

From the Archives: Statement of the Workers International Faction, 19th July 1998

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NOT a country or a region in the world can escape the effects of the general and gathering crisis of world imperialism.

It is now openly acknowledged that the continuing rescue operations mounted in an effort to salvage crisis-hit South-East Asia cannot continue. Less than three months ago optimistic financial observers were hopeful that the crisis could be isolated, that it would not spread to Japan and China. Today the Japanese yen is falling, accompanied by bank and company collapses. This, together with the free-fall of the currencies of Indonesia and Thailand exert great pressure on China, as Asian competitors undercut both domestic and foreign markets. The Chinese textile industry alone is cutting its workforce by 600,000.

To this must be added the deepening economic panic and chaos in the former Soviet Union as attempts to force the pace of reconstructing capital fail, and foreign fund managers pull out, leading to a 50 per cent decline in Russian stocks in US dollar terms since May this year. World capital, in its panic-stricken efforts to prevent the complete collapse of the Russian system was obliged to make a \$22 billion loan, even at the risk of intensifying its own problems.

The knock-on effect of this crisis in Europe and America leads the big banks and industries to seek new mergers, cut costs, drive up productivity, sack workers and prepare for trade war. The picture emerges of a world financial and economic crisis which will make the 1931 crash look like a storm in a teacup.

Already there are political repercussions as wide layers of workers and the oppressed are forced to defend their jobs, wages and conditions.

In the former Soviet Union miners, and other workers, including teachers, nurses and doctors take strike actions, calling for the removal of President Yeltsin as he attempts to force the government to implement the conditions required by the IMF in return for loans, which they know will never be repaid. In the US, the strike at General Motors, and the threatened strike of the Teamsters, together with cheap products from Asia undermining the domestic market, last month already produced the sharpest fall in US industrial production for five years.

But the stark reality is that the working class acts defensively in conditions in which, despite its crisis, imperialism has the initiative and imposes the conditions for the struggle. Thanks to the bureaucratic leaderships of the parties which claim to be workers' parties, and the trade union leaderships, economic fear leads workers to act independently, and even against each other, fearing that they will lose their jobs to others also caught up in world capitalist competition. A recent example of this problem could be seen in the international solidarity campaign mounted by the British, Liverpool dockers in their 28-month struggle against casualisation and anti-trade union laws. The dockers in other countries were prepared to give financial support and organise token work stoppages, but in the main they were too frightened of losing their own jobs to take all-out solidarity strike action.

The chief obstacle in transforming this fear and building the workers' international offensive against capitalism is the nationalist and pro-capitalist character of the leadership of the trade union and political organisations to which most workers are still attached. The Liverpool dockers found the leadership of the British Transport and General Workers Union

and the Labour government united to uphold the state anti-trade-union laws and oppose the dockers' just fight for reinstatement. They prevented official national and international actions in support of the dockers.

From South Korea, to Nigeria and Indonesia, Mexico, South Africa, France, Germany and the United States – in one country after another workers come into struggle on industrial and political questions, but are isolated from their brothers and sisters in other countries, and even from those in other regions and workplaces in the same country. This crisis of leadership can only be overcome by the working class rebuilding its international class independence – its own international party. For seven decades the policy of the Stalinist bureaucracy in the former USSR – 'socialism in a single country' and 'peaceful co-existence' with capitalism – kept the working class divided and destroyed its international party, enabling imperialism to continue its plunder and pillage of the world's human and natural resources.

The economic prerequisites for socialism have long existed; the continued existence of imperialism means that despite enormous scientific and technological developments the productive forces stagnate. Under the conditions of the social crisis, imperialism inflicts barbarous attacks on mankind and the environment. Growing unemployment, the degeneration of culture, attacks on democratic rights, the rise of racism, environmental catastrophes, man-made epidemics of killer diseases now threaten present and future generations.

Socialism is necessary, but the interests of the working class can be carried forward only by their own independent Marxist party of social revolution. This was the experience of the working class of Russia when they joined with Lenin and the Bolshevik Party in the victory of the October Revolution in 1917. This was the aim of all those who joined Trotsky and the Left Opposition to found the Fourth International in 1938 in the fight against Stalin and Stalinism's abandonment of the

path of social revolution, which endangered the gains of the October Revolution itself. We now find ourselves at a new historical crossroads, when the collapse of the Stalinist bureaucracy dragging in its wake the whole of the Soviet Union and aggravating the historical crisis of imperialism, poses the question: what to do and how to do it?

The imperialist crisis itself does not resolve the crisis of leadership. What we are witnessing reveals that without the working class building its own international party, reactionary forces of nationalism, racism fascism and class-collaboration divert and even destroy the working class and the oppressed poor. This could be seen in the genocide in Bosnia and Rwanda and also in the unsuccessful and diverted actions of the working class everywhere in the world. At such historical junctures in the class struggle when the working class is faced with the necessity of building its own party, the frightened middle class always propose liquidation of the working class revolutionary party and its principles.

This is now a worldwide trend, which appears also in the international Trotskyist movement, including Workers International. An example of this tendency to abandon the revolutionary party and seek loose alliances of like-minded people to 'co-ordinate' the struggles of the working class is the Movement for Socialism. This was initiated by the British members of the Workers International to take forward the reconstruction of the Fourth International. But it has been reduced by the liquidators, led by Cliff Slaughter, to a discussion forum with the aim and purpose of replacing the Workers International itself, logically putting into question the legitimacy of the Fourth International, its programme and its history.

Against this liquidationism, we formed a faction in the Workers International at the November 1997 meeting of the executive committee (IEC), which was divided equally between the two positions. In the democratic traditions of all the

Marxist internationals, we expected that the differences would be clarified in discussion and in written documents and resolutions preparing our third congress. Requests (from the faction, from members of the IEC and from sections of the party) to the Secretariat to convene the IEC to prepare the congress, have been met with downright opposition.

Over the past eight months since the IEC meeting members of that committee have been kept in the dark about proposals and decisions of the Secretariat. Minutes, reports and correspondence are not circulated. The Secretariat has disrupted relations with the Workers' International League (LIT-CI) with whom the Workers International has a Liaison Committee. Finally a draft resolution from Cliff Slaughter has been circulated publicly saying that there should be no third congress. Others on the Secretariat say that a congress should be held, but only to bury the Workers International. We reject this 'funeral'. In a recent issue of *Workers International Press* the Secretariat put into question the Workers International as well as its journal without the slightest reference to our opposition. In all these circumstances of the danger of the complete liquidation of Workers International, its third congress and its principles, we have decided to declare our faction publicly as the Workers International Faction, and to take responsibility for organising the third congress.

It will be an open congress. We invite all those who want a working-class international. For us this means the Fourth International, which we want to reconstruct, but we welcome discussion on this and all other questions confronting the working class. We prepare the congress also by producing the monthly newspaper of the Workers International – *Workers International Press*.

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