from her right knee to her thigh, said that the buses carrying the refugees were riddled with bullets.

Serbian 'Lebensraum'

Serbs are victims in this war, just like Muslims and Croats. But you wouldn't know it from following the British media reports. The image that is conveyed is that of Serbs as conquerors, greedy for land and ready to spill a lot of blood to get it. Although the focus has shifted to the battles raging in northern and eastern Bosnia, Vukovar, in Serb-held Croatia, is still a potent symbol of Serbian 'Lebensraum' for the Western media.

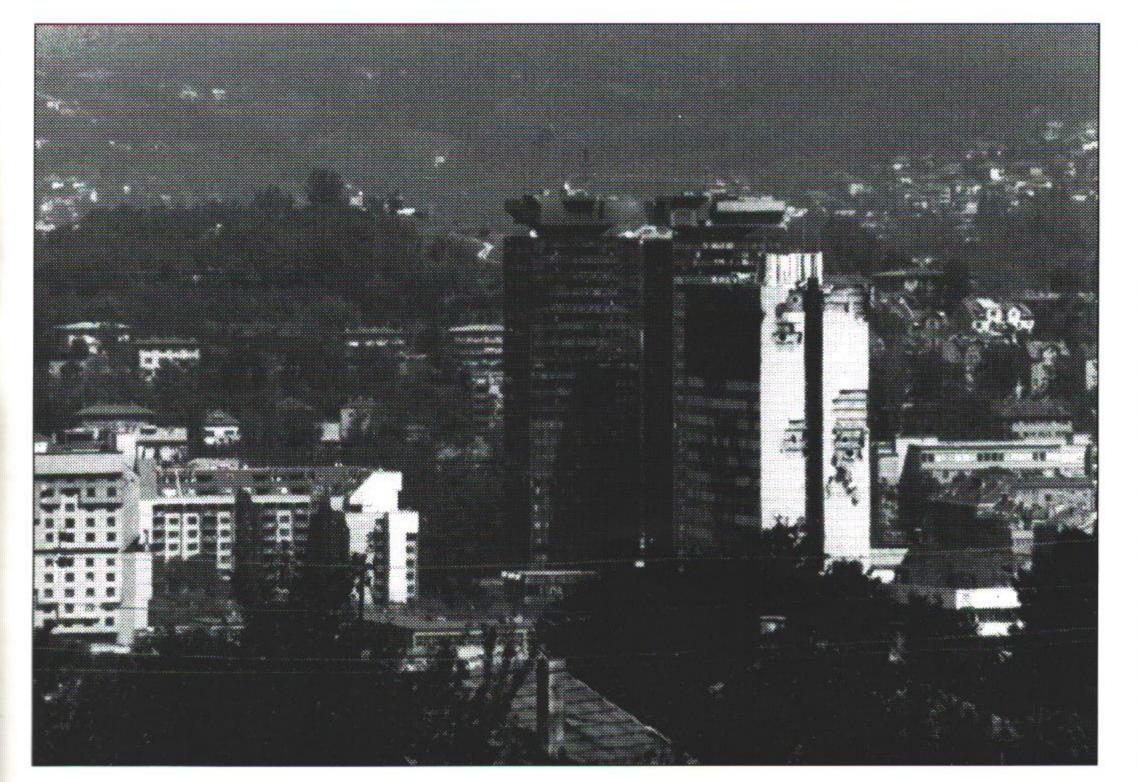
I have never seen anything like Vukovar before. This eastern Slavonian city became the Beirut of the Balkans after it was pounded mercilessly for months on end before it fell to Serbian forces at the end of 1991. Hardly a building is unscathed in what was once, by all accounts, a beautiful city.

Ghost town

Driving through what appeared to be a ghost town, it scarcely seemed credible that 15 000 people live among the ruins and the rubble. But they do. We saw hundreds of them later, when crowds came to listen to Vojislav Seselj, a bigoted Serbian nationalist, who is seen, unfortunately, by many Serbs as their only protector in this disputed enclave between Serbia and Croatia.



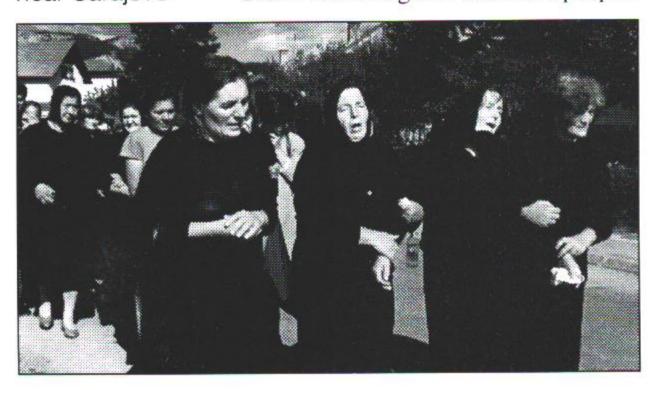
Sarajevo under siege: a city with no water, no electricity and no way out



propaganda wars

Serbs suffer too: funeral procession in Pale, near Sarajevo

Vukovar is an easy propaganda weapon to use against the Serbs. The city is now inhabited by Serbs, where once it was home to Croats too. According to the Western media, this is an example of ethnic cleansing. The conquering Serbs have driven out the Croats and brought in their own people.



What can we expect next? 'Gas ovens discovered in Banja Luka'?

Vukovar is home to 15 000 Serbs: some want to go home to their villages elsewhere in Croatia

The ordinary Serbs of Vukovar do not look like conquerors. And they do not sound like victors. Some Western reporters might be surprised to learn that many Serbs in Vukovar do not want to be there. 'We have nothing', wailed a chorus of three Serbian women who had been forced to leave their Croatian village not far from Vukovar. 'We've lost everything. Now we live in Croatian houses.'

Like thousands of displaced Croats occupying Serbian houses, these Serbian women wish all this had never happened. Like the Croatian refugees who threatened to march back to their villages in Serb-held Croatia, these Serbian women want to go home. They do not want to live in a stranger's house.

Civilians are being uprooted all over Bosnia. This is not a consequence of an official policy of 'ethnic cleansing' being implemented by the Serbs or anybody else. The uprooting of civilian populations is an unfortunate fact of war-all wars. Bosnian Serbs as well as Bosnian Muslims and Bosnian Croats are being turned into refugees. We saw coachloads of them flooding into Serbia as we crossed the rickety Raca bridge over the river Sava into Bosnia. More than 220 000 Serbs have fled Bosnia into Serbia and at least as many have fled from Croatia into Serbia. About one in every 30 people in Serbia is a refugee.

A quiet life

If ethnic cleansing is Serbian policy, how come Serbs in Rogatica are organising food convoys to three outlying Muslim villages (Satorovici, Okruglo and Osovo)? Why are villages such as Janja, in Serb-held eastern Bosnia, still 90 per cent Muslim if the Serbs are persecuting the Muslims with such ruthless abandon? In Janja a group of Muslim and Serbian workmen were erecting new power cables. The electricity used to come from Tuzla, but now the Croats control Tuzla, so they will be supplied from Serbia. 'Janja is 99 per cent Muslim, but there are no problems here', said a Serbian soldier. 'Everybody just wants a quiet life.'

Most people just want to live a quiet life. But that was no longer a possibility once the West interfered in Yugoslav affairs. The power struggle in Bosnia was made inevitable by the West's sponsorship of Slovenia and Croatia, and its open invitation to the other republics to secede from the Yugoslav federation too. The fratricidal conflict that ensued was the consequence, not the cause, of the disintegration of Yugoslavia.

A Muslim woman in Satorovici told us that everybody had lived well together until the politicians started their power struggles in Sarajevo. A Serbian woman who lost her home in Croatia said that all the troubles started when Franjo Tudjman came to power and started beating the nationalist drum. 'All this was not inevitable', protested an old man in Sarajevo, 'for 45 years we lived together well'.

Yet now the BBC accuses Serbs in Sarajevo of 'systematically raping Muslim women' in order to carry on the blood line. This must be the most idiotic of the many idiotic stories to have come out of Bosnia courtesy of the British media. How Malcolm Brabant managed to keep a straight face when relating this preposterous tale we will never know.

Dr Mengele?

Apparently scores of Muslim women are being held prisoner in 'a warren of alleyways and apartment blocks' in a sordid little Serbian enclave of Sarajevo called Grbavica. I was in Grbavica. I didn't see any Serbs raping young Muslim women, but I did see Serbs feeding some old Muslim women from a soup kitchen in the street.

What can we expect next? 'Serbian Dr Mengele found experimenting on Muslim prisoners' or 'Gas ovens discovered in Banja Luka'? Certainly not a balanced account of this war. If the British media bothered to talk to a few more Serbs, they might get a few surprises.

West keep out

Asked for their solutions to the war, no Serb I spoke to suggested a Greater Serbia or a Muslim-free Bosnia. 'I think Yugoslavia was the best solution, but nobody asked me what I wanted', said a Serbian teacher in Pale. 'We'll end up with seven banana republics without any bananas', she added ruefully. 'We need a peaceful solution to this war', said a softly spoken Bosnian Serb soldier. 'But only Yugoslavs can sort this problem out, not outsiders.' A young man in Sarajevo said the West was to blame for everything: 'The West has been involved from the beginning, from the crashing of Yugoslavia. I would prefer the West to keep out and give us a chance to find our own solution to stop this war.' Got the message?





Live and let die

r Nigel Cox has been convicted by Winchester crown court of attempting to murder his patient, Mrs Lillian Boyes. Rheumatoid arthritis had reduced her to a physical wreck. Her bones were deformed, her tendons destroyed and the steroid used to treat her had reduced her skin to such a fineness that any touch was unbearable. By the end, she suffered from blood poisoning and massive internal bleeding. Even massive doses of heroin brought her no respite from the pain. Unable to quiet her agony in any other way, Dr Cox injected his patient with potassium chloride, with the full knowledge that it would cause her death in a matter of minutes.

From a legal point of view the court verdict was inevitable. Dr Cox deliberately hastened his patient's death. But the cut-and-dried legal case did not make it any less controversial. In the week of the trial every single quality daily paper ran leaders examining the case for and against euthanasia. The terms of the debate have been astonishingly naive.

The Independent summed it up like this:

'High technology now enables hospitals "to strive officiously to keep alive" an increasing number of patients in agony or in limbo. The law should offer complete protection to doctors who—at the request of their patients—decline to give such treatment.'

However, the paper conceded, 'the relationship between a gravely ill patient—frightened, perhaps disorientated by heavy medication, often in severe pain—and his consultant is an unequal one. A request to put an end to suffering could easily be induced or assumed. Dr Cox merits sympathetic treatment, but the case against euthanasia remains powerful.'

Wise words—who could disagree? But while the moral and ethical niceties of euthanasia are being debated, one basic, undeniable medical fact is forgotten. Doctors *already* make daily decisions about who will live and who will die.

Dr Cox has good reason to be bitter about being branded a criminal. His decision to kill a patient was based on compassion; yet every day doctors are forced to make life and death decisions motivated by cash.

The decisions about who receives kidney dialysis are not made according to some principled ethical code, but according to hard economic facts. Ethics may dictate that everybody should receive treatment, but it comes down to how many dialysis machines are available. In principle all life is sacred, but in practice somebody decides which of two premature babies is put into the one incubator available to give it a chance of life. And in taking the decision in favour of one baby, that doctor condemns the other to death before it's even had a chance to experience life.

Every day consultants see patients die who, in principle, could be treated if medical resources were made available. While the courts debated the ethical integrity of Dr Cox, health chiefs in London announced the possible closures of four teaching hospitals. You can't help but wonder how many deaths will result from that.

The real world of medicine, the one that you and I experience, has no room for morals. It's economics rather than ethics that determine the fate of the sick.

s the minister of agriculture one field short of a farm? One sheep short of a flock? One cow short of a herd?

Following the discussions about the ethics of the human genome project, John Gummer has announced his intention to set up an expert group to advise on the ethics of genetically engineered food. While I can understand the concerns about tampering with human genetic material (even if I don't share most of them), the ethics of the genetic manipulation of wheat fly by me.

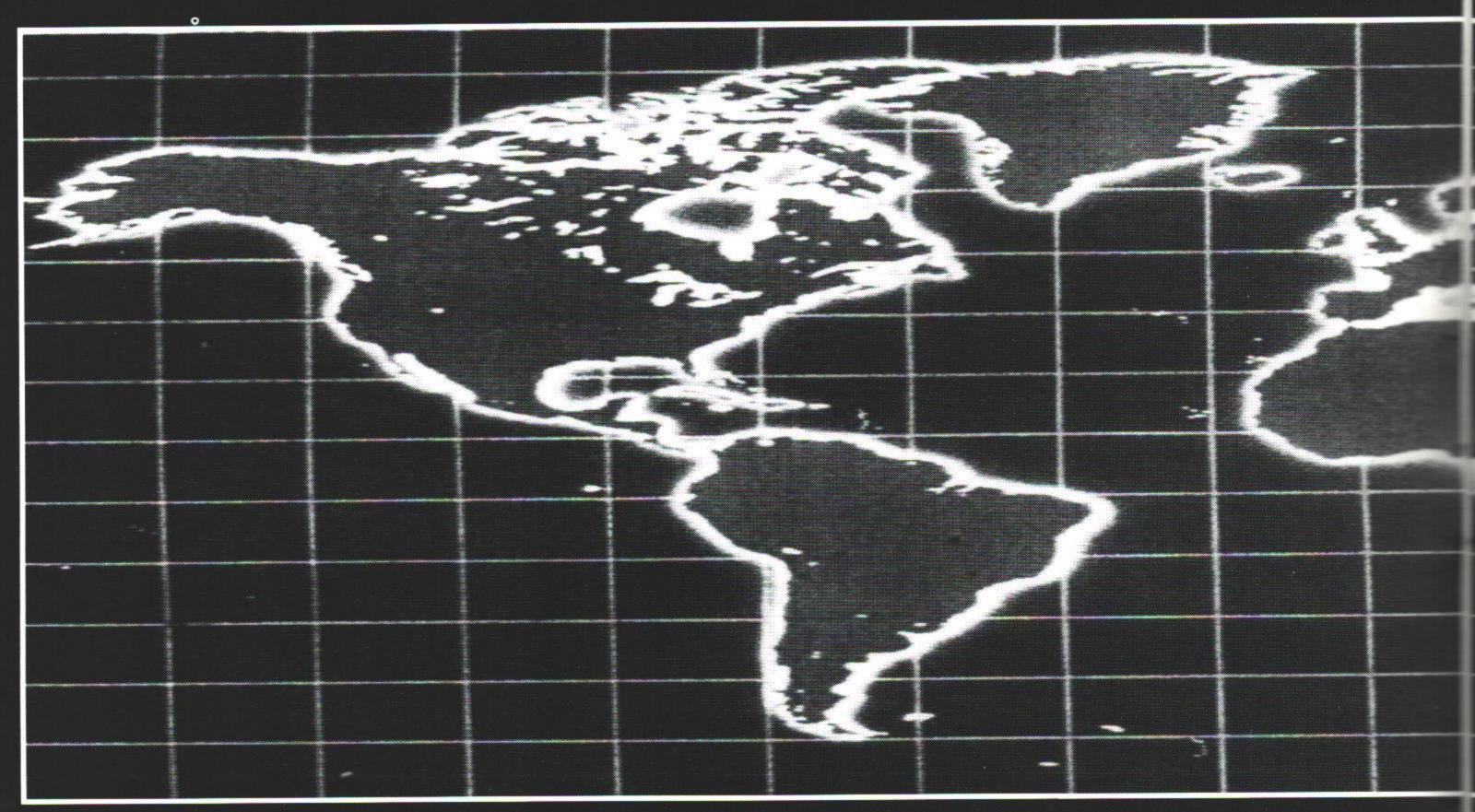
The potential for biotechnology is tremendous. In Holland, maize has been developed that is resistant to a common herbicide. It allows farmers to spray against weeds without killing the crop, so increasing the yield. Other future genetic manipulations could enable plants to survive droughts or frost, increase resistance to pests and disease, and make them longer-lasting or more nutritious. The Japanese are already working on soya beans and rice with extra vitamins and amino acids.

But while you're fantasising about the potential of such developments, Gummer is worrying about the consequences. And he's not alone. According to the *Times* (26 September) 'advice on the morality of new foods is crowding in from every side'.

The campaign against genetically engineered plants has already taken off in the USA. Around 1500 American chefs have signed for the Pure Foods Campaign, a Washington-based pressure group whose stickers adorn the fronts of politically correct restaurants: 'We do not serve genetically engineered food.'

In fact nobody in the USA serves 'Frankenfoods', as they have been affectionately labelled. There are none on the US market. But that hasn't stopped the hysteria. Nor is it confined to the States. In Holland the resistance to these scientific advances borders on the lunatic. Dutch researchers working on the above-mentioned maize have been plagued by the vigilante group Het Vurige Virus (literally, 'the flaming virus'). These basket cases have managed to raze whole fields of the new crops before they can be harvested.

The opponents of biotechnology argue that it's unnatural and immoral to interfere with the genetic inheritance of a species—even a species of plant. It's a crazy argument. We have been tampering with plants for centuries. That's what cultivation is! God didn't make wheat—we did. And we've been improving it for thousands of years. So why the sudden urgency for an enquiry—unless it's to investigate why so few resources are devoted to this kind of research?



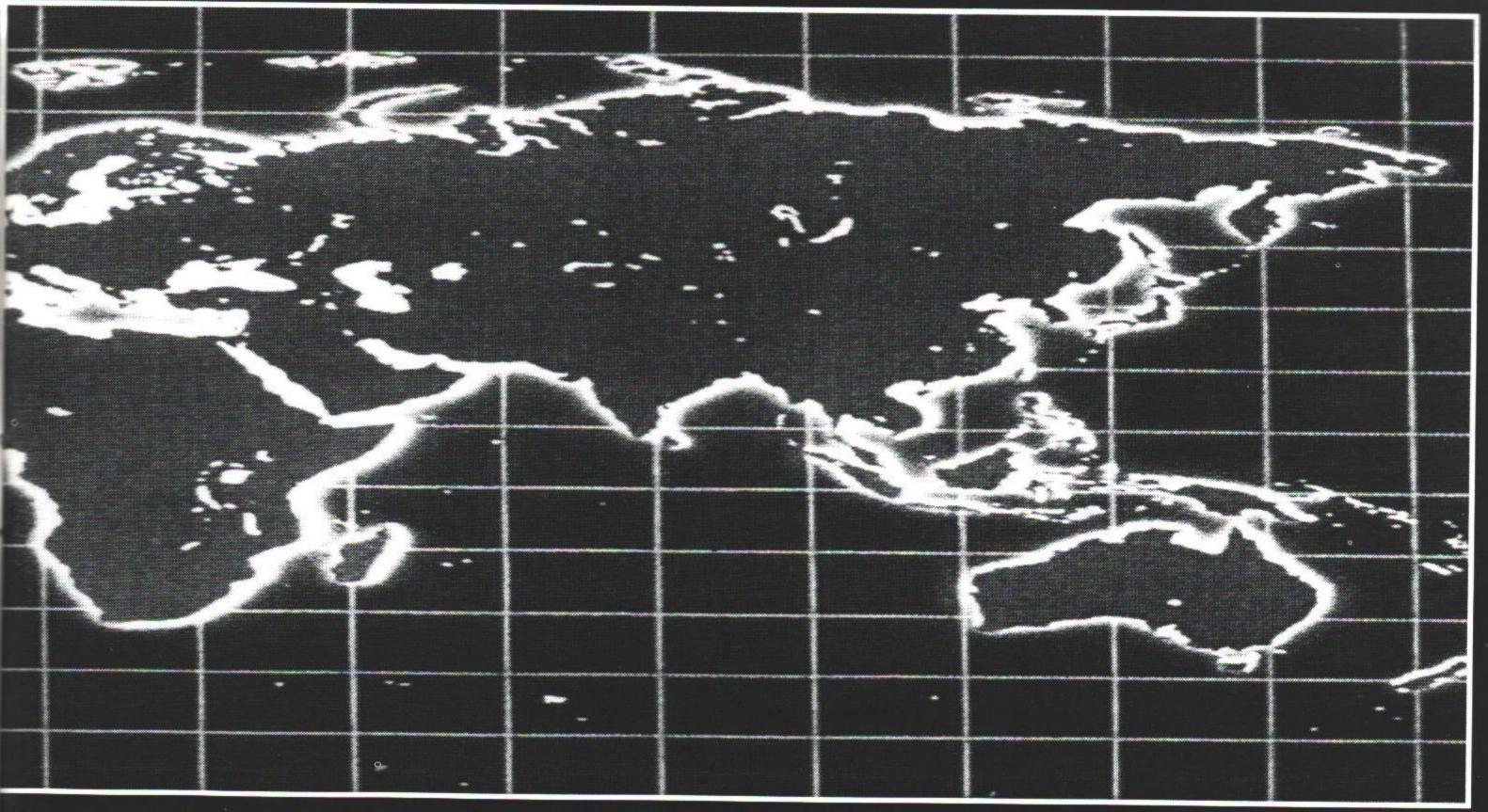
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the Manifesto Against Militarism (see page 16)

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THE REVOLUTIONARY COMMUNIST PARTY PRESENTS

A MANIFESTO AGAINST

Can the unthinkable happen? Could the world be plunged into a great war once again? Most people think it impossible. Yet what was unthinkable yesterday seems to happen quite often today.

- When the Cold War ended, everybody expected a 'peace dividend'. Today we are witnessing a state of permanent warfare from the Gulf to the Balkans.
- The easing of East-West tensions was supposed to create an international climate of security and cooperation. Today the UN is falling apart and the Western Alliance is fracturing.
- Europe was said to be on a straight road to peaceful unification. Now even the future of the EC is open to serious doubt.
- The 'economic miracles' of the eighties were meant to have banished the bad old days of depression forever. Today international capitalism is experiencing its worst slump for half a century.

The explosive mix of economic chaos and political conflict is creating a new global crisis. The warning signs in international affairs are there for all to see. The West is now far less inhibited about dictating terms in semi-colonial fashion to the peoples of the East and the third world. Meanwhile the rivalries among the Western powers themselves, over everything from interest rates to Bosnia, are becoming increasingly bitter.

As the old order collapses and the struggle to shape the new one takes off, there are grave dangers ahead for us all. Every important development today points towards the rise of militarism—not just in terms of an accumulation of weapons, but as the dominant political outlook in all Western nations.

There has never been a more important time to take a stand against militarism. Yet today there is no serious criticism of what the Western powers are doing. The aim of this manifesto is to begin to turn that around. It is a call to oppose the key trends in politics which could pave the way towards war.

1 Against the moral rearmament of imperialism

Today everybody from George Bush to the liberal *Guardian* appears to think that the West has a legitimate right to interfere at will in the affairs of Africa, Eastern Europe or the Middle East. This arrogant assumption of moral superiority, the notion that the West must know what's best for the world, is the most dangerous idea underpinning the New World Order.

Why should the future of, say, the peoples of the former Yugoslavia be decided by Western governments at a conference held in London? Western intervention cannot be the solution to the problems of the world, because it is the cause of them. From Somalia through Iraq to Bosnia, the roots of today's crises lie in the way that the West uses others as pawns in its own geopolitical games.

The Western powers do not intervene abroad for humanitarian reasons. They are pursuing their own agenda of international power struggles. America (with British assistance) destroyed Iraq to show its Western rivals that it was still Number One. Germany has targeted Serbia to demonstrate its own authority in Europe. The result is always to escalate the crisis, turning local disputes into international conflicts. Any further Western interference can only make things worse for those on the receiving end.

The argument that the Western powers should save the world represents the moral rearmament of imperialism. It is the modern form of the old imperial ideology of the White Man's burden. However worthy the motives which inform the call for more Western intervention, it can only legitimise the carve-up of the globe among the great powers.

2 Against Western chauvinism

Behind every discussion of international affairs today lies the assumption that Western nations are more civilised than the 'inferior' peoples with which they have to deal. This chauvinist outlook is being used to scapegoat the East and the third world.

In the opinion of Western commentators, the peoples of the ex-Yugoslav republics are fighting because of their 'tribal' hatreds, Africans are starving because they breed too quickly, and almost every other problem on Earth is the fault of the poor and the powerless rather than the wealthy and powerful West.

At its worst, Western chauvinism targets peoples against which the great powers can demonstrate their civilised credentials. Those who are set up to play the part of the West's whipping-boys, such as the Iraqis and the Serbs, pay a heavy price for the privilege.

The argument that 'the West knows best' legitimises these campaigns of demonisation; it has already been used to justify starvation sanctions and carpet-bombing against Serbia and Iraq. But as their rivalries intensify, Western powers can also be expected to turn their chauvinist propaganda against one another—a prospect glimpsed today in the anti-German outbursts in Britain and on the Continent. National chauvinism is the cement with which our rulers will always seek to bind us together behind their banners.

3 Against race hatred

Racism is the cutting edge of the politics of the New World Order. The outbreaks of violence against immigrants and refugees in Europe are often blamed on 'Nazis' and far-right fringe groups. But whether in Germany, France or Britain, such attacks are really the practical consequence of government propaganda campaigns. By seeking to scapegoat the third world, and to blame 'immigrant scroungers' and 'bogus refugees' for social problems, the Western authorities have created the climate for a racial pogrom.

Opposition to racism has collapsed before the renewed challenge. The fashion today is for former liberals to try to come to terms with the racially charged atmosphere, usually by agreeing that firmer immigration controls are required to ease tensions. The result is quickly to shift the debate from the problem of racism to the problem of too many black people. Such appearament of the politics of nationalism and racism is a recipe for disaster.

The return of racism to the surface of capitalist societies is one domestic sign of these militaristic times. It should serve as a reminder that the moral rearmament of imperialism has serious consequences not only for the third world, but also for those living in the heartlands of the West.

MILITARISM

4 Against the rewriting of history

The capitalist powers are seeking to consolidate a more assertive Western worldview as the ideology of the New World Order. To achieve that, however, they first have to deal with the embarrassments of their imperial pasts.

Each national elite is out to rewrite its history in order to legitimise its militaristic role in the world today. A nation like Britain, for example, has to revive the politics of Empire which have lain discredited for the past 50 years. The USA needs to come to terms with its 'Vietnam syndrome'. And Germany has to take the edge off the Nazi experience.

One example of how the Western authorities now seek to rehabilitate their past is by arguing that Africa and Asia are worse off than when they were ruled by Western decree. History is turned on its head, and the ruination of continents which was brought about by Western exploitation becomes an argument for colonialism.

Current debates about international affairs are peppered with attempts to discover the past in the present, whether by branding Saddam Hussein as 'the new Hitler' or describing prison camps in Bosnia as 'another Holocaust'. The effect of turning tyrants and atrocities into everyday current events in this way is to play down the significance of the past crimes of Western imperialism.

The rewriting of past wars is more than a matter of historical interest. It is part of preparing for future conflicts, by rehabilitating Western militarism in the present.

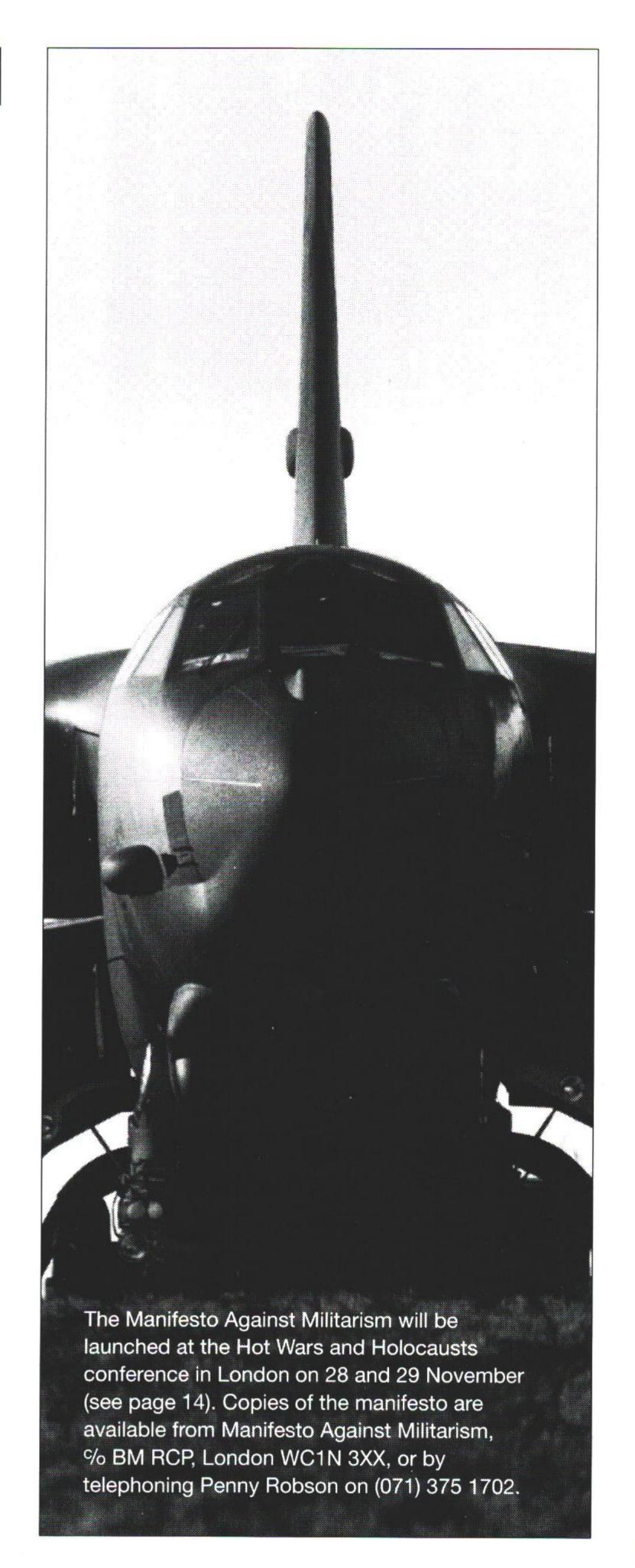
5 Against the cultural war

At the US Republican Party convention in August, Pat Buchanan announced that America was now engaged in 'a cultural war, as critical...as the Cold War itself'. Since the end of the Cold War removed the old faithful anti-Soviet card, the Western right has been trying to cohere an alternative ideology. The notion of 'the cultural war' brings together many of the reactionary ideas which they need to popularise.

The cultural war is being fought to create a conservative political climate in the West. It is a war against the 'street terrorism' of black teenagers in the inner cities; against abortion, unmarried mothers and homosexuality; against sixties-style liberalism, immigration and the third world. And it is a war in defence of 'family values', motherhood and marriage; in defence of tradition, the flag and the free market; in defence of Western civilisation and the New World Order.

The right is fighting its cultural war on many fronts. Some of these, such as the moral crusade around Aids, may not appear to have any direct connection with a hot war. Yet the cultural war is laying the ideological foundations for the next phase of Western militarism.

The creation of a pervasive reactionary political climate at home can give Western governments a free hand to act abroad—against the third world, or even in conflict with one another. By the same token, challenging that political climate is a practical way of undermining the culture of militarism. Which is why the cultural war must be fought against on every issue.



Is it an accident that John Major, John Smith and Paddy Ashdown all turned in such lifeless performances at their party conferences this year? Sharon Clarke examines why parliamentary politics is in such a torpor in the nineties

he 1992 party conference season will probably be remembered for the eminently forgettable character of its big speeches.

When Paddy Ashdown gave his leader's address to the Liberal Democrats' conference in Harrogate, it was widely acclaimed as the dullest address in years. Then John Smith topped it in Blackpool with his first conference speech as Labour Party leader, a monotonic drone which almost made you pine for Neil Kinnock's manic alliteration. Smith was only saved from winning the media award for the worst speech of the week by the intervention of his deputy, Margaret Beckett, who loyally threw herself in front of the press pack with a platform address that really did put Labour delegates to sleep.

Sank to occasion

Finally came the Tory conference in Brighton, which was marked by two terrible keynote speeches. First chancellor Norman Lamont proved that his oratorical skills are every bit the equal of his economic management techniques. Then prime minister John Major, who had been billed as 'preparing for the speech of his life', sank to the occasion in style.

Even with the aid of a hi-tech sound system, Major's voice seemed to be straining to make itself heard above the rustling of paper hats in the audience. When he made his dismal 'joke' about Tarzan's loincloth, Michael Heseltine cannot have been the only Tory wishing that Major would shut up and sit down.

Many media commentators
have noted the generally lacklustre
performances by the three party leaders
and their lieutenants during the

conference season. But few seem to have got to grips with why so many apparent dullards are so prominent in public life at the same time. Some have suggested that we are simply stuck with a generation of poor politicians, the product of some sort of inferior stock line which might be improved with an injection of new blood.

Far be it from this magazine to leap to the defence of Major, Lamont, Smith, Beckett or Ashdown; no doubt each of them is just about as exciting as he or she appears. Scan the parliamentary backbenches as closely as you like, however, and you will not find any brilliant young things who look capable of shaking up the political scene. Indeed the young politicians seem like bad caricatures of their seniors. Clearly, there is something more going on here than just an accidental convergence of mediocre personalities.

Nothing to say

The real reason for the striking lack of excitement in the party leaders' speeches had little to do with their personality defects. The simple fact is that none of them said anything interesting because none of their parties has anything to say. Over three weeks of debate and discussion during the conference season, nobody was able to put forward a single policy of substance.

The lack of ideas, the crisis of policy, was clearest in relation to the discussion of the British economy.

Not just the Tories, but Labour and the Lib-Dems too had centred their economic strategy on continued membership of the European Exchange Rate Mechanism (ERM). This was not a policy so much as a case of doing

nothing. When the pound's collapse forced the government to pull out of the ERM, none of them had anything to put in its place.

Opposition politicians and commentators were obviously right to point out that Lamont's conference speech said nothing about how he intended to revive the British economy. What was less clear, however, was what they wanted him to say. None of them had a solution to offer to the slump either—apart from the popular demand to slash interest rates. And that, as Major rightly points out, has singularly failed to revive the US economy.

Out of control

The problem is that there are no policy solutions to a slump which, as argued elsewhere in this issue of *Living Marxism*, originates in the very nature of the capitalist economy. This problem is particularly acute in a decrepit capitalist economy such as Britain, buffeted by movements in the world market.

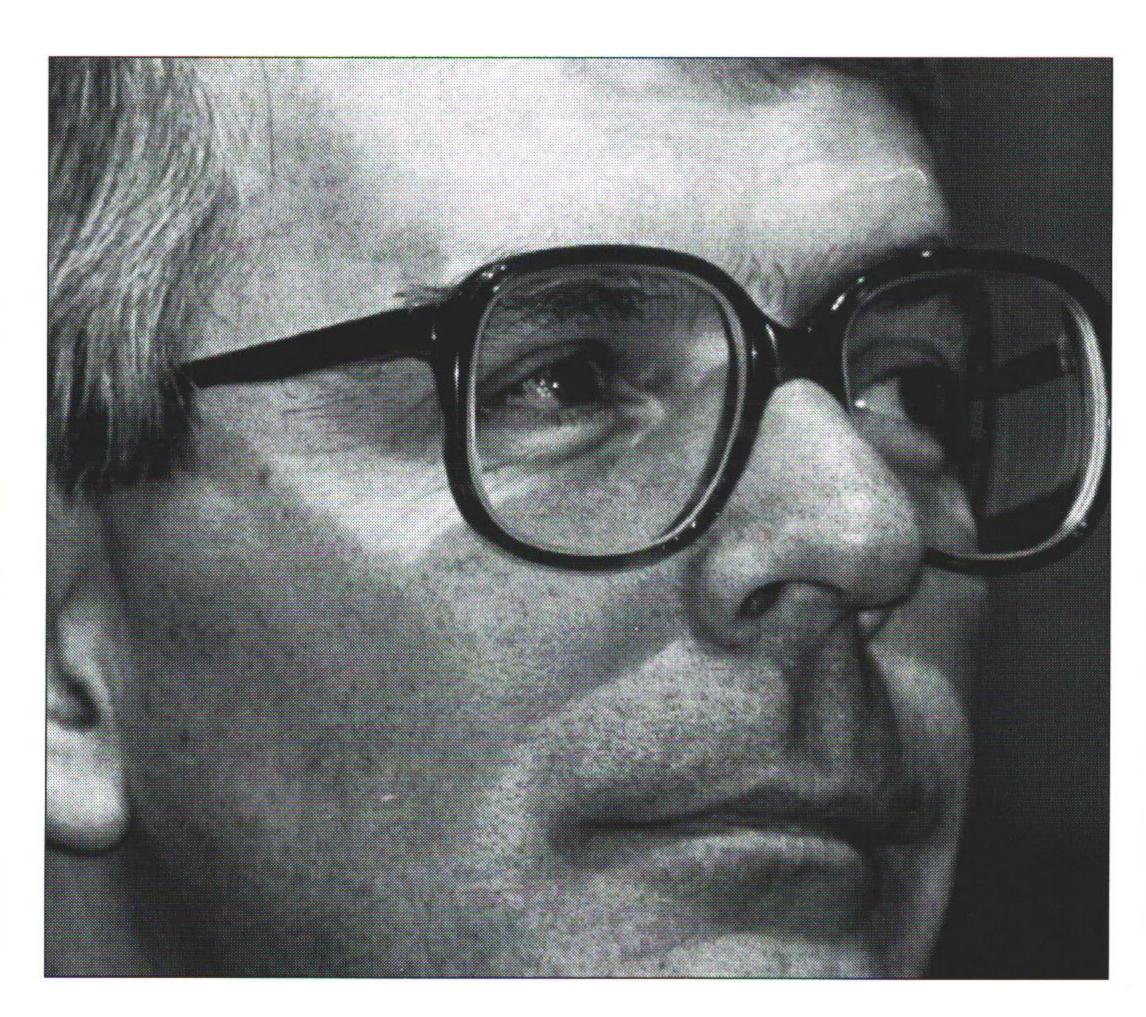
When the system is so far out of control, no British government minister could afford to try to formulate a firm economic policy. Endorsing a clear policy in one direction would immediately raise problems elsewhere. So, for example, slashing interest rates would further undermine the pound on the foreign exchange markets, while raising interest rates in a bid to defend sterling would increase recessionary pressures at home. In these circumstances, the lack of policies and ideas accurately reflects, not just the emptiness of Lamont's head, but the virtual paralysis of the entire British establishment.

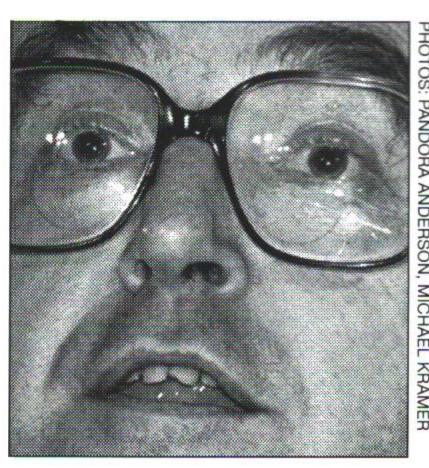
Down the M-way toilet

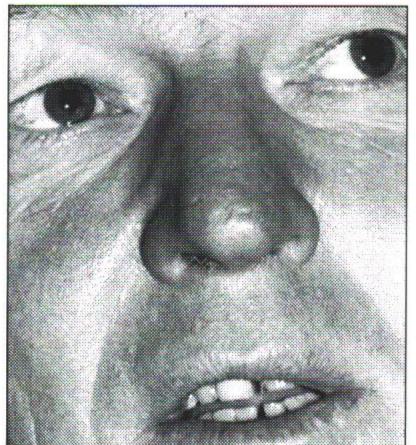
The exhaustion of policies in relation to the economy makes itself felt throughout the so-called programmes of the major parties. Major's speechwriters could only come up with New Age travellers and motorway toilets as targets for rhetorical attack in Brighton. In these post-Cold War times it seems that the Tories cannot even invent credible public enemies against which to launch a negative crusade, never mind developing positive policies.

With no policies to campaign on, politicians are left thrashing around for something, anything, to latch on

Politics with







to. For various reasons, Europe has become just such an issue in British politics. Getting hot under the collar about Europe has become a substitute for talking about the pressing problems of the slump. The Euro-row within the British parties is largely a smokescreen concealing their lack of solutions to the real crisis facing millions.

The debate about Europe at the Tory party conference was said to be one of the most heated exchanges which that normally well-behaved assembly has witnessed in years. Yet it was not really a debate about anything of substance.

Who has read it?

Norman Tebbit blew the gaffe when he got home secretary Kenneth Clarke to admit that he had never even read the Maastricht treaty, which was meant to be a subject of such heartfelt contention. It seems safe to assume that the same level of ignorance characterises most of those who took

part in European discussions at all three of the party conferences. So what was all the debate about?

In a sense, the real divisions over Britain's relations with Europe are narrower today than they were 20 years ago. Back then there was a strong lobby in both the Labour and Tory parties which wanted nothing to do with the European Community. Today even the hardened Euro-sceptics feel obliged to concede that, one way or another, Britain's future lies in Europe.

The current row has generated a degree of heat out of all proportion to any difference in practical proposals. It appears that Europe has simply become the number one non-issue around which British politicians campaign for their non-policies. Meanwhile, the real concerns of ordinary people—such as mass unemployment and public sector cuts-don't become issues at all.

Without policies, parliamentary politics is degenerating into even more of a circus than usual. The old alignments and loyalties are under pressure. Instead of coherent parties organised around programmes, political life is becoming a contest between personalities, cliques and factions which really stand for nothing except themselves.

Overnight sensations

Because these groups are not rooted in any solid ideology, they are capable of dramatic changes of direction overnight. So, in the eyes of the Tory government and the opposition parties alike, the ERM can go undergo a sudden transformation from being the solution to Britain's economic problems to the cause of the slump.

The gap between what passes for British politics and the real problems facing people in Britain is growing wider and wider all the time.

out policies

Ruhallah Aramesh was beaten to death by racists in south London. Andrew Calcutt asks what could have prompted them to do it

uhallah Aramesh was
a 24-year old Afghan refugee
living in Thornton Heath in
the south London borough of Croydon.
On the night of Friday 31 July he was
set upon by a group of youths wielding
iron bars. Aramesh died in hospital
two days later, without regaining
consciousness. Seven people currently
face charges ranging from murder to
violent disorder. Most of them are
juveniles under 17.

The killing was condemned by politicians, the press and the police. 'Murdered by a gang of racists' was the front-page headline of the London Evening Standard. Superintendent John Jones called it 'a crime that the police service and all right-thinking members of the public will abhor and condemn in the strongest possible terms'. A few days later, addressing Hindus in Croydon, home office minister Peter Lloyd described Aramesh's murder as 'ghastly'. He pledged the 'commitment' of the Tory government 'to all young people regardless of race', and declared 'the way young people choose to live their lives will determine whether we eventually eliminate racial prejudice'.

Top down

Lloyd was apportioning blame as well as expressing sympathy. In the official version of events, racial violence is the responsibility of feckless youths who fail to meet British standards of civilised behaviour. Against this underclass are ranged 'all right-thinking people', with the Tory government, the home office and respectable journalists at their head.

The minister's outlook is an inversion of reality. British racism starts at the top and works its way down to the streets of south London, where racist attacks are a continuation of government policy by other means. Chances are that Ruhallah Aramesh would still be alive today if not for the anti-immigrant atmosphere created by the 'right-thinking people' who expressed horror at his death.

The government, aided and abetted

by the police and the media, has created a racially charged climate in which people can feel free to blame immigrants and refugees for society's ills.

Lunar House is a couple of miles away from the spot where Aramesh was killed. This Croydon landmark is the headquarters of the home office department whose job is to keep would-be immigrants out of Britain, and keep close tabs on those who do get in. Immigration officers based at Lunar House will be awarded new powers to deport asylum-seekers if the new Asylum Bill runs its expected course during the current parliament.

Hostile home office

The Asylum Bill was drawn up under the aegis of former home secretary Kenneth Baker. Its current sponsor is new home secretary Kenneth Clarke. This year both have made statements which can only have confirmed public hostility towards asylum-seekers.

When Tory fortunes seemed at a low ebb in the days before the April general election, Baker gave the electorate a glimpse of the race card. Less than a week before polling day, he declared that many of the 45 000 who applied for refugee status in 1991 were bogus; that the growth in support for German fascists was due to the flood of migrants and asylum-seekers; and that good race relations depend on tough immigration and asylum laws. At a press briefing in London, prime minister John Major gave his unreserved support for Baker's inflammatory remarks.

Baker's successor, Kenneth Clarke, also wants to be seen as tough on immigration. He has expressed his determination that the creation of a European market must not interfere with British border controls. Meanwhile the Financial Times reports that the home office is considering new equipment ('smart cards', biometric technology) to 'ease immigration procedures not only for Community nationals but also for frequent visitors from countries such as the US and Japan'. The passport controls which Clarke is determined to retain would then be directed explicitly at entrants from the third world. Once again, asylum-seekers and other third world immigrants are advertised as a threat which Britain must guard against.

'Liable to be detained'

Under Baker and now Clarke, the home office has already tightened immigration procedures in anticipation of the Asylum Bill coming on to the statute books. Many of the new procedures are carried out at Lunar House, Croydon.

Full refugee status is now granted only rarely. Asylum-seekers are more

likely to be awarded 'exceptional leave to remain': temporary status subject to review every two years. Ugandan refugees whose cases have come up for review are now being told to go because Britain judges Uganda stable enough for them to return.

All those currently resident in Britain on a temporary basis carry immigration paper IS96 which informs them 'you are a person liable to be detained'. They can be taken into custody at any time as formal arrest is not required. By 1995 there will 300 new places in detention centres for immigrants. The coordinator of Charter 87, which campaigns for refugees, believes that immigration officers will be encouraged to detain 'virtually all' asylum applicants.

Refugee trap

Earlier this year, the immigration service opened a new screening unit at Lunar House. All asylum applicants must now appear there in person to establish their identity. They face hostile questioning by officials who aim to trap refugees into admitting they spent some time—even a few hours—in transit in another country. If they admit this, they will be sent back there immediately.

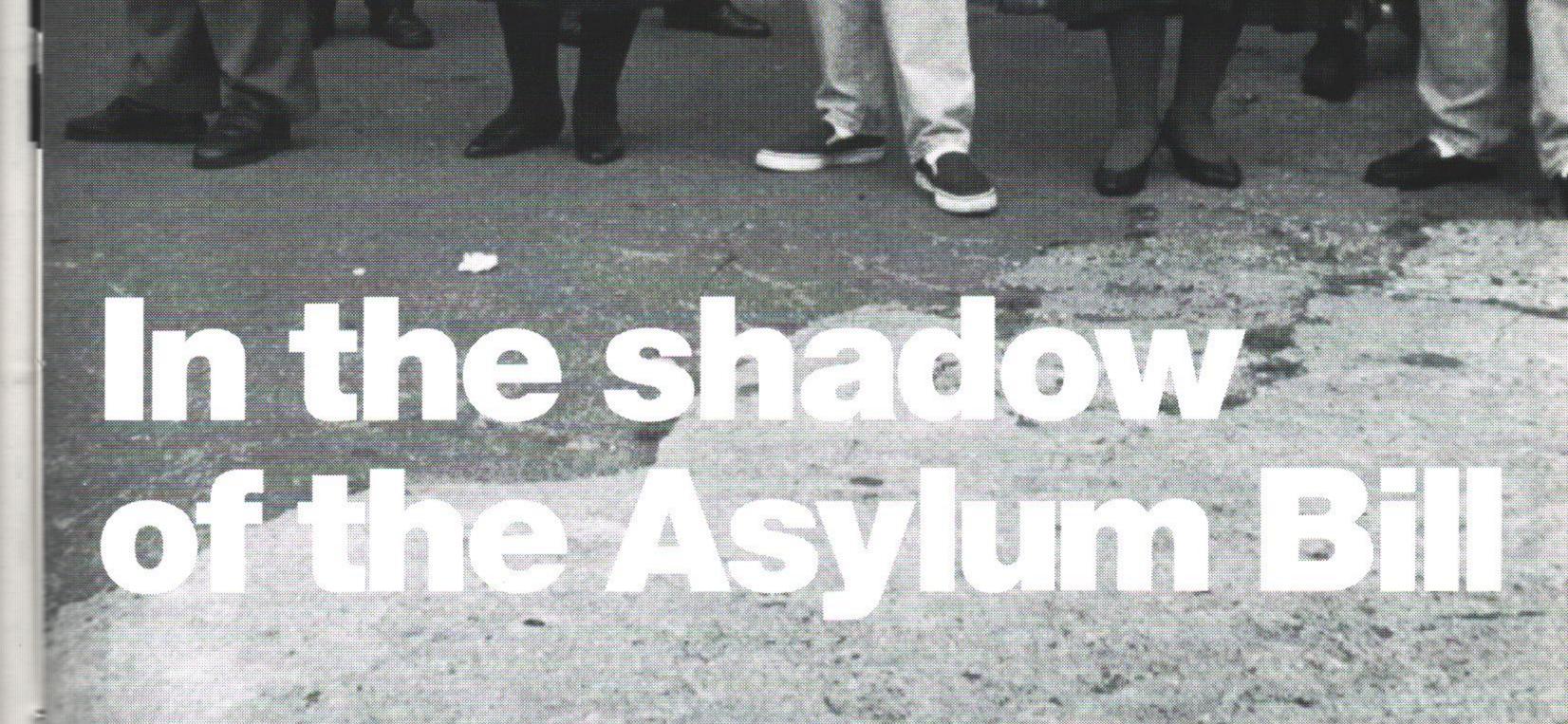
Lunar House officials require refugees to attend up to six interviews before awarding an immigration paper known as 'the self-acknowledgement letter'. A sequence of six interviews could take months, but without a 'self-acknowledgement letter' the Department of Social Security will not accept any claim for financial support.

Asylum-seekers are understandably wary of appearing for interview at Lunar House. It is not unknown for the immigration officer present to despatch interviewees to the Beehive detention centre near Gatwick. Refugees are particularly apprehensive because detention and eventual deportation seems to occur at the discretion of the immigration officer.

Stamp of approval

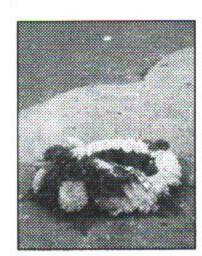
A spokesperson for the Joint Council for the Welfare of Immigrants described the newly opened Lunar House screening unit as 'the prelude to fingerprinting'. She says that 'Asylum Bill measures have been introduced illegally'. The home office has already reduced the number of refugees allowed to stay in Britain, as a circular reports: 'Provisional information on decisions in 1991, which may be incomplete, is of 420 grants of asylum; 1860 grants of exceptional leave and 2410 refusals...a considerable increase in refusals.'

Lunar House is the administrative centre for debarring, detaining and spying on immigrants. Immigration laws enforced at Lunar House give the ▶



The family of Ruhallah Aramesh mark the spot where he was murdered by racists

refugee murder



impression that migrants are criminals and parasites, that asylum-seekers and refugees are an alien threat which must be firmly dealt with. The atmosphere created effectively gives an official stamp of approval to freelance racists like those who beat Aramesh to death.

The media backs up the government line that immigrants are a problem to be sorted out. Every corner shop on the way from Lunar House to Thornton Heath sells newspapers reporting the heroic exploits of south London police, prison officers and the immigration service in rounding up 'bogus' asylum-seekers and throwing them out of the country.

Low Standard

The London Evening Standard made a point of condemning the killing of Aramesh. It also makes a habit of running Boy's Own-type features about intrepid immigration police running illegal immigrants to ground: 'The Great M4 Migrants Chase....Passage from India ends in many arrests as 30 flee from lorry hideout' (23 March 1992). 'Thirteen alleged illegal immigrants were being questioned today after a raid on Whipps Cross hospital....Operation Angel...removed at the earliest

opportunity' (20 March 1992). The home office even allowed the Standard to photograph a 'fishing raid' on a factory in Mitcham, south London (2 December 1991). The accompanying story made it clear that claiming asylum is a ruse which robs the British taxpayer: 'applications for asylum are...costing the country £400m a year to process.' A stowaway was quoted as saying 'in England you can claim political asylum and it takes five years. If I get sent back to India, it is not a big problem. I will just try again'.

'A time-bomb'

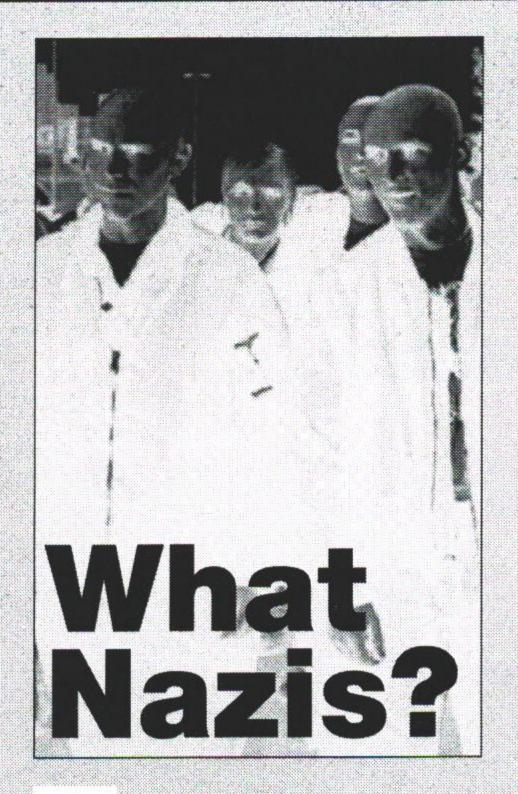
Two days after condemning the murder of Aramesh, the Standard ran a story about bogus refugees conning money out of travellers on the London Underground (5 August 1992). For good measure, the adjoining article was headed 'Blitz on dole cheats nets £34m for the taxpayer'. A month later, the Standard warned that refugee children from East Africa could 'overwhelm London's social services'. It quoted Jenny Bianco, Tory chair of Westminster social services, saying 'the issue is a time-bomb' (9 September 1992).

Papers like the Standard continually give credence to the idea that refugees

are scroungers, to blame for inadequate public services in Britain. Then they express horror when a refugee is attacked by members of the British public.

No lessons needed

The police too claimed to be horrified by the murder of Ruhallah Aramesh. Yet the track record of the immigration police and their associates in the prison service has added to the anti-refugee atmosphere. Last year, a Zairian refugee was accused of stealing and taken to Pentonville prison in north London. He died after prison officers applied 'restraint and control' techniques. In September 1992, a sick Ugandan refugee died after being detained in Belmarsh prison, south London. James Segawa alleged he was assaulted at Belmarsh. Then there was a delay in transferring him to the Mayday hospital in Thornton Heath, where he had previously been diagnosed HIV-positive and treated for tuberculosis. He died soon after admission. Doctors at the hospital refused to sign a death certificate and a consultant called for an inquest. Police and prison officers need no lessons from south London youth in how to brutalise refugees.



he Tories hold that racism is foreign to the British tradition. Some antiracists seem to agree. They claim that racist attacks are inspired by tiny fascist grouplets such as the British National Party ('a van with a BNP sticker had been seen in the area'), which have in turn been inspired

by the far right in Germany. The organisers of a local protest march against the murder of Aramesh were so busy chanting 'smash the BNP Nazis' that they strolled past Lunar House without giving it a second glance. Ignoring the control centre of official British racism, they gave the impression that racism is Nazi and non-British.

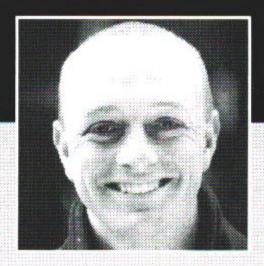
Representing Croydon Race Equality Council, John Grieg was one of the march organisers. He conceded there was 'not much' BNP activity in the Croydon area. The only BNP poster near the home of Aramesh was put there after he was killed. Grieg also said there was 'not much overt racism' locally. And he's right; there are no 'Blacks keep out' signs in pubs, no mobs with swastikas tattooed on their foreheads. But there is a powerful vein of 'respectable' British racism, as promoted by the powersthat-be, running just below the surface and ready to erupt at any time.

The spot in Thornton Heath where Aramesh was attacked is directly in front of a greengrocer's (it was closed at the time). Watching the protest march and the laying of a wreath, the woman behind the counter declared: 'I don't see what there is to protest about. It wasn't racist-he was just in the wrong place at the wrong time.' She recalled the death of Terry May in 1981. One black youth was convicted of manslaughter,

although she recalled 'a disabled white lad set upon by 20 blacks'. She referred favourably to an article in the Croydon Advertiser by Paul Fernandez. He warns against 'the risk of exacerbating the race issue by giving it so much prominence in the media', while admitting that blacks and whites drink in different bars in his local pub.

On the other side of the road, a group of white youths looked disgruntled. The march was 'bollocks...you wouldn't hear about it if it was a white man...this sort of carry on only causes aggravation'. Only one out of five had heard of the BNP; he'd read the initials on 'Smash the BNP' posters which he and his mates had spent the previous week tearing down. Not that they saw themselves as supporters of the far right. They didn't want 'refugee business' in the area. 'Refugees would be all right if they didn't stay. But they do. And they know about our health service and they come for the housing.' Now where have I heard that before?

The anti-Nazi approach misses the point: racism is as British as egg and bacon. Not only is it mistaken, the obsession with swastikas also gives ground to the argument that Britain is civilised and racism is an import from the other side of the Channel. Flying the flag for British values is no way to build opposition to racism—the cutting edge of British nationalism today.



Don't mention the Proms

ur patriotism is decent, kindly and civilised. It is never strident. We do not march about, hold processions or insult other nations....So why cannot we sing lustily to our hearts' content 'Land of Hope and Glory' at the last night of the Proms?' (Sir John Stokes MP, Guardian, 12 September 1992)

Why not indeed? Yet, as Sir John's rather defensive tone suggests, the last night of the Proms is regarded by its supporters as a guilty pleasure, to be enjoyed slightly furtively. It is assumed that the bellicose nationalism of songs like 'Rule Britannia' is an embarrassment in this day and age. Which is slightly odd, because, despite the above remarks to the contrary, Britain is profoundly nationalist and absolutely obsessed with military matters.

To understand the awkwardness surrounding the Proms you have to take into account British hypocrisy, which insists that everyone pretends there is a higher motive. So the armed forces become the 'services'—just another career, part of the national heritage—and it is considered quite healthy for people to take an 'interest' in them. A whole industry exists to feed the appetites of military buffs for uniforms, medals, figurines, books, magazines, and so on. The newspapers keep up a stream of stories about 'our boys'; two new primetime series—Soldier, Soldier and Civvies—have started this autumn.

None of which should be confused with militarism or nationalism, those pernicious foreign diseases which, like Hitler, never invaded these shores. George Orwell drew a popular distinction between nationalism (uniforms, goose-stepping, fascism, brutality) and that feelgood British invention, *patriotism* (gentleness, tolerance, local pride, love of hedges and Bramley apples, etc).

This self-delusion quickly acquired the status of common sense, and unites all shades of opinion in true British fashion. It provides a framework within which virtually any disagreements can be safely contained. So the Proms argument is all about whether or not it is genuinely patriotic. Opponents say it is triumphalist, and therefore un-British; its supporters say it's just a bit of harmless fun, and therefore very British.

However, this should not blind us to the real reason why everyone is so self-conscious about the Proms. The point is, it's bloody awful. It should be triumphalist and aggressive, but it is a pathetic failure. You can sell tourists the Trooping of the Colour as an historical pageant. You can dress up the Royal Tournament as a kind of sporting contest for nutcases—'our boys' are fit and athletic and can pass muster in regimental costume. But you can't carry off a celebration of world domination when you're a decrepit little island.

The sad truth is that the British bourgeoisie doesn't look too good in its dotage. When the Carlton Club was bombed the camera crews spoke to a few of the specimens who emerged, blinking in the light, and then decided not to repeat the footage: too many viewers were sympathising with the bombers. The last night of the Proms tends to have the same effect. What was once a bold celebration is now just an excuse for the most unattractive, anal-retentive young members of the middle class to

'let their hair down' and feebly ape the antics of their rugby-playing brothers. A sort of Annabel's for the socially inadequate.

If the Proms was a real display of national virility, the establishment would defend it proudly, not mumble apologetically about how it is 'harmless'. The problem it faces is that nobody in their right mind would consider the Proms anything but 'harmless'. It shows the ruling class up as arseholes. The 'Promenaders' are a laughing stock: a bunch of gawky herberts shouting puerile jokes and throwing their hats around.

So let's have no more liberal whingeing about stopping the Proms. In fact, let's have it on every channel simultaneously, not hidden away on BBC2. The more people see it, the better. Then perhaps the authorities won't find it so harmless after all.

emember, you read it here first. Long before the 'underclass debate', we published an attack on Tony Parsons, the former punk journalist who had penned a piece called *The Tattooed Jungle* which trashed the working class and blamed them for spoiling socialism. This earned him warm applause from many self-styled 'socialists' and 'former members of the working class'.

Parsons' star continues to rise, and he has returned to his favourite theme with a double whammy aimed at his two natural constituencies: Channel 4 viewers get Tattooed Jungle: The Movie, while for Daily Mail readers there is the intemperately titled 'Why I hate the modern British working class', under the legend: 'Treat them like humans...they still behave like animals'. His by-line reads 'Eastender Tony Parsons', but surely he deserves better than this after years of speaking out fearlessly. I suggest Lord Gerry Fitt's old tag: 'the bravest man in Britain'. With a bit of luck, if enough of Tony's hated 'lumpens' work out how to switch to Channel 4, he may have to earn the title.

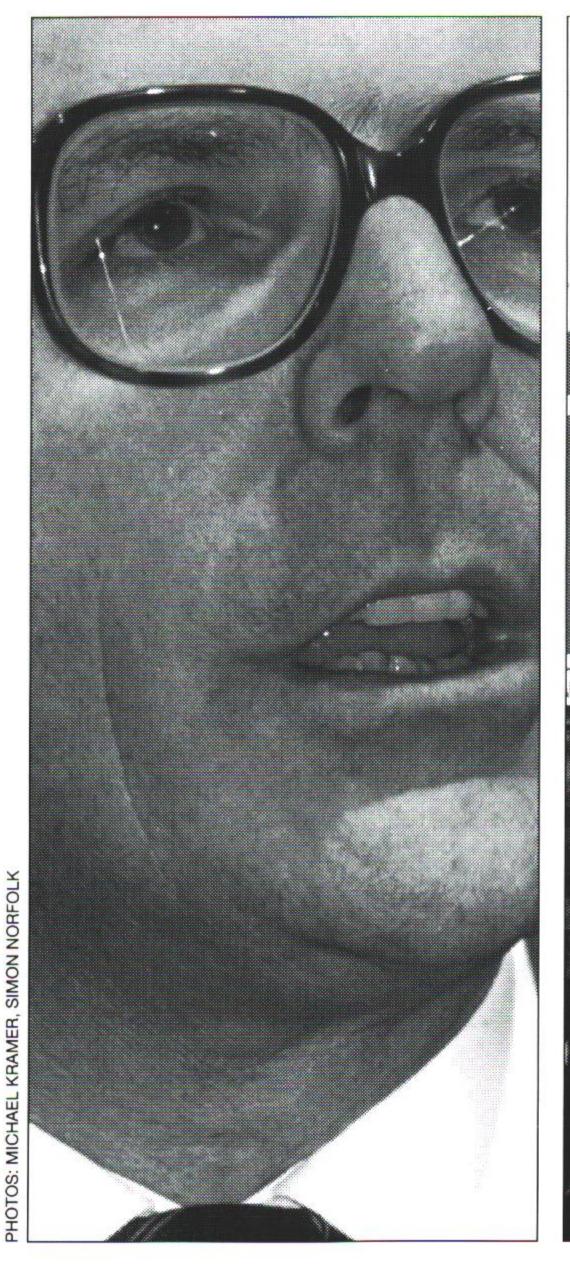
ony isn't the only old punk to earn a crust from the tabloid press. Garry Bushell was once the champion of 'Oi!', a skinhead movement that filled a much-needed musical void and featured anti-authoritarian lyrics, such as the memorable 'All Coppers are Bastards'. Can this be the same Garry Bushell, Sun TV critic and one-man fan club for the Paras, the SAS, and indeed the 'Bastards' themselves? Well yes, it's him. Older and wiser. 'Here is a brave, underpaid body of men and women who risk their lives to keep this country civilised', writes Gal of the thin blue line; and he claims that he speaks for everyone except a few 'left-wing TV trendies'.

Garry prides himself on speaking for both the bloke in the boozer and the bobby on the beat—a difficult balancing act to perform, I admit. But you don't have to be a 'TV trendy' to see that his pendulum has swung a little too far Old Bill's way. I mean, underpaid?! Not even the Tory conference buys that one any more. And as for the ordinary reader....Sorry Gal, but you should step out of the old ivory tower now and then, and get your shell-like to the ground. As they say down the nick, you've been watching too much telly, son.

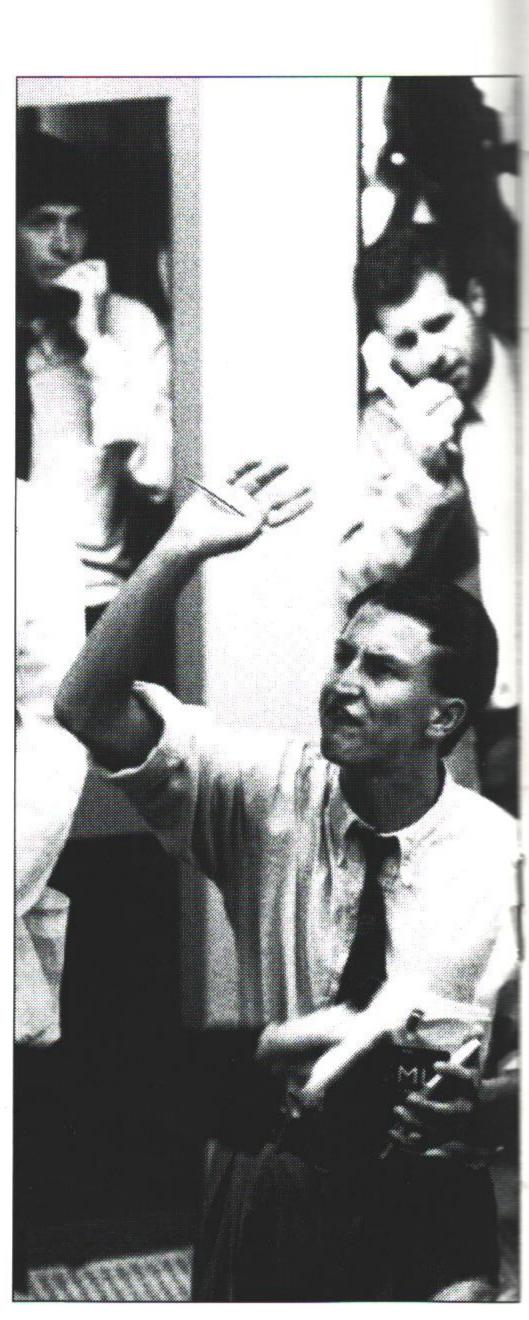
The currency crisis in September intensified the sense of deep economic malaise in Britain. But while everybody can see that things are getting desperate, there is great confusion as to why. So what's behind the slump? And why does the government seem incapable of doing anything about it?

Phil Murphy loo identifies a prob The appropriate (There Is No Alt Economic Soluti

A slump-ridden, a







books behind the jargon and the anti-German propaganda, and blem far more fundamental than the ERM or high interest rates. te acronym for economics in our time, he suggests, is not TINA Alternative) but CHARLES: Capitalism Hasn't Any Real Lasting utions



evalued system

t times of dramatic and tumultuous events such as those on the currency markets in September, one thing is fairly predictable: some of the more pretentious journalists will dust off their copies of WB Yeats' *The Second Coming*, written in the period of crisis leading up to the First World War, and quote the famous line, 'Things fall apart, the centre cannot hold'. It complements the picture they like to present of an economic crash as an irrational, unpredictable, incomprehensible chain of events.

This time a lot of attention focused on the instability of the currency markets and the actions of those who work them. Free-marketeer John Major himself pointed to the 'irrationality' of the markets as one cause of what went wrong. Others blamed wrong policies, inept government economic management and even global warming for sterling's collapse. All of these explanations are wrong. At best they identify symptoms rather than causes of the crisis; at worst they are mischievous attempts to hide the truth.

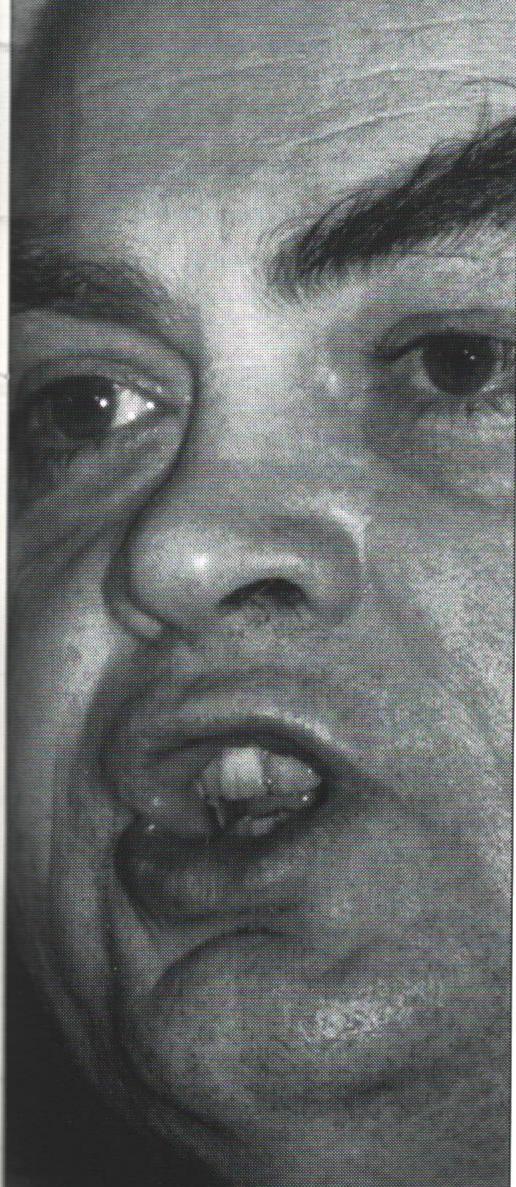
The reason the economy is in such a mess today has nothing to do with technical factors, such as market volatility or policy mistakes. Nor is the slump caused by incomprehensible 'natural' forces. All of this evasion misses the fundamental point: there

is an inherent problem in the capitalist way of organising society and production, which ensures that the economic system will eventually suffer such a breakdown.

Capitalism is driven by the race for profit. This is the dynamic behind the development of production; capitalists will invest resources only if the product can be sold at a decent profit. If profitability falls, as it tends to do historically, then the profit system itself becomes a barrier to the further progress of capitalism. This is the position that has been reached today.

The current problems of profitability mean that capitalism is no longer able to reproduce itself effectively. This strain afflicts all of the developed nations, but is a greater drag on the more mature, older and decrepit economies like Britain's.

Let's try to get behind all of the mystification and opaque terminology which we've been exposed to since the summer. A good way to look at capitalism today—and British capitalism in particular—is to understand that there are really two economies in operation. There is the 'real' economy, where things are produced and sold to realise real profits; and there is a parallel 'paper', financial economy—the economy of exchange rates, of trading in bits of paper, of futures and options markets,



of massive financial flows of up to \$1000 billion each day on the foreign exchange markets.

The fundamental problem for British capitalism is that its real economy is weaker than that of its major competitors. So corporate profitability has tended to fall faster Britain's real productive economy has been lagging further and further behind its main competitors for years. But this has been disguised by the apparent success of Britain's other, paper, economy. Financial services were the key growth area of Thatcher's economic 'miracle' of the 1980s,



A forecast of a £1m drop in profits led to a £201m drop in market value

in Britain than elsewhere. This poorer capacity to make profits sets off a damaging chain of events. There is no shortage of funds to invest in Britain, and there is certainly a crying need for investment. But the question for capitalists is, what return do you get on your investment? If the rate of return on capital invested in, say, car production is only five per cent, then it is much more attractive for capitalists to put their money into a bank, a financial investment, or abroad—anywhere where returns are higher.

Mansell plc

The consequence is that productive investment, in new technology, new machines, new plant, etc, is restricted, and productivity lags behind. The fact that many British products are made using old techniques explains why British-made goods are much less competitive than goods produced in Germany, in Japan, in America, or even in France and Italy. Production lines close at Rolls-Royce or British Aerospace, output falls, people are made redundant, unemployment rises. British economic activity contracts and the trade deficit widens, as companies and people buy cheaper goods made abroad, and British exporters lose foreign markets.

There are now only four areas in which Britain remains the world's leading exporter—racing cars, whisky, popular music and financial services. The patriotic Nigel Mansell may be pleased to know that he can drive a British-built racing car (albeit with a foreign engine), drink Teachers' whisky and listen to Dire Straits as he steadies his nerves, and arrange extra accident and life insurance cover with a financial company based in the City of London. But it hardly adds up to an impressive or lucrative export performance by the one-time workshop of the world.

almost doubling their share of national output (to about one fifth of the total). More than half the growth of the entire economy came from this one sector.

But even this understates the significance of the financial economy over the past decade. During the eighties, more and more 'manufacturing' and 'commercial' companies all but abandoned their notional tasks and shifted into financial operations. No longer able to produce and sell commodities at a sufficient profit, British capitalists have been forced to seek profits from manipulating bits of paper on the financial markets. The financial directors and the corporate treasurers replaced the production and sales managers to become the vital people in British Capitalism plc.

The problem is that a paper economy is an unstable and inadequate substitute for a real productive sector. Financial services do not create genuine new wealth in their own right. Instead they are parasitic on the creation of wealth elsewhere in the world. The City makes its money by charging dividends and commissions for investing, insuring and selling other people's assets, and for conducting foreign exchange operations.

Pack of cards

Without the solidity of a productive sector, the credit-financed paper economy is something of a pack of cards. One shake, and the whole thing can begin to fall apart. In such fragile circumstances, things can move very fast; the pound can collapse, property prices can slump, the stock market can nosedive. Look at what happened to Anita Roddick's Body Shop shares in September, coincidentally on the same day the pound fell out of the ERM.

Body Shop is supposed to be one of Britain's last remaining successful niche retailers. Yet, when it projected a £1m drop in profits, its share price

tumbled by 40 per cent in a single day, cutting the company's financial market value from £494m to £293m. In other words, a forecast of a £1m drop in profits led to a £201m drop in market value. That is a graphic illustration of the gap between the production of real and paper wealth. It demonstrates how tenuous is the financial 'success' of British enterprise.

The sudden collapse of company share prices and currency values has brought the whole financial services sector in Britain close to the edge. For a time the paper economy could cover up the cracks in the real economy, but not for ever. At some stage the underlying weakness of the real economy has to make itself felt. And because the financial sector has become so prominent of late, it is here that the deeper economic crisis tends to reveal itself. That is the hidden meaning behind the pound's fall. It is an exposure of the abject weakness of the real British economy.

Leave aside all the jargon about the sterling collapse—floors, ceilings, ERM, sterilised intervention, etc.
The exchange rate of a currency is ultimately a reflection of that nation's economic well-being. The pound fell against the deutschmark (and most other currencies) because the British economy is frailer than Germany's, its productive capacity is more feeble, its levels of productivity are lower and its goods are less competitive.

Missing the mark

Many commentators have tried to compare recent developments to Britain's past sterling crises, in 1967 and 1976, and concluded that, as the problems were resolved then, they will be sorted out easily enough this time too. Such comparisons seriously miss the mark. Since those sterling crises, the real economy has declined precipitously and the paper economy has become much more dominant in Britain. The complacent view that Britain has survived sterling crises before and can therefore easily do so again is profoundly misguided. British capitalism has much less of a real economy to fall back on today.

Many onlookers were confused by the British government's apparent refusal to do anything decisive to stop the rot after the currency crisis blew up in September. Yet once the problems of sterling are properly situated as a consequence of a profound capitalist slump, it becomes clear that John Major and Norman Lamont could not have made much difference anyway. Indeed, the notion that the government could develop policies to turn the economy around has things back to front. In reality, it is the slump which is continually forcing the government to turn around what it says and does.

The instability in the economy is reflected in an instability at the level of people's perceptions and statements about what is going on. This instability is expressed in about-turns and the sudden substitution of one firm conviction for another. It is a sure sign that the crisis is out of control.

Look, for example, at views about the prospects for British economic recovery. After the British departure from the Exchange Rate Mechanism (ERM) many commentators made fun of chancellor Lamont by resurrecting some of his past predictions of recovery. They are worth repeating here if only to reveal the chancellor's acute understanding of the dynamics of British capitalism:

March 1991: There are good reasons to expect that the recovery will begin around the middle of this year.

April 1991: Victory is in sight.

Recovery will come in the second half of the year

June 1991: The economy will begin to pull out of recession in the second quarter

July 1991: Better economic news is on the way. Recovery will come this year.

October 1991: It is clear that Britain is coming out of recession and confidence is returning...the green shoots of economic spring are appearing once again.

December 1991: The recession has technically ended.

Yesterday's fine words have made Lamont look foolish today. Yet he is not the only one. Not so long ago, especially after the Tory election victory, almost every serious politician, economist and newspaper in the country accepted his absurd contribution which corresponded to the mood a few short months ago. Yet today, these same experts deride the idea of a recovery as obvious nonsense.

The recent sterling crisis revealed the volatility of thought and policy most starkly. Remember Lamont in July telling the European Policy Forum how he knew 'from bitter experience that devaluation doesn't work for Britain' and how leaving the ERM 'would certainly be the end of the battle with inflation we would have surrendered'. Or what about his early morning press statement in August, on the steps of the treasury: 'There are going to be no devaluations....We are absolutely committed to the ERM...it is at the centre of our policy.' Just days before sterling collapsed, John Major told the Scottish CBI that whatever else happened in the ERM, the British government would never pull out or devalue. That was a quack doctor's remedy, he said, a betrayal of our future.

Yet having been forced into it, all of a sudden they were espousing the great advantages of a floating currency. The quack doctors's remedy one week became sound advice the next, the best policy for Britain. What had hours earlier been declared as at the *centre* of government policy, a fixed exchange rate in the ERM, was now an encumbrance with, Major said, 'fault lines' running through it. And he said it as if he had been right all along.

Most economic experts followed the government's turnaround. After the Italian lira was devalued, most of them stood firmly by ERM membership and a fixed parity as the best way forward. Three days later, when the pound had of another. Their system is out of control, and they do not have the first idea what to do about it.

When Margaret Thatcher argued in the early 1980s that 'There is no alternative', known by the acronym TINA, it was informed by a certain sense of class conviction and purpose. When Major and Lamont have repeated this phrase, it's more like a limp admission that they are unable to come up with an alternative. Indeed, they didn't really have an existing policy to which they could develop an alternative. They simply drift along with events.

The appropriate acronym for the 1990s is not TINA but CHARLES: Capitalism Hasn't Any Real Lasting Economic Solutions.

No policy

It doesn't even mean much to talk about 'policy' any more. Ministers simply react to the latest problem. When one short-term survival measure becomes exhausted they readjust to the new state of affairs and then declare that this is what they had in mind all along. One day it's the ERM, the next it's free floating currencies; one day it's 10 per cent interest rates, the next day it's 12 per cent, the next it's 10 per cent, the next it's 9 per cent. One week, being linked to the German economy was the best way of making the British economy strong again. A week later, Germany became the scapegoat for all the problems of the British economy.

The inconsistency in government policy over Germany, the ERM or interest rates reflects much more than the incompetence of Major or Lamont. It shows that the slump is something outside of their control; a fundamental crisis at the heart of the capitalist economy which cannot be resolved by anything the government might do.

The Tories' incapacity to control events doesn't mean they are going to give up. They may have no way to resolve the slump using any of the conventional methods of postwar economic management. But we can expect them to try to survive at our expense. The only certain statement which Lamont could come up with in the emergency commons debate on the economy was that 'the strictest control of public expenditure, including public sector pay, is at the top of my political agenda'. An offensive against public spending and the welfare state will be the most prominent feature of British life within the very near future.

The sterling crash, and the Tory government's reaction to it, have confirmed a simple truth: that capitalism isn't working, that it cannot be made to work and that its replacement by a system based on production for need not profit is long overdue.

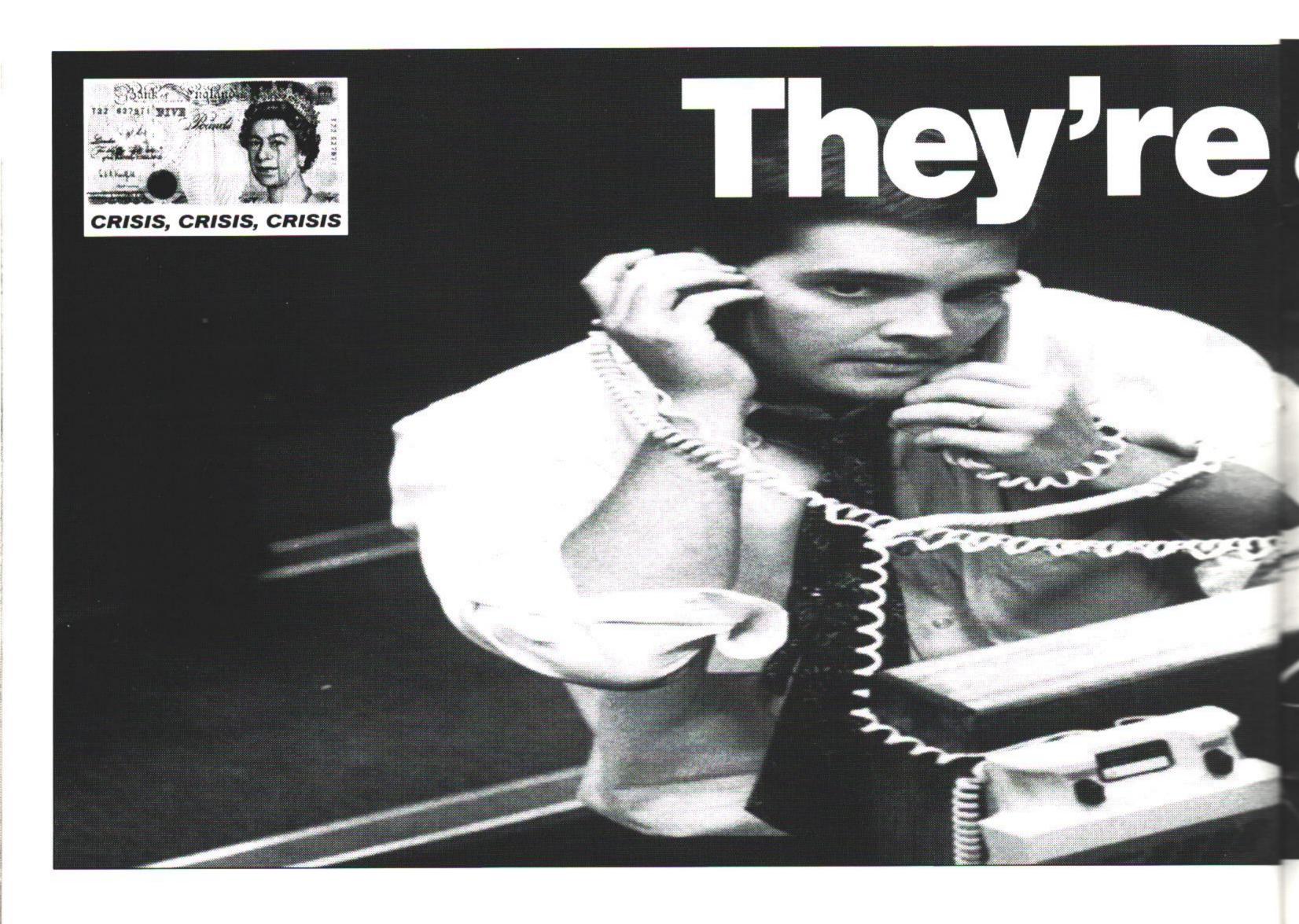


Their system is out of control, and they do not have the first idea what to do about it

statements about the green shoots of recovery. Typically, the post-election economic review produced by Britain's biggest bank, Barclays, was entitled 'Managing the Upturn'. It was all fantasy stuff about how, with a Tory government returned, consumer confidence would increase, business confidence would rise and the economy would move upwards again. They even concluded that the main risk was that the upturn would be too strong! This was a serious

been devalued, these same people were talking up the virtues of floating currencies; how it would even bring forward recovery, removing the fetters of close ties to the Bundesbank and allowing interest rate cuts.

What this volatility of mood and instability of thinking reveals is that the British establishment—along with its ministers, its ideologues, its advisers—hasn't a clue about what is going on. One month or one week or one day they are firmly of one view, the next



It wasn't just the sharp-suited City dealers who made money out of sterling's collapse; the cream of Britain's corporations were all furiously selling pounds to make up for the fact that they can't sell much else. Tony Kennedy investigates

> fter the pound's collapse on the foreign exchange (forex) markets, speculators vied with the German Bundesbank for top spot on the British media's hate list. Newspapers conjured up lurid images of flash yobbos making millions by bringing down the pound. 'Baying barrow boys in expensive suits with loud ties' were clamouring to 'kill sterling'. 'Essex men with white socks, closely cropped heads and a handful of GCSEs' apparently couldn't give a forex about the pound. While Norman Lamont was saying high-minded things about the sanctity of the Exchange Rate Mechanism (ERM), 'Trevor, Mark, Andy and Yosser were deciding the future of the British economy' with their vulgar broker-babble: 'Go on my son, give me seven.'

Worse still, the irresponsible oiks laughed and joked all the way to the bank: 'Eh! There's a bloke on the phone says he wants to buy sterling. Says his name is Lamont.' With a tidal wave of sell orders engulfing the pound, journalists cried treason and informed their readers that 'currency barbarians' were guillotined during the French Revolution.

Wide-boys

Huge profits were indeed made in the forex markets through massive selling of the pound and other currencies.
But the idea of self-serving wide-boys tarnishing the clean image of British business is wide of the mark. Closer scrutiny reveals that the profiteers who made the big money from the pound's collapse in September were the cream

of the British financial and corporate establishment.

The brash youths at computer terminals playing Nintendo war games with the world's currencies learn their trade from their seniors in the City hierarchy. They take their orders from a chief currency dealer—likely to be a slightly balding, slightly overweight, thirtysomething paragon of City respectability. The chief, meanwhile, is responding to noises from further up the line. The insistence on making a quick financial return by any means originates at the very top.

The dealers trade currencies on behalf of the biggest names in British and world banking: the UK high-street banks, big merchant banking outfits from Britain and abroad, and the larger building societies. They deal from emporium-sized, state-of-the-art, high-security rooms with technology providing instant link-ups with the rest of the market. The huge expense of these operations, the intense competition and the fleeting nature of opportunities to make a killing all serve to encourage a quick-buck culture.

According to Bank of England estimates, the turnover in the forex markets worldwide amounts to about \$1 trillion per day—that's twice the



annual output of the UK economy. The figure represents a doubling of forex business since 1986. On average, only about 15-20 per cent of this activity reflects business transactions by companies. The main component of currency trade is known as inter-bank dealing-banks shifting their financial resources in and out of different currencies. The impetus behind the growth of inter-bank currency movements is the volatility of exchange rates. Banks fear being caught holding large amounts of a falling currency and look for opportunities to acquire currencies that they expect to rise in value.

Trading trillions

Exchange rate volatility has also been the major force behind the growth of currency futures and options business (see box). A recent survey by the Economist noted that the currency futures and options trade globally has risen from \$1.1 trillion in 1986 to \$6.9 trillion in 1991. The need for cover against exchange rate movements has become much more pressing over the past decade.

These huge rises in forex business provided a major boost for the British economy in the 1980s. The City has managed to sustain its position as the

single most important centre for forex business, accounting for about a third of the total worldwide. British financial institutions have reaped handsome rewards in the form of brokerage fees and commissions from forex business. They have also used their expertise in the forex markets to make profits out of inter-bank dealing. During the eighties, foreign banks flooded into London in order to ensure a foothold in the leading forex market—so much so that there are now more American banks operating in London than in New York.

The politicians and press who are now bemoaning the lack of control over speculators were not so long ago heralding the wisdom of Tory moves to deregulate the City. The 'Big Bang' strategy which hauled down many of the barriers to money dealing and share trading in London was seen as one of the most clear-cut success stories of the Thatcher years.

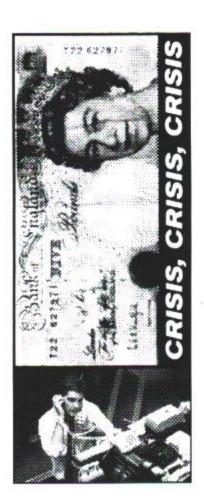
Far from being a burden on the British economy, the money-grabbing activities of the City dealers have helped to carry capitalism in this country for years. The truth is that British industry risks falling into a comatose state without a regular financial fix begged, borrowed or

ripped-off in the City. The recent ups and downs in the share and currency markets provide an example of how this works.

During 1991, 143 British companies took advantage of a revival in the stock market to raise a record-breaking £9.2 billion through rights issues. Rights issues are an invitation to existing shareholders to buy newly issued shares in a company. Conventional investment theory states that rights issues are a way in which companies can raise finance for new investment. The recent rights issues by British companies, however, were less than conventional.

Pay-offs

Much of the proceeds from the rights issues have been used to pay off debts built up in the eighties. The idea has been to replace debt, on which high interest payments are due, with equity, upon which there is no legal obligation to pay dividends. Of course, the prospect of dividend cuts is not a good advert for purchasing shares. Hence the bizarre spectacle in 1991 of corporate Britain maintaining, and even increasing, dividend payments to shareholders as profits collapsed. The aim was to sweeten the rights issues to ensure a successful sale.



This year, with no recovery in sight and profits still falling, dividend payments have had to be slashed. The result has been that the share prices of these companies, in the words of the Sunday Times, 'have all bombed'. The £9.2 billion in rights which were bought, mostly by the financial institutions, in 1991 have effectively become worthless pieces of paper. The immediate losers were the pension funds and insurance companies that dominate share ownership in Britain. Their unhappy experience with the rights issues led them to offload shares and bank the cash at high interest rates.

Dumping grounds

The irony is that the larger than usual amounts of cash held by the pension funds and insurance companies meant that they were able to act quickly, and on a large scale, in dumping pounds for stronger currencies in September. What they lost on rights in 1991, they no doubt regained in dealing when the pound took a dive.

British companies are reticent about revealing the profits made from the pound's collapse. What is certain, however, is that with industrial decline at home they have had to become adept in the arts of currency management in the forex markets. A growing dependence on the import of expensive high-technology goods exposes UK corporations to the risk of higher costs when the pound falls against other currencies. Lower profit rates in Britain have also encouraged companies to buy shares in foreign firms, making profits more vulnerable to currency movements. Leading British companies were among the biggest buyers in the cross-border takeover binge of the 1980s. Around 40 per cent of UK corporate profits now originate abroad.

All of these factors have forced British companies to put resources into tackling the financial risks which arise from volatile exchange rates. While British investment in productive capacity has been derisory, expenditure on money management operations has been generous. The treasury departments of large companies in Britain today often have a higher profile than the production or sales departments. The best brains and most ambitious will typically be found on the financing side of corporate operations.

Money management

Indeed, the last decade has been marked by a growing trend for corporate treasuries to conduct business in their own right on the forex markets. Much of their activity has little to do with financing their basic production operations. They have adopted a more active money management philosophy, using reserves to make profits in the currency markets in much the same way as financial institutions. Unable to make sufficient profits by producing and selling things, Britain's industrial and commercial giants have tried to compensate by playing the currency and share markets. Typically, the Sears corporation, which is in the middle of closing down its unprofitable shoe shops, recently announced that it made 60 per cent of its profits last year through financial deals.

Against this background, it is hard to believe that British corporations did not enter into the speculative rush against the pound in a big way. Making money from the pound's collapse was unusually easy. The Bank of England, the Bundesbank and the Belgian central bank were buying pounds at the ERM lower limit of DM2.778. On numerous occasions during the days of panic selling, the pound was trading in the markets at around DM2.65. Anyone holding deutschmarks could have bought a pound for DM2.65 and a short while later sold it to the central banks for DM2.778. Alternatively, holders of pounds could have sold them when the central banks intervened for DM2.778, and then bought them back for only DM2.65.

Currency cannibals

Blaming loud-mouthed currency traders for the pound's collapse ignores the fact that the people on the other end of their phone lines placing 'sell sterling' orders included the blue chip representatives of corporate Britain. A reputed £1 billion in straight profit was made in those few days in mid-September when the pound crashed. This is a sum UK banks might normally expect to earn in a six-month period of business. The currency dealers did very well. However, many other sectors of British business invited themselves along to the feast.

When the banks were attacked for profiteering during the sterling crisis, they replied that their ability to exploit the situation had in fact been restricted by Bank of England rules; the biggest profits from selling the pound, they insisted, had been made by the fund management groups and by the treasury departments of Britain's major companies. It is a sign of how far the economic rot has set in that the biggest money-making deals of the year should involve British capitalists cannibalising their own currency.

End of business

While British capitalists have been making millions from ventures into the forex markets, they have been closing down what's left of manufacturing. The crisis at British Aerospace (BAe) is eloquent proof that they have little in reserve other than their parasitic forays into the financial markets. A showpiece privatisation back in 1981, BAe registered a loss of £129m in the first half of 1992 and a share price back at its 1981 level. This ailing company is all that's left of the UK aircraft and car industries, and constitutes a large slice of the defence industry.

BAe's position is so desperate that even with the knockdown share price, the takeover specialists and asset-strippers in the City have shown little interest. They must be saving their ammunition for the next currency crisis.

What's it forex?

he forex markets embrace a variety of financial arrangements. The spot markets cover currency transactions for immediate delivery (within two days). In the forward markets, exchange rates are quoted on currencies to be delivered in the future (eg, in one month). Forward exchange rates diverge from spot rates and are determined by the market consensus on how currencies are likely to move in the near future. If the market expects the pound to fall against the deutschmark in the next month, then the one month £/DM forward rate quoted today will be lower than the spot rate today.

There are also markets in currency futures and options. Like the forward exchange agreement, a futures contract involves the exchange of one currency for another at some pre-determined rate in the future. However, futures differ in a number of ways. First, futures markets exist only in a small range of major currencies where turnover is high. Second, the contracts are tradeable assets able to be sold on to third parties. Third, futures are issued in standardised packages; a futures contract to exchange deutschmarks for dollars must be issued in DM125 000 units.

Options provide the additional facility of giving the contract holder a choice as to whether to go through with the deal or simply let the contract lapse. Of course, this additional right comes at a price. The key feature of forward agreements, futures and options is that they provide insurance against the risk of financial loss on other deals due to exchange rate movements.



CRISIS, CRISIS, CRISIS

The toll of jobs lost since the 1984-85 strike has now topped 150 000

Miners shafted

The dismantling of the coal industry is now a reality; but the regeneration of the coalfields is a myth. David Armstrong reports from West Yorkshire

ohn has been a Yorkshire miner for fifteen and a half years. He is unlikely to make it to 16. 'I can only look forward to redundancy', he said. That was before the government announced its plans to close down another 31 pits (8 of them in Yorkshire), with the loss of 30 000 jobs nationwide.

Jim has moved from pit to pit. Everywhere that he's worked has been closed down. He was told that where he is now has '50 years' work'. But he has learned the hard way that 'no job is safe'. And these days, he says, there is 'no union and no solidarity. Today if you complain management can say "if you don't like it you can go down the road"'.

Just 'doggin on'

Hassle from management and the ever-present threat of closure has long since created a climate where everyone left in the pits has just been 'doggin on', waiting for their redundancy money. Even before the announcement of compulsory redundancies Tom reckoned that '90 per cent of the men would go if you offered decent redundancy money—they've had enough. You never know if you'll have a job tomorrow and the hassle from the managers is endless'.

These men live around Wakefield in West Yorkshire. There used to be 20 collieries in the area. Today there are just three. After the latest closures there will be none. In this area alone 16 000 jobs have been lost from mining and related industries over recent years.

Even before the latest announcement of sweeping closures, British Coal had shut 119 pits with the loss of around 130 000 jobs since the end of the 1984-85 strike. It amounts to the destruction of an entire industry and the communities which depended upon it.

With 'no union and no solidarity', miners can't see any way of defending jobs. Pit closure and redundancy are seen as an inevitability. Many have accepted voluntary redundancy when it's been offered, preferring to get out rather than put up with the heavy-handed tactics of management or stay in an industry with no future by taking a transfer to another pit with no future.

John thought he had 'no future at all' either inside or outside the pits. In Knottingley where

he lives, a major employer, Rockware Glass, was announcing job losses. He could see no prospects for ex-miners other than living 'on the dole or on the sick'. Jim was of the same opinion. Mining villages and towns would 'never be the same' there would be 'no jobs in the future'. Geoff had had enough and was 'getting out whether it closes or not, but I'm scared stiff, I've not got a clue what else I can do'.

So what do miners do when they leave the pit? Tony was made redundant from Frickley colliery in South Elmsall in 1985. He hasn't worked since. 'There were plenty on the dole and I knew nothing but mining.' Bob took voluntary redundancy from Kellingley colliery in 1988 because he was 'tired of management'. With his redundancy money he set up a small business fitting kitchens. This folded. He thinks his prospects are 'bleak'.

Ken took voluntary redundancy from Allerton Bywater colliery in 1990. For the last two years he's worked as a lorry driver. But he doesn't like to speculate on his employment prospects which 'depend on the building trade'; 'nothing is secure these days'.

Adrian took voluntary redundancy from Kellingley in 1988. His experience since is typical: a series of temporary jobs interspersed with long periods of unemployment. One temporary job Adrian did was as a miner for a private contractor. Contract miners are only taken on for specific jobs and can be hired or laid off on a day-to-day basis.

No regeneration

Alan is a contract miner. He says that 'miners hate contractors because they threaten their jobs'. Most contract miners are men who took redundancy to escape the uncertain future of pit life. When the redundancy money ran out, they ended up back in the pits working on an even more insecure basis, for less money. Now they face the dole again.

British Coal Enterprise is supposed to be helping to regenerate the coalfields and find work for ex-miners. Its adverts claim that it has helped to produce more than 75 000 jobs in coalfield areas 'over one job per hour every hour'. Those hours seem to have passed by redundant miners in West Yorkshire. Wakefield

district has suffered levels of unemployment above the national average since the start of the closure programme. In Castleford, a local town, the majority of the working population used to be employed in the mines. Today all the five mines that used to surround the town have gone. The last one, Allerton Bywater, shut in February with the loss of 790 jobs.

The truth is that the regeneration of coal mining areas is a myth. There are two enterprise zones in the Wakefield area. Local companies simply relocated existing jobs there, to take advantage of the tax breaks on offer. Locals in nearby South Elmsall are scathing: 'Nothing's been done in this area that wasn't started before the pit closures', said one. 'Langthwaite Industrial Estate lost its enterprise status in 1991, so firms started moving out.' 'There's been no regeneration', said another, 'just bullshit'.

One new company

European Community assistance is supposed to be available to combat 'regional disparities' within the EC. In Castleford, the 'Five Towns Resource and Enterprise Centre' was set up with EC money. It provides facilities for starting up new businesses. Since opening up in 1989 it has only had one success, a company that repairs and services cash dispensers.

Some EC-assisted schemes have been more ambitious. Glasshoughton colliery used to employ 3000 workers. This had fallen to 500 by the time it was closed in March 1986. In the summer of 1989 plans were afoot for the renewal of the site as a £100m 'European Business and Leisure Park' which it was claimed would create 5000 jobs. This was the last that was heard of that scheme.

The replacement is the slightly less ambitious Glasshoughton Cultural Industries Centre, located in an old school building opposite the colliery site. It houses the Yorkshire Arts Circus, a publishing company whose organisers aim 'to develop self-confidence and give people a sense of their own worth'. Somehow 'self-confidence' and 'cultural industries' seem a poor substitute for ex-miners in need of a living.

Additional information provided by Suketu Naik.







Europe's rude awakening





Whatever happens to Maastricht, says Helen Simons, the dream of Euro-unity is over and things will never be the same again



Community's most reluctant partner, the consensus was behind the project. was complete without a piece on 1992 and no British newspaper was complete without its European section. In April's general election every major political party gave Europe the thumbs-up. In slump-ridden Britain, Europe appeared to many as the only positive way forward. Defence of the European Monetary System was the only economic policy that the Tories could come up with to solve Britain's ills. The adoption of Europe's social chapter was the only distinctive idea that Labour could muster. Even minor parties like the Scottish Nationalists hoped that a positive endorsement of Europe could lend legitimacy to their own rather feeble policies.

Just months later, the European dream lies in tatters. Today the

columnists and editors have stopped waxing lyrical about the prospects of a unified Europe and started asking if the EC can survive. The tide has turned against the European ideal.

Euroscepticism

Perhaps such sentiment is not unexpected in Britain. When Norman Tebbit gets a standing ovation at the Tory Party conference for slagging off Europe it is hardly startling. But when the same kind of sentiment is evident elsewhere in Europe then clearly something new is afoot. The Danish rejection of the Maastricht treaty and the narrow defeat of the 'no' campaign in France demonstrate that Euroscepticism is not confined to the back benches of the British parliament. Indeed it seems as though all the European visionaries have vanished. Even Europhile Jacques Delors has toned down his pro-Brussels message. And when the 'yes' campaigners in France use the fear of German expansionism as their main argument for Maastricht, it is clear that European idealism has few supporters.

Many people now ask how things could have changed so dramatically, so fast. But the question misses the point. To ask why the European train has been derailed is to assume that it was really on track in the first place. In fact, as Living Marxism has always argued, the notion that Europe could be a harmonious, united entity with one market and a single currency was a pipe-dream that mystified the real processes at work.

The best way to make sense of the current crisis is to appreciate that the smokescreen of European idealism has been dispersed. What we are now seeing is the other Europe, or rather, the real Europe—warts and all.

Pulling together

Despite the lofty idealism of its treaties, the European Community was always a pragmatic political arrangement between nation states that was mutually beneficial. The establishment of the community in 1957 through the Treaty of Rome was spurred on by the promise of protected markets and preferential trade agreements. Given the weakness of the postwar European economies, it made sense to try to work together rather than pull one another apart. Europe's economic success in the past 30 years demonstrates that under certain circumstances such a strategy could work.

The success of the EC was, however, predicated on the specific conditions of the past three decades. In the sixties, Europe was able to enjoy the full effects of the postwar boom. European trade expanded and new industries were established. By the end of the decade, the success of the

community meant that other European nations were fighting to get in.

In recent years Europe's success has had a different basis. When the world was thrown into recession in the eighties, the relative decline of the US economy meant that international competition became more cut-throat. The community enabled Europe to shield itself from some of these difficulties. Protectionist measures and state subsidies provided some cover for Europe's less competitive industries in the early eighties; and currency convergence and managed exchange rates within Europe softened the blow of a declining dollar as the eighties progressed. While all of Europe shared a common interest in managing the competition between member states, the EC could be an economic success story.

Altered landscape

But while the past achievements within Europe might have made unification seem inevitable, developments in the 1990s have altered the picture. The marriage of convenience which suited all the members so well in the past is now an inconvenience to some. The result is that the basis for compromise and political cooperation between European states has been undermined.

The end of the Cold War and the reunification of Germany changed the political landscape of Europe. In the past Germany was always seen as Europe's economic giant but political pygmy. In the Cold War years, growing German influence in Europe was masked by this perception. Despite the fact that Germany was the economic powerhouse of Europe, other leading European nations could at least make some pretence at an equal partnership with Germany. While Germany dominated economic affairs, France and Britain could console themselves by assuming the political leadership of Europe. For France, at least, this was a relatively successful strategy.

Germany's poodles

Today, however, the unified Germany calls the shots in Europe. As the recent role of the Bundesbank demonstrates, German economic policies already shape the entire EC. Increasingly, however, Germany is coming to dominate the political domain as well. When the EC recognised Croatia at the start of this year, it was an act inspired entirely by German foreign policy interests. In this climate, France and Britain are forced to swallow their political pride and act as Germany's 'poodles'. This is traumatic for nations which were once Germany's equals, and creates a potent source of tensions within the Community.

The other new development that has changed the harmonious European picture is the severity of the world economic slump. The present slump has had a differential impact on the European economies. Britain and Italy have been hit hard while Germany and France faced less of an onslaught. The effect has been to exacerbate tensions. While in the past the EC economies could in some respects cooperate against a common rival such as Japan or the USA, today the competitive pressure between nation states makes any degree of cooperation fraught with difficulties.

A closer examination of European industry reveals the problems. On the positive side, one EC member may cause disaster in another. The recent currency crisis illustrated the problem. In most of Europe it was possible to defend weak currencies by big increases in interest rates. In Britain, however, a massive hike in interest rates was politically problematic because of the peculiar fact that so many Britons buy their own homes. Such national differences make it hard for the European nations to continue to act as one.

Ultimately, however, the unavoidable problem is the wide variation in European productivity levels. The productivity of a nation shapes its competitive performance.

British economy made devaluation inevitable, forced the government's hand. Sterling was withdrawn from the Exchange Rate Mechanism (ERM) and the pound went into free fall. This process, of weaker economies being pushed outside established European frameworks, is likely to be repeated in the years ahead. It demonstrates the limits of cooperation and compromise within today's Europe.

All bets off

As Germany's emergence as a political power coincides with the arrival of economic slump, yesterday's European vision is no longer a useful guide. The idea that Europe can be a harmonious unified community is no longer credible. The amicable arrangements which European nations made in a different political and economic environment are not viable in the changed conditions of today. Instead, rows and tensions are set to characterise the new Europe.

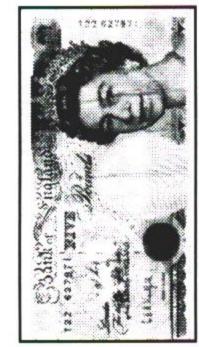
All bets are off for a unified Europe. But neither is it possible for Europe simply to return to the arrangements of the past, or to rerun old conflicts. New alliances and rivalries are set to reshape the face of Europe.

The countries at the heart of Europe could be pulled closer together around Germany, as the German economy gains strength relative to its rivals, and the economic division of labour is extended. It is already evident that a tight deutschmark zone embraces the Benelux countries, Denmark, Austria, and Switzerland. There is no reason why these more integrated economies can't pull together while the rest of Europe spins apart.

Hardcore France?

Even France could become part of the 'hard' core, if the French establishment is prepared to swallow its pride and tail-end the Germans. The vigour with which both France and Germany defended the franc in September demonstrated the strength of the Franco-German alliance. What is more, voting patterns in the Maastricht referendum suggested that the French elite is behind such a project, along with regions of France which are traditionally most suspicious of German intentions, such as Alsace and Lorraine.

As to the rest of Europe, it is clear that it's already in the second division. While also-rans like Britain would like to pull together with their old partners, they will find themselves pushed to the margins when the going gets rough. The feared two-speed Europe is not a model of the future; it's already here. And regardless of the final fate of Maastricht, Britain has no chance of promotion to the premier league in the foreseeable future.



New alliances and rivalries are set to reshape the face of Europe

the sheer scale of cooperation in the postwar years reduced the competitive pressures within the community. For example, in some industries a division of labour has been established. So despite all the dazzling achievements of the German economy, it has no major telecommunications industry. Certainly Germany had the capacity to build one but, whether by accident or design, it allowed the French the space and back-up to develop hi-tech telecommunications. As a result the French industry faces no significant German rival. In return, France gave Germany a clear run in industries such as machine tools.

Friends fall out

As a result, the EC went some way in reducing competition between national economies. But the integration of Europe's economy was not an extensive process. In many instances the competition between EC members is fierce and hostile as industries struggle to survive in today's shrinking markets.

For a start, even where a division of labour was established in a specific industry, it was never extensively pursued throughout the modern community. So, while France and Germany cooperated in the establishment of the French telecommunications industry, Britain was developing a rival industry in British Telecom. Other industries such as car production never even established a limited division of labour.

Another problem stems from the different composition of the economies of Europe. A policy that ideally suits

If productivity is high then
a nation's goods will be competitive
in world markets—and vice versa.
When recession bites, these
differentials in productivity take
effect. The most productive companies
will be able to ride out the recession
at the expense of the less productive
ones. This explains the differential
impact of the current slump.

Dog-eat-dog

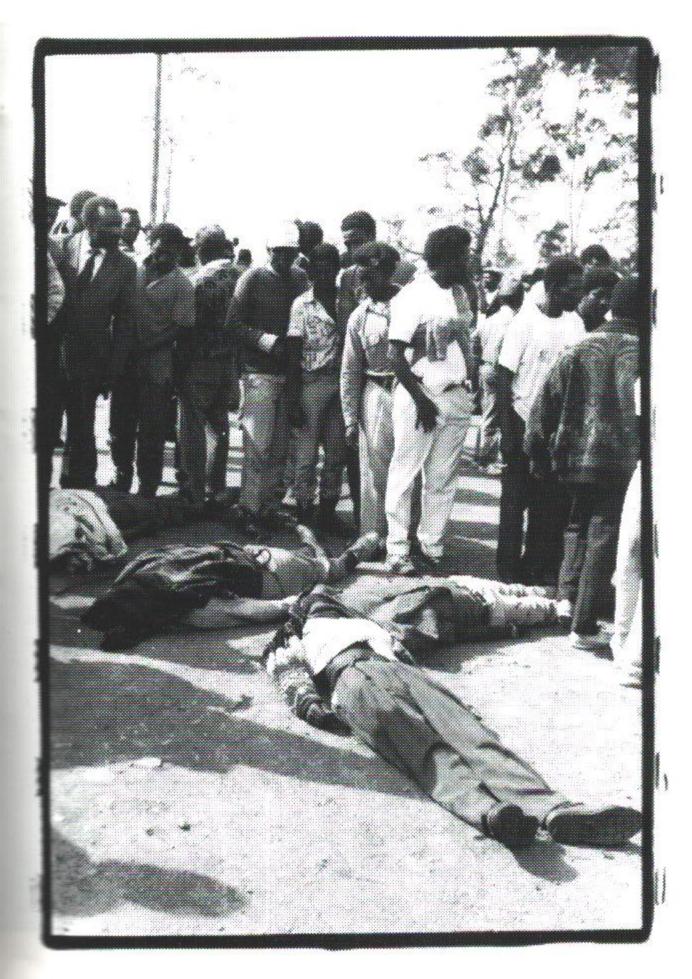
If Europe were really to act as a single economy, much of European industry would be devastated in the dog-eat-dog conditions of the slump. For example, British industry has experienced little real growth in productivity levels over the past decade, and is highly uncompetitive in relation to its more productive rivals. If they were forced to fight it out in a unified, open economy, the present slump could see German economic might wipe out British manufacturing. Faced with such a prospect, the instinctive response of a weaker nation will be to pull away from the unified economy and try to use national measures to shield its interests.

The recent sterling crisis is a case in point. Sterling came under pressure at the end of September because of the feeble position of the British economy. As the slump has unfolded, British goods have been exposed as uncompetitive, and British industry threatened with extinction. In the past, in such situations, British governments have allowed sterling to devalue in order to make British goods cheaper abroad. This time the financial markets, believing that the weakness of the

The massacre of militancy

The massacre of 29 African National Congress supporters on 7 September in South Africa's Ciskei 'homeland' was not the result of some trigger-happy Ciskei Defence Force soldiers running wild. The cold-blooded slaughter of unarmed protestors was the result of a trap laid for the ANC by the South African government.

Here, Russell Osborne reports from Bisho where he witnessed the carnage first-hand and took the photographs. Over the page, Charles Longford examines what was behind the massacre



isho, capital city of the Ciskei bantustan, is an armed camp just across the 'border' from South Africa. The place is only a few years old and comprises a collection of bizarre postmodernist buildings—government offices, a casino, a few supermarkets, an international airport and houses for the state bureaucrats who are the chief inhabitants of the place. A closer inspection reveals machine gun nests on the roofs and sandbags around doors and windows.

The protest march against Ciskei's dictator Oupa Gqozo began from King William's Town. We waited for it about half way to Bisho. The march route was dotted with roadblocks of elite South African paratroopers, backed by armoured cars and field guns to police unarmed marchers. Helicopters and spotter planes criss-crossed the sky. Riot cops lounged around with shotguns and plastic bullet guns.

When the march arrived it was huge, filling the road and spilling over into the bush on either side, and disappearing in the heat haze over the horizon. There were 80-100 000 people. The word was that Gqozo had been the best mobiliser for the event. His cops and soldiers had been beating and harassing all and sundry for months while he assured the world that the marchers would never reach Bisho-which made them all the more determined to do so.

The leading edge

The youth as always were at the leading edge, running through the veld, chanting and toi-toiying all the way. The ANC leadership up front included national figures like general secretary Cyril Ramaphosa, Chris Hani (South African Communist Party leader), Ronnie Kasrils, as well as all the regional leaders. Also present in large numbers were peace observers armed with little flags-no mass action takes place now without representatives from the National Peace Secretariat, the United Nations and the churches.

When the march arrived, we were swept along with the huge crowd, through the thorn bush at the side of the packed road and towards the Ciskei border. The veld to the left of the road was full of hundreds of youth. Somebody set the veld alight (popular theory is that smoke counteracts tear gas). Planes and helicopters circled noisily overhead.

A group led by Kasrils seemed to have found a breach in a fence four or five hundred yards ahead. To cheers all round, hundreds made a rush for the gap, bursting through and entering the stadium beyond, on Ciskei territory. They ran up a large concrete grandstand as if to occupy the seats, and the whole crowd continued to move forward at speed.

Sustained barrage

Then came the first sign that something was wrong. On the horizon behind the stadium a line of people in dark uniforms appeared. People near me said they were comrades, but they looked more like soldiers. Then a few deep booms, and the shocking sound of rapid automatic weapon fire. We all dropped on to the road. It was not a volley of warning shots but a heavy, sustained barrage that never seemed to end. People were stunned; could they really be pumping heavy-calibre bullets into a crowd of this size? ▶

A pile of dead

Reaching the area behind the razor wire at the border I asked if anyone was hurt. Somebody pointed to a pile of dead and wounded in a depression at the roadside. With a sudden shock of comprehension I saw that the whole area behind the wire was filled with people still lying on the ground. Leading ANC figures like Ramaphosa, Hani and Steve Tshwete lay on the road sheltering behind a solitary car with a bullet hole in its windscreen People I know asked me to drive the car back to the Red Cross post up the road.

Four wounded people were selected to be transported, and we started a crazy drive back through the thousands of retreating marchers. I sat on the horn but it stopped working almost immediately, so I zig-zagged through the huge crowds, screaming

'vula (open up) comrades, vula!' and jamming on the brakes all the time. Looking back at the people in the rear seat, I saw one had his skull partly blown away and the seat was awash with blood. I just concentrated on the driving after that.

At the Red Cross post, senior army and police officers stood around sunning themselves, and my demand that they use their copters to pick up the wounded provoked a blazing row. There were no provincial ambulances or doctors on the scene—the level of help was about what you'd expect at a big rugby match. The military and police were not particularly concerned to save any lives.

When I drove back down the road with two lawyers perched uneasily on the blood-spattered seats, the South African riot squad had formed a cordon around the remaining bodies. But there was still no official medical assistance in sight, nearly an hour after the first shots were fired. ANC leaders called for people to remain overnight at the sight of the massacre, and several thousand huddled in the bush as the sun went down.

Comrades who were in the stadium told us of the panic as the firing started. People flung themselves down the concrete steps to avoid the machine gun fire. Many were cut to pieces in a hail of bullets. Even Peace Secretariat observers had to dive for

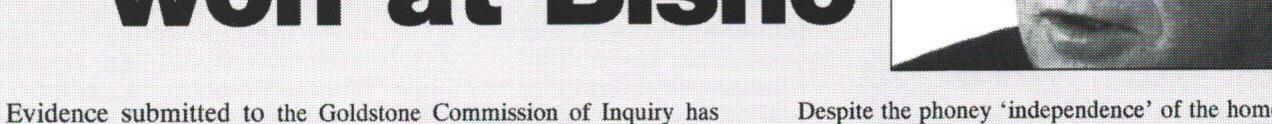
safety. Eventually taking cover in their state-provided armoured vehicle, they found it packed with Ciskei soldiers in fear of having their heads blown off by their own people.

Other marchers were shot well inside South African territory, hundreds of metres away from the notional border line. A pile of discarded shoes and clothing was evidence of the panic as the firing started. As marchers tried to flee back up the road, South African forces had closed the razor-wire barrier across the road. Many were cut to pieces. The first South African troops on the scene laughed and taunted retreating marchers.

Civil war

In the days that followed a low-intensity civil war broke out across the rural areas of Ciskei. Police and troops were attacked and their houses burned, while Gqozo's forces brutalised anyone suspected of supporting the ANC. Young and old were whipped or shot at if they showed their face in the street. The ANC obtained a court order prohibiting further assaults, but it had predictably little effect. King William's Town was packed with young refugees from the villages. Having escaped the murderous attentions of the Ciskei Defence Force, they were put under curfew by its big brother, the South African Defence Force.

What De Klerk won at Bisho



Evidence submitted to the Goldstone Commission of Inquiry has pointed to the Bisho massacre being a deliberate act:

- Two days before the massacre, the two Ciskei Defence Force (CDF) officers who would command the troops on the fateful day were seen surveying the area with maps and measuring sections of the road;
- Cartridges found at the site of the massacre had been left there after target practice carried out by the CDF the day before;
- On the day, a razor-wire barrier was thrown across the road to Bisho on the Ciskei side of the border, channelling marchers into the stadium;
- The convenient gap in the stadium fence, which was the only access marchers had to Bisho, was guarded by Ciskei troops who were hidden in the grass—until they opened fire;
- Of the 29 marchers killed, 16 were shot in the back;
- Black papers New Nation and City Press report that orders for the massacre came from the top in the South African regime.

Little wonder that many in South Africa believe that Bisho was a cold-blooded, premeditated slaughter of unarmed protestors. Whoever decided to fire the first shot, it is certain that the bloody hand of Pretoria was heavily involved in the events of 7 September.

Despite the phoney 'independence' of the homelands, South Africa runs the state machinery in Ciskei. In February 1991, months after seizing power in Ciskei, Brigadier Oupa Gqozo signed an agreement with South African foreign affairs minister Pik Botha. Through the agreement, the entire power structure in the Ciskei—the army, police and Gqozo's African Democratic Movement—came under the control of South African security force personnel. From then on, the 'independent homeland' of Ciskei became another department of the apartheid state machinery.

The minister of finance is Vice Admiral William Bekker from the South African navy. The commissioner of police is Brigadier Johan Victor, who was named by renegade security policeman Dirk Coetzee as a former commander of Vlakplaas, centre of South Africa's death squad activities; Victor was on the scene at the massacre.

The Ciskei Defence Force chief and chief advisor to Gqozo is Brigadier Marius Oelschig—seconded from the South African Defence Force. The Ciskei's military intelligence is headed by Ockert Swanepoel and his deputy, Hendrik Chris Nel—the main interrogator of captured Swapo guerrillas—both of whom have direct links with South Africa's counter-insurgency Civil Cooperation Bureau.



And last but not least, the two men in charge of the troops at the massacre were Operations Chief of Staff Colonel Horst Schubesberger, assisted by Colonel Jaco Roussouw-both former South African Defence Force officers who happen to be under contract to the CDF.

Nothing could have taken place in the Ciskei on 7 September without Pretoria knowing about it. Many commentators have picked up on this connection. The important question which the media has ignored, however, is this: what did FW De Klerk's government get out of Bisho?

Before the dust had settled in Bisho, foreign minister Pik Botha had blamed the ANC and the South African Communist Party (SACP) for the deaths. Next day he sent a memorandum to United Nations secretary-general Boutros Boutros-Ghali, urging him to send a representative to South Africa to demand that the ANC and SACP abandon 'any further provocative actions'.

The South African government used Bisho to broadcast a doublebarrelled message. First, that mass action does not pay. Second, that those advocating mass action were as much to blame for the massacre as those who pulled the triggers. Indeed, the implication of Botha's case was that the ANC/SACP were more to blame, since they had consciously set in motion a train of events to which the Ciskei troops had merely reacted. When the Goldstone Commission report placed equal culpability on the Ciskei Defence Force and the ANC for the deaths at Bisho, it put the seal on this interpretation of events.

The regime's aim has been to criminalise its more radical opponents, particularly leading figures in the SACP like Chris Hani and Ronnie Kasrils who led marchers through the stadium fence. By using Bisho to isolate these radicals and put pressure on the moderates in the ANC leadership, the government is seeking to force the opposition to make maximum concessions.

The defensiveness of the ANC and SACP in response to Bisho shows

how effective the government strategy has been. In all of the discussion, the ANC has had to justify its right to fight for freedom while the South African regime has been represented almost as an honest broker. Shortly after the massacre, De Klerk got what he wanted when Nelson Mandela agreed to reopen talks on a settlement, which had been suspended after the Boipatong massacre in June. By bowing to government pressure in this way, the ANC conceded, at least by implication, that they were wrong to relaunch mass action in the first place.

Bisho and its aftermath has shifted the balance of forces away from militancy and mass action. One of the most graphic illustrations of this has been the spectacle of former Communist Party chief Joe Slovo, once Pretoria's public enemy number one, now telling his party hardliners to make concessions because they are 'not dealing with a defeated enemy' and the seizure of power is not a realistic option (Daily Despatch, 2 October 1992). In calling for compromises through negotiations, Slovo has gone so far as to accept a constitutionally entrenched system of power-sharing for a fixed number of years; a deal on re-structuring the civil service (including the police and army) which takes into account existing contracts; and, remarkably in the wake of the Bisho massacre, a general amnesty for all those who disclose in full those activities for which they seek indemnity.

What Bisho has revealed, much to Slovo's surprise, is what should have been apparent from the start of De Klerk's so-called peace process. The regime has not been seeking a settlement acting from a position of weakness. It has been pursuing a ruthless strategy of moderating the black liberation movement while crushing those unwilling to compromise. The Bisho massacre has highlighted the stark reality of South African politics today. The ANC/SACP may be shocked and defensive about what is happening. But the South African regime has a clear idea of what it wants, and how far it will have to go to get it.

Queer culture has become as fashionable on the gay scene as the Kinky Gerlinky club. Hugh Mitchell and Kayode Olafimihan check it out

erek Jarman considers himself a 'queer artist'. Tom Kalin's new film Swoon is said to be 'queer cinema'. Writer Isling Mack-Nataff celebrates the 'queer aesthetic'. Sussex University offers a course on 'queory'. Trendy cultural magazines such as Sight and Sound run features on 'queer culture'. But what exactly is queer? How does it relate to the lesbian and gay movement? And, more importantly, how does it relate to the concerns of homosexuals?

A conference on 'New Queer Cinema', hosted by London's Institute of Contemporary Arts, seemed to be a good place to try to answer some of these questions. The conference attracted film directors, such as Jarman and Kalin, a range of mainstream cultural critics and a large slice of the lesbian and gay movement. Yet anyone who attended hoping to be introduced to the pleasures of queer would have been sorely disappointed. Far from throwing light on the nature of queer cinema, it was rather a conference in search of a subject. Even selfproclaimed queers were unsure about what they meant by it. 'I feel enormously uncomfortable', Kalin said, 'to be slipped through the filter of new queer cinema'.

Queer might be the new buzzword, but its meaning seemed as obscure as a post-postmodernist text. 'Are feature films queer?', asked one contributor. The audience debated whether video shorts were queer. Some argued that John Walters' films, featuring Divine and her carnival of perversions, should be considered queer. And what about David Lynch or Russ Meyer, some wanted to know, both of whom have a pretty queer view of heterosexuality? By the end it seemed that the simplest way to identify queer films was to cast an eye over any monthly programme of London's Scala cinema, which specialises in some very queer films indeed.

The one thing on which everybody was agreed was that whatever else it may or may not be, queer definitely is not gay. Queer studies lecturer Andy Medhurst suggested queer cinema was a 'Colinfree zone', referring to Michael Cashman's portrayal of the wimpy homosexual in Eastenders. In the queer world wimpiness is just not PC. Then again, a film laden with such Colin-like sentimentality as *Torch Song Trilogy* was still claimed as queer cinema by some



A queer s

(probably because it features the essential queer icon—a man in a dress). Given the queer necessity for being anti-gay, perhaps we could soon be seeing *Basic Instinct* (picketed last year by queer activists for its 'homophobia') given queer status.

For all the pretensions of queer politics to transcend the limitations of the gay movement, what was most striking about the ICA conference was that it replayed all the debates that have dogged lesbian and gay meetings for the past decade and more. Women complained that there was no 'space' for lesbian films within queer cinema. Activists questioned whether queer was simply white masculinist nationalism. Thirtysomethings claimed that queer cinema fetishised youth. And so on. The only thing new about new queer cinema was that nobody seemed to remember that we have had all these debates before.

The queer movement has arisen out of disappointment and anger at the limitations of gay politics. The past decade has seen a major setback for the lesbian and gay movement. Not only has Aids been the source of major tragedy within the gay community, but it has also become the focus for an anti-gay backlash. Suddenly, gays and lesbians found that the so-called gains made in the past two decades simply crumbled away. In the face of increasing public hostility and violence, many homosexuals were forced back into the closet. It was in this context that the queer movement was born.

In 1990 gay activists in New York formed Queer Nation. They eschewed respectability and what they termed the 'assimilationist' strategy of the mainstream lesbian and gay movement. Instead they flaunted their homosexuality and their differences with straight society. Queer activists would walk into ultra-straight bars, announce 'we will not be confined to gay bars when we socialise' and stage a mass 'kiss-in'. The night after a bomb blast in a Greenwich village gay bar, 1000 queer activists marched behind a banner which read Bash back'. The tactics of Queer Nation New York were emulated by other Queer Nation groups across North America. In Britain queer activists set up Outrage and organised stunts like the 'kiss-in' at Pccadilly Circus and a 'queer march' on Downing Street.

But behind the confrontational tactics of queer activists lies a pessimism and

fatalism that is as reactionary in its consequences as the search for respectability that they reject. Frustrated by the lack of advance for gay rights, advocates of queer simply make a virtue of their oppression. 'Queer', writes Richard Smith, 'is about recognising how different we are from straights' (Gay Times, May 1992). Accepting oppression as inevitable, queers make the best of it by insisting that they don't want acceptance. The queer insistence on difference is no radical assertion of gay rights, but mirrors traditional rightwing arguments that social differences are as inevitable as the natural ones we are born with.

In the absence of any broader strategy to challenge oppression, queer tactics serve only to raise hostility and further isolate lesbians and gays. Confronting straights in a bar is all very well in Greenwich Village or San Francisco; in Arkansas or Arizona it is a tactic that is likely to end up with you in the morgue. In an article in *Gay Times*, lecturer Alan Sinfield was forced to recognise how different the lives of queer activists are from the majority of lesbians and gays:

'I work at Sussex University. [The word queer] hasn't been used hostilely in my hearing in, say, 15 years. Of course there is prejudice, but people just wouldn't say anything so crude. I never see the *Sun* lying around—I learn about it from 'Mediawatch'. As well as the student union society, we have an English MA programme in lesbian and gay studies and an ongoing seminar open to all members of the university.' (May 1992)

From the 'academy', Sinfield observes, it is easy to forget the 'fears and aspirations of those who are differently situated'. For most homosexuals, the problem is not whether to attend a lesbian and gay seminar but how to survive in a hostile world.

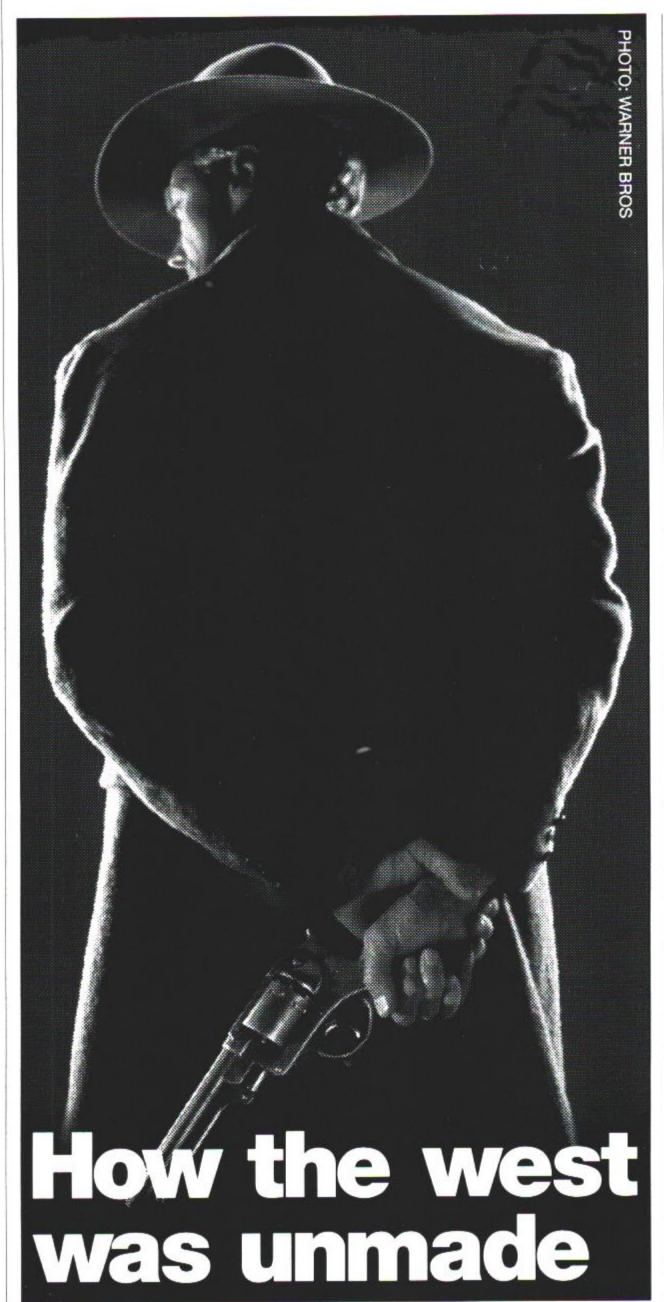
The advocates of queer appropriate the most problematic aspects of gay politics while ditching its positive elements. The gay movement based its strategy on 'coming out'—the idea was that by making themselves visible, lesbians and gay men could challenge oppression. Queer politics simply reforges the 'coming out' strategy in a more confrontational fashion. But while the gay movement, initially at least,

sought to locate the fight against oppression as part of a broader social struggle, the advocates of queer express a despair born out of the failure of that struggle. The queer assertion of 'difference' is an admission that there is no possibility of a common struggle with other groups in society.

Disenchantment with social change has meant that queer politics has increasingly turned to cultural struggle as a strategy for liberation. 'Culture', writes queer theorist Paul Burston, 'becomes both the object of study and the site of political critique' (Modern Review, October-November 1992). Queer theory for Burston, 'concerns itself with the ways in which cultural texts (books, plays, films, television, pop music, etc) help to shape sexuality'. While queer-bashers take to the streets in increasing numbers, queer theorists take to their armchairs to 'deconstruct' Eastenders and 'undress' Madonna. Despite its image of militancy and activism, queer is more removed from the real world than was much of the lesbian and gay movement.

The queer hostility to the lesbian and gay movement comes not from an aversion to its politics, but from frustration at its failure. As a result when queer activists demand to 'bash back', their targets are just as likely to be other gays as anyone else. Hence the queer tactic of 'outing'—threatening to expose closeted gay politicians and public figures. Elements of the queer movement have taken this political strategy to its logical conclusion. 'We will not tolerate any form of lesbian and gay philosophy', claimed the Toronto queer magazine Bimbox last year. 'We will not tolerate their voluntary assimilation into heterosexual culture...if we see lesbians and gays being assaulted on the streets, we will not intervene, we will join in.' Queers here join hands with queerbashers in a common assault on lesbians and gays.

Lacking a vision of the possibility of changing society as a whole, the assumption of queer politics is that equality is simply aping 'white, heterosexual values'. Equality, for queers, is itself a form of oppression. A movement which promises radicalism, ends up by proclaiming the most reactionary message of all—that there is nothing that can unite people, whether straight or gay, in a common struggle for sexual and social equality.



As Clint Eastwood's new film *Unforgiven* wins critical acclaim, Graham Bishop examines the role of the western in American life

mages of the old west seem like a permanent feature of American political life. Looking for a metaphor to illustrate his campaign to revitalise America, maverick Texan Ross Perot promised to 'clean out the barn'. He figured, too, that peddling a fictitious story about a youth spent breaking wild horses would be a vote winner. George Bush is constantly rattled by his New Hampshire, country club Waspishness and prefers to highlight his tenuous Texan connections. Hillary Clinton became embroiled in a shoot-out over

the folk wisdom of country crooner Tammy 'Stand by Your Man' Wynnette. It seems the wild west can trap the American psyche like a steer on a Santa Fe railroad cowcatcher.

While politicians continue to evoke the memory of the wild west as a metaphor for rugged Americanism, it is, however, an image that is increasingly at odds with the popular presentation of America's past. Clint Eastwood's new film Unforgiven has justly won wide critical acclaim. Yet it is a work that undermines popular myths about frontier life. Eastwood recreates a world in which life was nasty, brutish and short. It is a film that makes you grateful for flush toilets, roadside motels and factory farming. Eastwood's wild west is a world, not of heroes and myth-makers, but of sadistic killers who pay writers of penny-dreadfuls to fabricate their pasts. It is a world in which guns misfire and ageing gunslingers fall off horses. It is above all a world in which good and bad are inextricably intertwined, a world at the heart of which lies a dark and terrible violence.

Unforgiven is the latest stage in the demythologising of the west. Over the past four decades, as the meaning of American identity has become increasingly fraught, the capacity of the western to embody the national myth has crumbled. In the hands of directors like John Huston, John Ford, Sam Peckinpah, Sergio Leone and Clint Eastwood, the western has become an expression, not of national greatness, but of national anxieties.

The myth of the west developed out of the need to establish a national consensus. In pre-civil war America, the National Republican Party seized on popular resentment of the Indian role in the war of independence and their supposed association with northern Democrats, whom many regarded as a vehicle for British aristocratic interests. Long before the Indian wars, 'the redskin' had become the villain of popular fiction. Music hall performers and novelists like James Fenimore Cooper made contemporary stars out of Indian-killing roughnecks. By the beginning of this century the frontier myth had become central to the American self-image. With the dawn of the Hollywood age, the genre spawned thousands of successful movies and became a metaphor for all things American.

As Gary Cooper and John Wayne rode off into the sunset they exuded a sense of a nation at peace with itself. The western created a moral universe which clearly established the distinctions between good and bad, between American and un-American. The nononsense, but kind-hearted, individual frontiersman would sort out the wrongdoers every time. Bad guys, conveniently

poker-faced and clad in black, would end up behind bars or on Boot Hill. The western lent nobility and historical depth to the American dream, an Alger Hiss story with a six-gun. By the 1950s the moral struggle in the frontier towns could symbolise both America's role as world policeman and the need to be vigilant against the red menace. From here on, however, the western myth became increasingly fraught.

Vietnam, racial conflict and urban decay all led to increasing questioning of the American dream. This cynicism became projected on to the western. Themes such as the loss of innocence, the moral ambiguity of good and evil and an ambivalent view of violence suffused the films from the fifties onwards. John Ford's classic, The Searchers (1956), showed John Wayne on a quest motivated entirely by a poisonous racist hatred of Indians. Long before Kevin Costner danced with the wolves, films like A Man Called Horse (1970) endowed Indian culture with a validity of its own. Sergio Leone's 'spaghetti westerns' (which made a star of Clint Eastwood) depicted life on the US-Mexican frontier as one long amoral body count.

Clint Eastwood has taken this demystification of the western still further. His first major Hollywood western, High Plains Drifter (1972), revealed small-town America as rotten to the core. Eastwood went on to explore the ambiguous relationship between good and evil in urban westerns like his Dirty Harry films, in which the distinction between justice and blood-lust seem paper-thin.

Unforgiven brings together the corrosive effects of four decades of the revisionist western on the same screen. Few taboos are left untouched. Eastwood tells American audiences that their popular history is a lie. He skilfully forces his audience to identify with amoral characters in totally bleak surroundings, not least the Alberta skyline against which the film was shot. Unforgiven is a darkly pessimistic film in which the central character, William Munny, (played by Eastwood himself) escapes his former life as a drunken gunslinger only to be drawn back into the cycle of violence that has blighted his life. Eastwood's message is that, whatever you do, you cannot escape the dark side of your nature.

Eastwood's return to the western form has resurrected the perennial debate on whether the western is dead. In fact what has died is not the western, but the ability to project in an unambiguous way the myth of good and evil, of American and un-American, that the genre traditionally embodied. In a nation fractured by racial divisions and beset by anxieties of the future, simple morality tales are not convincing. As *Unforgiven* shows, in today's America the western can no longer embody the myth of the west.



Made in Hong Kong

t seems the BBC loved TV Hell so much they couldn't bear to finish it. Their current drama output is Trainer, Eldorado, House of Elliot and Eastenders. A whole season in hell. Spare a thought for the TV critic who can't find anything to watch. At least not in this country. In Hong Kong, it is a different matter.

The capital of Capital is glued to a series of late-night films called *The Mysteries of Hong Kong*. The format is loosely that of the old *Twilight Zone*; the production values are low—a lot of hand-held video, synthesiser music and actors bawling their lines, but the stories have emptied the busiest streets in the world, night after night.

Sometimes, of course, low production values can be a plus. One episode—'Welcome to the House of Fun'—looks and sounds like it was shot on a domestic camcorder. It opens with the comic image of lots of dads ushering their children into a theme park while videoing them, getting them to act out their pleasure at arriving, to look frightened in front of the plaster cast of Godzilla and so on.

The camera pays special attention to one child and we deduce that we are seeing the video playback of one of these dads. The only dialogue is his comically loud muttering about the condition of his batteries and the instructions he gives his child. There is then a scene inside an adventure playground where the father is shouting to the child to come down the slide, into shot. The child does not appear. The camera goes off for a while. Then comes back up on a similar scene. The child has still not appeared.

Gradually you become aware of the fact that the adventure playground is full of fathers shouting for their children and that none of the children is appearing. The picture is inverted as our cameraman runs round looking for his kid, forgetting to turn the monitor off. From this bizarre point of view we (but not he) see a child in a ball pool screaming first with pleasure, then with fear as it is dragged down by an unseen assailant.

The story is a straight retelling of a modern urban myth—the story of the systematic kidnapping of children from Disneyland. But the camcorder technique gives it visceral urgency something like the inserts in British true crime programmes. It makes it look real, which is the point of an urban myth—the teller always insists that it happened to their aunty Lou.

The interesting thing about this story is the emphasis it puts on the uselessness of the fathers. They are too preoccupied with their toy camcorders (which they don't even use that well) to look after their children properly and so their children disappear. Of course, people in horror films often act in a stupid way (I think there's a prowler in the cellar: I'll just go down there with a candle in my nightie, to be on the safe side), but here stupidity and uselessness is not just a device for getting the characters into danger. It is almost the subject of the film. The moment where we see the child disappear but the hero does not is one of exquisitely painful impotence for the audience. We know that the person with whom we are being asked to identify ourselves will never unravel the mystery. It makes you want to get up on the screen yourself. The painful pleasure of 'society as spectacle' is never more apparent than when you find yourself shouting 'he's behind you!' at someone who cannot hear.

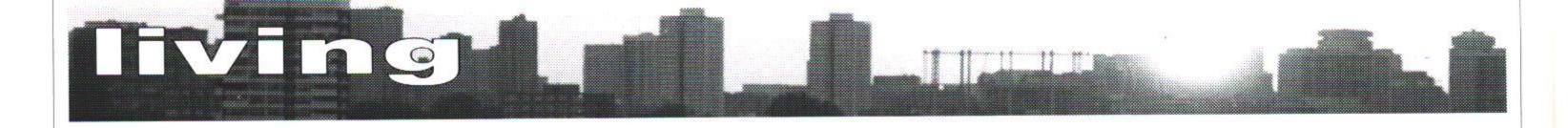
Like all urban myths, the disappearing child expresses and exploits real anxieties and guilts. And Hong Kong has got plenty to be anxious and guilty about. When the rest of the communist world has gone capitalist, this jewel in the capitalist crown is about to go communist. While worrying loudly about Chinese civil liberties, it is itself keeping people penned up in prison camps and pushing refugees out to sea. It's not surprising therefore that most episodes of *The Mysteries of Hong Kong* deal with conspiracies and invasions and dramatise a sense of panicky impotence.

The most extraordinary example of this is the wonderful 'Zombie Chicken Eaters'. This deals with the Hong Kong equivalent of a new man, who, in response to a TV documentary, decides to go demi-veg. He starts to eat a lot of chicken, no red meat and no fish. He was already pretty gentle but now he becomes positively feminine, becoming the chief cook and carer in the house, to the unease of his wife. She shares her anxieties at the hairdressers and we learn that half the population of Hong Kong is having the same curious experience. When she gets home, her husband has developed a pair of breasts. As have all the other men in Hong Kong.

A government scientist discovers that the cause of all this is the high dosage of oestrogen in the (factory-farmed) chickens. It is assumed that this is an accident but it turns out to be the result of a conspiracy led by a kind of evil Bernard Matthews who seeks to destroy the world by turning all the men into women. His assistants are all female. He will be the only source of human sperm left on the whole planet, a good monopoly to have. Apparently sales of chicken plummeted when this episode went out, and Chris Patten found himself once again in an administration threatened by the condition of chickens. Once again the main theme of food anxiety is the feeling of impotence. In the consumer society, individuals have choice but no control, even over something as fundamental as the contents of the food they put in their mouths.

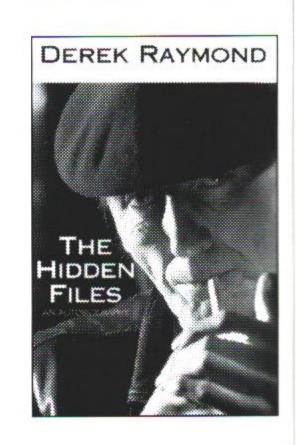
In all of the stories, Hong Kong is seen as a mesmerised victim. There are no heroes and few solutions. It is interesting how often these broad fears are linked with sexual insecurity. The case of 'The Zombie Chicken Eaters' is an obvious example. Another comes in the bizarre 'Exposure of the 50-Foot Bastard'. This is about a man who beats up his wife. She works in a chemical factory. She steals some growth hormone, meaning to make herself strong enough to hit back. He eats it by mistake and becomes a colossus.

The story has a gruesome, Swiftian wit. The huge man is constantly hungry and thus becomes grotesquely dependant on his wife. His secret crime is exposed to a respectable neighbourhood and he is disgraced. The other thing that is exposed, however, is his genitalia. There are no clothes that will fit him and it thus becomes clear to all that, even now that they have grown, they are disproportionately small. The film suggests that this is the root of his trouble. In a scene of vicious tragicomedy, he is laughed out of rage and into submission by a crowd of female neighbours. It's the bluntest, frankest and most disturbing expression of the most basic male anxiety I have ever seen. The Mysteries of Hong Kong uses B-movie material to explore and exorcise a whole range of shared nightmares in a way that makes most British TV 'realism' look like compensatory fantasy.



Rebel in crime

Derek Raymond's crime stories are a furious rant against the narrow confines of British society. But how long, asks Andrew Calcutt, can he remain an outsider?



sorts of things to you which I honestly couldn't say to the tabs or even the heavy Sundays.' Derek Raymond lived up to his word, not least by declaring, 'I hope the royals fuck themselves out of a job'. After a turbulent half-century, six marriages and a name-change, he's still a rebel spirit.

Raymond was born Robert Cook in 1931. 'As soon as I could think', he says, he rebelled against his upper middle class background: 'George Orwell was the only other person who hated Eton as much as I did.' In his early twenties he escaped to America. He returned to England in 1960 and into a very different kind of life: 'In no time flat I was working for villains. A kind of front man for their operations. I didn't have a police record and I had the right accent for banking, meeting MPs or other punters.'

These eventful years ('Winds of change? It was a fucking hurricane, force nine') provided the material for a series of angry novels, published under the name Robin Cook. The first of these—*The Crust on Its Uppers*—has now been reprinted by Serpent's Tail.

The tale of a high class con-man, *The Crust on Its Uppers* is written in a mixture of Whitechapel villain-speak and Chelsea posh-talk: 'I made a hybrid of our language and theirs. When it came to cutting up the proceeds or just discussing operations in a general way, they'd speak their language and we'd speak ours, and before you could say knife, the two, anyway in my mind, coagulated.' The effect is all the more brutal because it is also camp.

Raymond recalls his days fronting for criminals as 'one of the most interesting experiences I could have had'. 'If you want to see how the police work, the thing to do is to be grilled by them. It's no

use touring round with them in the back of a car. They can't say in front of you what they would say to each other: "nick the cunt". When you've got information which they badly need, then you see them as they really are. "Want a cigarette, son? Well, you can't fucking have one." Under the bright light for 17 hours.'

Raymond always saw himself as a writer: 'I happened to be a villain like I happened to be a minicab driver or any other of the peculiar jobs I've done. Ultimately I always wanted to write about whatever I was doing'. He regards writing as an out-on-the-edge activity. 'If it wasn't risky, dangerous, it wouldn't be very exciting to do. In I Was Dora Suarez I attempted to get into the mind of a serial killer and it left me feeling covered with shit and frightened for my reason.'

Raymond reckons that his class background allowed him to 'explode the grenade in the drawing room'. 'With so much effect', he adds, 'that my early novels were snuffed out'. He speaks contemptuously of the 'national genius for not looking at what is staring you in the face'. Raymond was forced to embark on a long period of exile.

While Britain rejected Cook, the French public feted him. In France he wrote four more novels, bleak tales of sick killings in a morbid society. 'The irony of my earlier books', he says, 'was replaced by despair, grief and alarm'. The unnamed protagonist in these books is based at a central London police station, known as the Factory. He is another rebel figure: 'a revolted copper, as the French would say. Which is why he didn't get on very well, except with one or two other revolted coppers.'

When Cook tried to publish the Factory novels he found that his own name had been gazumped by another Robin Cook, the American author of

Coma. Thus was born Derek Raymond. Cook\Raymond is finally achieving recognition in this country, and not before time. But here's the rub. In celebrating Raymond as an icon of angst, the British media have begun the process of sanitising his output.

Two years ago, the Sunday Correspondent rediscovered Raymond in a magazine feature written by former New Musical Express semiotician Ian Penman (latterly a sub-editor for TV Quick). The Correspondent piece featured a portrait of Raymond-the-bohemian: beret, hands cupped around a cigarette, face lit by the glare of a match. This image has already become a cliche of the Soho dypso. And the more it is reprinted—for example, on the jacket of Raymond's newly-published memoirs, Hidden Files—the safer it becomes.

Channel 4 will present a toned-down version of the Factory novels next year. The BBC may 'do' *The Crust on Its Uppers* as a sixties period piece. In August the British Council paid for Raymond to go to Berlin where he read from the forthcoming Factory novel *Dead Man Upright*. Derek Raymond is being stiffed—set up as an acceptable rebel.

Raymond is resigned to the sanitisation of the Factory by Channel 4. 'I've got no other source of income', he says, 'so let's just hope it's a bit less crappy than Crossorado'. He intends to 'go on shouting from the back of the bloody hall'. But there's never been an outlaw-writer, however sharp, who could stop the media Factory processing his work and sterilising his persona. The revolt of the lonely rebel always ends up as a prepackaged style. That's the way the crust crumbles, even for Derek Raymond.

The Crust on Its Uppers, Serpent's Tail, £7.99 pbk

Hidden Files, Little Brown, £15.99 hbk

THE

NARXIST REVIEW OF BOOKS

James Heartfield looks at how the slump is squeezing the American middle class and eroding the Republican majority

An American nightmare

Books discussed in this article include:

Marching in Place: The Status Quo Presidency of George Bush, Michael Duffy and Dan Goodgame, Simon & Schuster, \$23 hbk

America: What Went Wrong? Donald L Barlett and James Steele, Andrews & McMeel, \$6.95 pbk United We Stand: How We Can Take Back Our Country, a Plan for the Twenty-First Century, Ross Perot, Hyperion, \$4.95 pbk

America's election has sorely tested the old Republican majority, with the Grand Old Party's natural constituency protesting at the squeeze on the middle class. Although the populist mood has been pronounced in this election, it would be wrong to conclude that the slump is the only factor that has reshaped the American political scene. In fact, the economy has come to the fore precisely because of the eclipse of America's world hegemony. It is the end of American pre-eminence that has broken the common outlook of the ruling class and middle America. As the arguments reviewed here show, working class fears of recession are still expressed in the middle class outlook popularised by the Republican Party.

In Marching in Place, Michael Duffy and Dan Goodgame, White House correspondents for Time, tell an extraordinary story of the sheer eccentricity of the Bush presidency. Sticking with the president since his crushing defeat of Michael Dukakis in the 1988 election through to going to print just as Ross Perot threw his hat into the ring in the summer of this year, Duffy and Goodgame give a good account of the character of the president of the world's most powerful country. Despite their desire to see the best in Bush, the portrait that emerges is of a president cautious to the point of inactivity.

Marching in Place reveals how Bush's attempts to maintain the international status quo—from appeasing Yuri Yanayev's joke coup in the Soviet Union, to leaving the southern Shiites to face Iraq's republican guard—leave patriots little to be proud of. In America: What Went Wrong?, Donald Barlett and James B Steele voice the fears of recession that predominate as pride in America's standing abroad dwindles. The book is a series of articles published by the Philadelphia Inquirer in 1991 recording the massive gap between the rich and the 'middle class'.

What went wrong?, packed as it is with an impressive array of comparative statistics, offers a particular view of the American recession. It is the recession as experienced

by the working class—or at least the white majority of the working class—but understood in middle class terms. So the book is preoccupied with middle class concerns like taxation, 'unfair' foreign competition and lawyers' fees.

Seeing the recession as a 'squeeze on the middle class' is no anachronism. Democratic challenger Bill Clinton has made use of the arguments in *What Went Wrong?* to great effect. The sentiment that middle America is hurting has transformed Clinton from a sleaze merchant into the figurehead of a populist protest against the paralysis of the Bush administration.

The extent to which the political response has been dominated by middle class concerns is best summed up by the rogue candidacy of Ross Perot. His programme *United We Stand* is a cranky mix of homespun wisdom—like: 'instead of swatting flies in the kitchen...focus on the gorilla charging up the front steps' (p9)—and a middle class desire to leap over the fiscal and political deadlock.

The overwhelmingly middle class character of the response to the recession should not be taken at face value. In all of these books 'middle class' is used to mean people in the middle, working people who are not deprived and not rich. Barlett and Steele define the core of the middle class as those on between \$20 000 and \$50 000 (between about £11 750 and £29 500). Given that this is about 35 per cent of the population, the people they are talking about are wage earners, skilled maybe, but not really the small businessmen the term implies in Britain.

The difference is not semantic. It is a legacy of the way that the American ruling class has related to the core of the working class that the latter are imbued with a middle class outlook. It is the tension between that middle class outlook and the experience of the slump that has shaken the Republican majority. At the same time, and because the core values of that middle class outlook have never been challenged, there is tremendous scope for reaction within the squeezed 'middle classes'.

THE MARXIST REVIEW OF BOOKS

To understand the grip of middle class values upon the American working class you have to go back to the creation of the Republican majority in the late sixties. In his book, *The Emerging Republican Majority*, Nixon adviser Kevin Phillips explained how the Republicans had won the 1968 election, reversing the presumed ascendancy of the Democratic Party. Nixon had worked out that there was a mismatch between the liberal spending programmes of the Democrats and their white working class voters—and he exploited it to the full.

Nixon realised that the core of the Democratic vote was no longer made up of outsiders, but white Americans with a measure of job stability, homes of their own and a love of country. By and large these were the grand-children of immigrants, but now they considered themselves to be white Americans. The Democratic Party had been a vehicle for their parents to make the transition

Nixon appealed to the 'silent majority' who did not protest, riot and demand social security

from outsiders to Americans, so their traditional allegiances were Democrat. But those allegiances were weakened by relative prosperity. In particular, Democratic voters who moved out to the suburbs, or to the more prosperous west coast and, later, resurgent southern states, often left their political allegiances behind them in the cities of the industrial north-east.

Intuitively the Republicans realised that they could open up the gap between the aspirations of Democratic voters and the Democratic Party by talking, albeit in a coded way, about race. While the party was concerned with integrating blacks to calm the inner-city disorder, the majority of Democratic voters felt themselves to be quite integrated enough already and unwilling to share their place in the sun. Nixon appealed to the 'silent majority' who did not protest, riot and demand social security. Nixon won back the presidency for the Republicans, who have held it subsequently on similar terms in all but one election.

The consolidation of the Republican majority was the consolidation of middle class values among a significant section of the white working class. The Democratic Party was portrayed as an alliance of the black poor and the liberal east coast elite, the former dependent upon welfare, the latter determined to make working Americans pay for their liberal consciences. It was a potent mix that appealed to the white working class's sense of having made it as home-owners and tax-payers.

Patriotism was the glue that held the alliance of middle America and the ruling classes together. As long as America walked tall, white Americans could identify their relative prosperity with success abroad. Indeed, it was precisely the hegemony of American capitalism in the postwar period that allowed the US elite to relate to its population without going through the embarrassing experience suffered by European ruling classes of having labour represented in the cabinet. The right also used

patriotism in the negative sense, identifying America's war against insurgents abroad with the war against the black inner cities at home.

Taxation has always played a special role in the consolidation of a property-owners' outlook among suburban Americans. In the late seventies Californian suburbanites launched a tax revolt to protest at the taxes they paid for the upkeep of the inner cities. Underneath the tax revolt was a racial identification of welfare spending in the cities with blacks. White suburbanites acted to defend their property against the drain of urban spending. The anti-tax Proposition 13 laid the basis for Ronald Reagan's election in 1980 on an anti-spending ticket.

Reagan's running-mate, George Bush, was, as Duffy and Goodgame point out, not a natural Reaganite, but an east coast liberal Republican who chose to ally himself with the populist right wing. It is characteristic of George Bush that when first challenged to explain how he could justify running with Ronald Reagan after having attacked his supply-side economics as 'voodoo', he denied saying it—until the video-tape of the comment was repeated on television (*Marching in Time*, p68).

By the spring of this year the Republican majority had begun to fall apart under the impact of the recession and the end of the Cold War. The tremors were being felt in the contest for the Republican nomination. Right-wing challenger and former Reagan speech-writer Pat Buchanan gave Bush a scare in the New Hampshire primary, winning 37 per cent of the vote. Buchanan's campaign made two issues central: taxation and patriotism. 'Read my lips', Bush had promised in 1988, 'no new taxes'. That was an appeal to the middle class politics of the Republican majority. In practice, Bush had to deal with the budget deficit and cobbled together a deal with congress—a disadvantageous one in Duffy and Goodgame's reading—that allowed further taxation in exchange for cuts. Now 'No new taxes' was a demand that was being used against Bush, where in 1988 it had helped him win the election.

Patriotism, too, seemed like an issue that could only favour a Republican president, especially one who had just 'won the Cold War' and defeated Saddam Hussein. In the event those victories were pyrrhic. The Cold War held the Republican majority together. It mobilised Americans around a foreign policy strategy. With the less clear-cut moral universe of the post-Cold War era patriotism came to mean looking after your own instead of gallivanting across the globe. Buchanan dusted off an old Democratic slogan—'Come home America'—and threw Bush on the defensive.

The Republican majority was disintegrating. Opposition to big government and love of country were now sentiments that counted against George Bush. As long as they were being voiced principally by right-wing Republicans like Pat Buchanan and Jack Kemp the problem was containable, but with Ross Perot's maverick candidacy the tensions in the Republican camp were given an external focus. Furthermore, Bill Clinton's advisors were working overtime to make a pitch to the middle class vote.

America: What Went Wrong?, the book that Clinton's campaign team has been poring over in the pursuit of the middle class vote, gives a real insight into the impact of the recession on the people who once would have been the

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backbone of the Republican majority. The book records the impact of the recession on the American working class while filtering that experience through the outlook of the middle class. Opposition to taxation becomes directed not primarily at the 'welfare dependent' but at big business and government.

Barlett and Steel point out that the tax reforms of the Reagan era favour the very wealthy while hardly affecting the middle class. So the 1986 reform saved people on between \$20 000 and \$40 000 just 11 per cent, or between \$300 and \$467, while those earning between half a million and a million dollars saved 31 per cent, or \$86 084. Further they write that the top four per cent make as much as the bottom half of US workers. These sorts of statistics used to be cited in favour of welfare redistributionist policies. But What Went Wrong? has a different argument: The wage and salary structure of American business, encouraged by federal tax policies, is pushing the nation towards a two-class society.' (pix)

Blaming tax policy for social division stands reality on its head. The system of taxation only reflects the class divide. That the United States has moved towards a regressive taxation system might indicate how far the argument of tax-breaks for business has gone, but the real exploitation occurs in the difference between take-home pay and profits. Concentration upon taxes illustrates just how much the debate about policy is conducted in the terms of business.

However, what Barlett and Steele record is primarily the difficulties of the American working class, or at least that section of the working class that has until now kept hold of the American dream. Those difficulties strain the middle class self-identity of working Americans as the recession forcefully reminds them of the limitations of their position. What Went Wrong? devotes chapters to the raids on pensions and collapse of medical insurance that have compounded the perception of a suffering middle class. The fact that medical and pension insurance were characteristically private enterprises in America is indicative of the way that American workers came to identify

with the free market. As companies are raided for their pension funds, leaving retiring employees defenceless, or engineered bankruptcies relieve employers of medical insurance commitments and saddle workers with huge health bills, the illusion of middle class prosperity is strained.

The tensions within the middle class outlook that secured the Republican majority have cost Bush a lot of heartache. It would be wrong to conclude, however, that American workers are about to respond according to their class interests. The perception of the recession is still overwhelmingly shaped by a middle class outlook. What has changed is that that outlook no longer reconciles American workers to the Republican Party automatically.

The ideas expressed in America: What Went Wrong? and even Ross Perot's United We Stand appear to be progressive in so far as they are pointing the finger at the failures of the American establishment. However, the reactionary potential of this kind of response is marked especially in connection with nationalism. In both books, government is derided for selling out American industry to foreign competitors. Perot's concern is with the legislature and the political lobbying system which he sees as corrupt and prey to Japanese lobbying. Barlett and Steel condemn the free trade agreement with Mexico for shifting jobs south of the border, and tax breaks for promoting a foreign buy-out of American industry.

The picture painted of big government as an occupation force for foreign interests presents the slump in middle class terms. It is also a picture that favours reaction—especially attacks upon working class living standards in the form of welfare cuts and attacks on public sector workers. In a recent election debate, Democrats Richard Gephardt and Jerry Brown blamed competition from Japan and Mexico for the loss of American jobs. Right-wing republican Jack Kemp—hot tip for 1996 turned on his opponents and won the audience round by telling Gephardt and Brown that they had identified the wrong global enemy: it was not Mexico or Japan, but Washington DC.

Frank Füredi reviews some recent writings on history and explains why the past is contested so fiercely

Contesting the past

Books discussed in this article include:

Return to Essentials; Some Reflections on the Present State of Historical Study, GR Elton, Cambridge University Press, £16.95 hbk

The Powers of the Past; Reflections on the Crisis and Promise of History, HJ Kaye,

University of Minnesota Press The Pristine Culture of Capitalism: A Historical Essay on Old Regimes and Modern States,

EM Wood, Verso, £34.95 hbk, £11.95 pbk

Contemporary society is very much oriented towards the past. We live in a world where historic anniversaries are treated as news. The meaning of anniversaries—such as the voyage of Columbus to America—are fiercely debated. Even current events, like the war in Yugoslavia, are discussed in the language of the Second World War.

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The celebration of the past, particularly the national past, is central to the ideological project of the conservative right. For conservatives, the past provides direction for the present. They are particularly concerned that the interpretation of the past should uphold the values that they advocate today. GR Elton's lectures on history are an eloquent call for a nationalist historiography.

To win respect for England, Elton is quite ready to rehabilitate the Empire

Elton argues that since our identity is determined by the past, history is crucial for shaping society's self-image: 'If we try to ignore history or drive it from our minds we lose our communal memory' (p5). Elton's warnings about ignoring history do not pertain to history in the abstract. His history is one that rekindles 'respect for a country whose past justifies that respect'(p91). That country is England (not even Britain).

Confronting the new social fear of change is not an easy undertaking

Elton understands that a usable past is one that is unambiguously positive, so he makes little effort to hide his apologetic intent. To win respect for England, Elton is quite ready to rehabilitate the Empire. Pointing a finger at post-colonial societies, he claims that they have 'killed far more people in previously imperial territories than 200 years of building those empires ever destroyed' (p45). The conclusion which Elton invites is devastatingly simple; the Empire was morally good, the English have nothing to be ashamed of, long live England!

Harvey Kaye's lucid essays provide an ideal counterpoint to Elton. Kaye provides a well-balanced, comparative account of the debates around the theme of history in Britain and America. His American material is particularly useful for grasping the attempt by conservatives to achieve ideological coherence. Kaye argues that the so-called crisis of history is actually 'an expression of an even deeper and more extensive historical crisis' (p41). The social crisis is experienced at the level of ruling class subjectivity in terms of an absence of vision and direction.

Kaye suggests that the attempt to rehabilitate tradition and nationalist history has failed to have the desired effect. He argues that in neither Britain nor America has the 'New Right accomplished the articulation of a new, confident and optimistic, national grand-governing narrative' (p124). The right's inability to elaborate a viable intellectual dynamic does not mean that conservatism has no influence. The very attempt to initiate this project is symptomatic of the relative confidence of the right and the defensiveness of progressive currents.

Kaye is acutely aware of the relative decline of critical thought. His book concludes with a chapter that suggests that the issue is not the counterposition of one form of history to the conservative variety. The real issue is winning the argument about the plausibility of change. He concludes that 'it is a matter of confronting the sense of impotence and the belief that action, especially political action is futile' (p149).

Confronting the new social fear of change is not an easy undertaking. Kaye's own preference for reasserting the vision 'which drew so many of us to the discipline in the 1960s and early 70s' (p150) is unlikely to find much resonance. Possibly we need less 'reasserting' and 'rethinking' and more starting afresh. Whatever the best solution for developing critical thought, Kaye's essay offers a discussion that needs to be addressed.

Ellen Meiksins Wood's *The Pristine Culture of Capitalism* demonstrates that good history is still being written. This text provides a critique of Anderson and Nairn's thesis that the weakness of capitalism in Britain is due to feudal survival. In the postwar period it has been fashionable among Western Marxists to argue that the *ancien regime* survives throughout Europe. Often this argument has been used to vindicate the reformist perspective which suggested that since specific problems were generated by feudal residues then an anti-capitalist perspective was utopian.

Wood argues convincingly that features which appear to be feudal are the product of the capitalist experience. In a brilliant chapter, 'The Modern State', the author confronts the argument that Britain lacked a clear capitalist theory of the state, whereas these ideas thrived in France. Wood argues that the clarity of the French on this point was due to the absence of an 'indivisible' sovereign power. By contrast, the English 'felt no comparable conceptual need possessing the reality of sovereignty' (p44). Thus the absence of a coherent English capitalist political discourse is a consequence of the dynamism of this system. Since it existed it did not require prior theoretical elaboration.

Wood also confronts some of the contemporary right-wing English historians. This is a slightly less successful part of the book since this requires a more systematic critique; one which links the approach of Jonathan Clark, Alan Macfarlane and others to the contemporary intellectual climate. Apart from this one weakness, *The Pristine Culture of Capitalism* is excellent, and its first five chapters are a model critical Marxist history.



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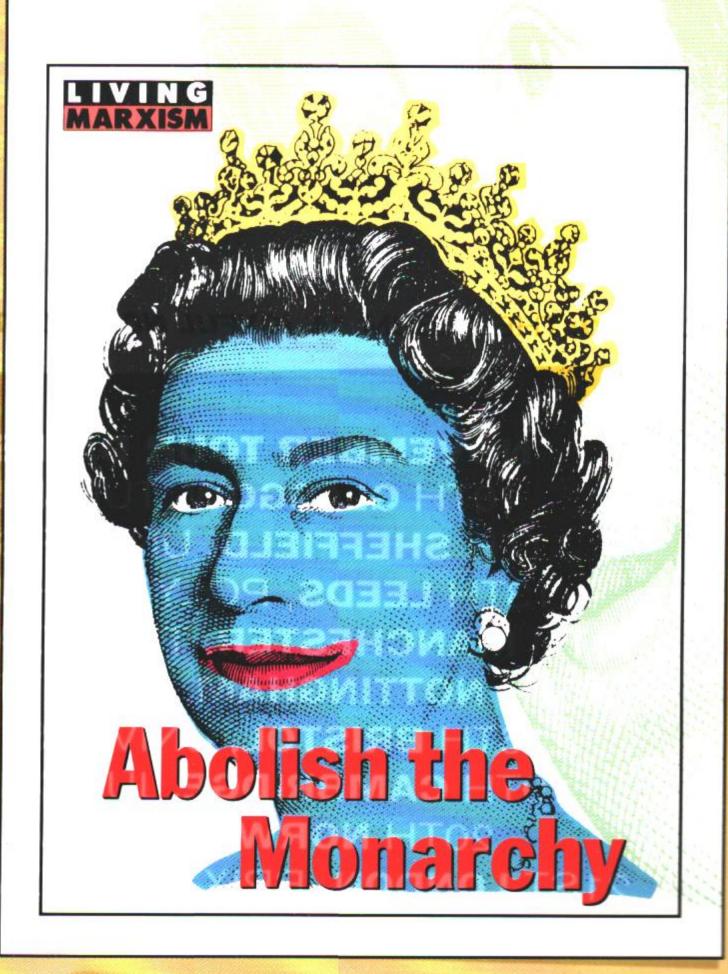
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