

Euro-election results reveal signs of Political turmoil in Europe

[threecolumns]By **Bob Archer**

Politicians and the media talked a great deal about earthquakes as the results of last months elections to the European parliament were published. This was especially true in France and the UK, where the established parties were beaten at the polls by the Front National (FN) and the UK Independence Party respectively.

Failing to assuage voters anger could mean the erosion, if not the destruction of the union in a matter of years, said veteran Austrian journalist Erhard Stackl, writing in The New York Times International Weekly. In some countries, the vote against an integrated Europe was profound.

He consoled himself with the observation that nevertheless two-thirds of the votes were cast for pro-European parties. And in Germany, the economic powerhouse of the 28-nation bloc, Chancellor Merkel and her allies still command a comfortable majority.

Smarting under a series of lost seats in the European parliament, many established bourgeois parties needed all the consolation on offer.

Actually integrating and developing a unified economic unit in Europe is a historic necessity. How urgent it is has been adequately demonstrated by two terrible world wars centring on the continent.

The simple fact that the bourgeoisie finds it profoundly difficult to carry out this fundamental task is striking proof of how deep the crisis of capitalism is.

But their brainwashing machine quickly springs into action to distract attention from this problem to a series of real or imaginary surrogates:

There are three main reasons for the voters anger, Herr Stackl continues: dissatisfaction with political leaders, who are seen as uncaring and arrogant; frustration because of the slow economic recovery; and the growing fear of foreigners. Encouraged by demagogues, citizens of the well-to-do countries are blaming immigrants from poorer countries for many of their woes.

All established political parties from conservatives to social democrats speak and act on behalf of the capitalist class. They work might and main to remove all the social gains working people have made in previous decades and centuries. This includes all the so-called socialist parties, whether PASOC in Greece, the SPD in Germany, the Parti Socialiste in France or Labour in the UK, who all chant in unison that the debt ? which is really a tax levied by bankers via national state fiscal systems on working people all around the world ? has to be paid down, and that in order to do so, government spending on all social services, state education and health provision, housing and welfare and all the rest has to be cut, and whatever fragments remain, privatised.

It is not the personal qualities of politicians which is the question here, but their attachment to the needs of a particular class, the bourgeoisie. Whether or not people are conscious of it, their anger towards these politicians is caused by a series of attacks on working people on behalf of this bourgeois class.

The slow economic recovery is caused by the global depth of the crisis of capitalism and, indeed, by what the bourgeoisie does in order to overcome it, for example cutting the living standards of swathes of working people across the continent, attacking benefits and wage levels, and so forth.

The growing fear of foreigners really is not just encouraged but fanned into flame by demagogues.

But, besides the vile gutter press which has carried out a sustained campaign of vilifying and scapegoating migrants, those demagogues also include significant forces in parties as respectable as the UK Labour Party. People who cannot

recognise and fight their real enemy, concealed within a fog of business deals and obscure financial transactions, are incited to turn on their neighbours because of some imagined ethnic, national or religious difference. They are taught by these demagogues to judge their fellow working people by such standards and to blame them for a crisis they have not created.

Many commentators lump the FN and UKIP together with radical socialist parties like Syriza in Greece, Podemos in Spain and others. This is sowing deliberate confusion. The FN and UKIP deliberately seek a turn back into national economic isolation from the rest of the continent while whipping up backward chauvinism. Syriza and the others are a very different matter, and represent an attempt to resurrect political organisation among working people.

There are indeed some forces on the left which follow UKIP and the FN in denouncing European unity and migration, groups such as the Communist Party of Britain's NO2EU campaign in the UK, but in fact anybody who agreed with these bourgeois politics were always mainly going to vote for an openly right-wing grouping anyway.

Indeed, the media also played a role in this, completely ignoring the left anti-EU candidates but adoringly splashing pictures of Nigel Farage and Marine Le Pen at every opportunity across front pages and the TV screen.

The subsequent media rhetoric about earthquakes hides the odd fact that most of these right-wing parties did less well in these elections than they have previously. The Dutch Party for Freedom of Geert Wilders saw their share of the vote tumble from an earlier prediction of 20% to a mere 13.3%. The Finns Party (True Finns) saw similar shrinkage in their vote. In recent Hungarian elections, Jobbik won 20% of the vote, but in the Euro-elections they claim as a break-through, they only achieved 15%.

However, the outcome of the 2014 European elections strengthen and embolden some of the most reactionary forces across Europe. With resistance by working people to cuts and

austerity continuing across the continent, often inchoate as is it, such forces will soon be unleashed to impose the bourgeoisies attacks on working people.

More than ever, a step forward in building a workers movement across the continent for a Europe of working people is essential. The answer to fascism does not lie in relying upon the bourgeoisie to sustain democratic methods when it is wracked by crisis. It lies in mobilising working people to fight for the needs of their class.

But this must involve overcoming the damage to working class organisation and consciousness brought about by the bourgeoisies attacks, the collapse of the USSR and its satellites and the degeneration of socialist and communist movements.

The articles by Balazs Nagy in the Wirfi Journal No.5 June 2014 deal with all these issues through the prism of the French municipal elections and preparations for the recent Euro-elections. They provide the essential basis for grasping the current political situation and acting upon it.[/threecolumns]

**Down with the bourgeois
politics of the Front
National! Against
reactionary, nationalist
fascism!**

[threecolumns]By *Balazs Nagy*, May 2014

The forthcoming European elections will no doubt produce unprecedented advances by the French Front National (FN). It gained considerable strength by its spectacular advances in the recent municipal elections, which have clearly given it a head-start in the European elections. So a critical examination of its programme, in particular in relation to Europe, is not only vital in itself but allows us to clarify what the essential problems for Europe are. It also allows to look at all the other parties European policies.

Now, to decode what the FN's orientation towards Europe is and what it means, we must first of all describe its national policy. We must do this not on the basis of that party's own deceptive slogans or what other people say about it, but on the firm basis of the only objective criterion for political evaluation, i.e. its class character.

What is the Front National's real class character?

Actually, we need to establish clearly what the FN's social basis is and indicate unequivocally which class's interests are expressed in its programme and activities. This is the fundamental question which politicians and commentators either evade or completely muddle up, but it is the most important one.

There are, of course, some vague and hesitant answers which describe the Front National as a petit-bourgeois party, or one that speaks on behalf of layers of de-classed workers. And it is true that in the FN's various shenanigans you will see out-and-out, provocative and panicked members of the petit-bourgeoisie as well as disorientated and desperate working people who follow this party. A large number of bourgeois propagandists also call this a populist party, alluding to its social demagoguery. But the only concrete content of this description is simply the bourgeoisies familiar contempt for anything in the slightest way connected with the people.

All these descriptions are superficial. The adjective populist is so devoid of meaning that brain-dead journalists, in deference to the futile and inconsistent great minds they

follow, apply it not just to the FN, but to Melanchon's Left Party (Parti de Gauche) too! What do they care that the class nature and objectives of these two parties are radically opposed, or that by acting in this way they are depriving themselves of an investigative method that actually has some validity.

But it is also superficial to view the FN as a petit-bourgeois party, even if there is an element of truth in it. It is true that the Front National is petit bourgeois in its composition, like similar bodies all over Europe. That was also true in the past of Hitlers and Mussolini's parties, and the rest of them, before they seized power. This widely-held opinion arises from immediate impressions based on superficial features of these parties, which various cohorts of petit-bourgeois do flock to join. It goes no further than the social composition of these parties, and completely neglects to describe their clearly and explicitly bourgeois programme.

The NF's bourgeois nature is clearly underlined by the party's programme and – as we shall see in detail later on – by what it actually does. But so-called classical bourgeois and social-democratic politicians and all their spokesmen make all that disappear as if by magic. This blindness is the intellectual expression of the class and social stratum to which they belong, and they also display it towards all past fascist movements (from Hitler and Mussolini to Franco and Salazar).

This conception, which camouflages the social nature of fascist parties behind their social composition, was taken up and amplified by Stalinists in the 1930s and pressed into service for their Popular Front policies to rescue bourgeois society. Certainly the tenacious persistence of this superficial point of view right up to the present owes a lot to the still considerable influence of Stalinist ideology, which continues to poison minds at large, long after its progenitors power collapsed. As for the kinship between the FN and past (and present) fascist parties, it can be confirmed to the extent that their specific – and shared – bourgeois

character is clearly understood. To check this we need first to make a brief detour into the past.

Past lessons help us to understand the present

What we need, to help us orientate ourselves correctly, is a theoretical elucidation of the historic experience of those years, in particular Trotsky's Marxist explanation, which remains totally valid today. Against all the general, botched and inconsistent characterisations one encounters today, he alone provided a serious analysis of fascism based on the class struggles and movements in capitalist society in its period of decline. Of all the many writing he devoted to this subject, let us pick his study: *What Next? Vital Questions for the German Proletariat* (1932), which I strongly recommend to all activists.

In it, Trotsky notes that in the period of its imperialist decline, capital is able to stay in power only through the entire support of either social democracy or fascism. And if the strength of the proletariat is paralysed by the lack of its own political organisation or the inability of its leadership to march towards the seizure of power, these auxiliary arms of capital will grow stronger. But the inevitable accentuation of the general crisis of capitalism and its growing exhaustion sap and undermine the traditional pedestals upon which social-democratic activity is based: reforms and parliamentary democracy. The exacerbation and prolongation of the general crisis thus abolish the foundations upon which social-democracy rests (reforms) and alters the framework within which it operates (parliamentary democracy). So social democracy grows noticeably weaker while the fascists, with their unbridled social demagoguery, grow stronger.

Only a thin membrane today separates France – or indeed the majority of European countries – from a similar situation. To be able to re-establish capitalism's former equilibrium and check the decline that threatens it, the bourgeoisie urgently

needs not just to completely demolish the gains the proletariat made previously, but also to smash (or completely domesticate) its organisations. At the moment, they reckon that they can do that without recourse to the direct terror of fascism. They have already appreciably weakened democracy in an authoritarian and Bonapartist direction both within each country and at a European level. They have also succeeded in destroying a considerable mass of social rights and advantages, and all without any large-scale social shocks. Even if they still have a long way to go, all the signs are that they will be able to continue along the same lines. So you can sum it up like this: The so-called democratic rule of the bourgeoisie, profoundly corrupted by the virus of bonapartist authoritarianism, has already shown much more muscle in imposing tough decisions, while at the same time that class is still afraid of the kind of leap into the unknown involved in going over openly to fascism, the memory of which is still painfully alive. It prefers to stick with the social democrats who anyway seem determined enough to destroy social gains and rights and working class organisations (or at least severely discipline them). Above all, they are reassured by the remarkable weakness and torpor of the workers organisations, the virtual absence of a vigorous response by the proletariat. So everything encourages them to continue as they did in the past.

But despite all that, the crisis has grown more severe and instability has increased. Bourgeois voices are raised demanding a further and more decisive turn, pressing ahead to restore capitalism's health. The European Commission, the French employers organisation, Medef, and other members of the bourgeoisie show no gratitude to Hollande for services rendered but grow yet more demanding and openly arrogant. Alongside this, the fascists' strength and influence spread and they prepare to take power. Under these conditions the bourgeois nature of Front National stands out increasingly and its kinship with fascism becomes obvious.

An aggressive bourgeois party custom-built to save moribund capital at any price.

The class character of the Front Nationals programme leaves no room for doubt. It is flagrantly bourgeois. At the same time the FN takes care not to place too much emphasis on its total open support for capitalism, so as not to compromise the social posture it has usurped. However, its programme and the corresponding propaganda nowhere put in question capitalism as such as a well-defined social and economic system. Its criticisms are aimed not at the system itself but solely at its current policies, against which it advocates the application of different policies of the same capitalist system.

So of course it carefully avoids seeking to overthrow capitalism or agitating for this. Consequently it is deliberately opposed to the social revolution and looks forward to coming in power in accordance with all the rules and customs of bourgeois parliamentary politics, even if it would not hesitate to shoulder them aside should the need arise. But, like all other fascist formations past and present, they won't lay a finger on the sacrosanct private ownership of capital.

Now unlike the traditional bourgeois parties and their social democrat partners and rivals, the FN and its like do not rest content merely to present a different programme. These parties base theirs on a virulent and provocative social and political criticism of economic, social and cultural defects, not as something inherent to the capitalist system, but as the direct consequences of alleged corruption of national space and its invasion by various ethnicities and nationalities.

This is where the fascist nature of the Front National and its ilk right across Europe emerges clearly and unequivocally. Sociological and political criteria are replaced by nationalist and racist phrase-mongering. Hitler and his supporters found an explanation for the social sufferings of the masses in an imaginary Jewish plot. We know what

atrocities this vile anti-Semitism led to. At present the Front National focuses its attacks on Arab-origin French workers and working people and on refugees. But of course they have merely adapted the self-same genocidal propensities to demographic and political changes and are keen to shrug off the highly-injurious association with the still vivid memories of the death camps. But as long as capitalism continues and tries to halt its decline, anti-Semitism and its fascist thugs will also remain active.

Now this nationalism and racism do not emerge – and never did historically – as excessive national sentiment somehow outside of or above classes. As they always did, they form the foundations of a policy and propaganda with a clearly-defined class basis. Its violent anti-Arab attacks are concentrated on and aimed against the most numerous and most vulnerable section of the French working class and working people, which is those of Arab origin and/or identity. But curiously they spare rich emir parasites and, as if by magic, turn into fascinated admiration when it comes to Saudi Arabia and the Emirates, these great rentier parasites of world capitalism. (Ingrained anti-Arabism on the part of a few fanatical mystics does not alter this fundamental political fact).

This bourgeois-fascist lineage or genealogy on the part of Front National is entirely confirmed by its real attitude to so-called austerity policies. It castigates them in general and as a whole as mistaken and useless, since in their view all problems would be solved if only all foreigners were expelled, but in reality it does not engage in the slightest struggle against the anti-working class measures involved. One would look in vain for any plan or real struggle by the FN against the constant pension cuts, the systematic erosion of rights at work, or unemployment. On the other hand, it is well known that it was really the FN who thought of slapping the disgusting and contemptuous label welfare dependents on social welfare recipients, especially the unemployed, and call for payments to be stopped. If they have for now shut up on this typically ignoble fascist demand, it is because the fascist

contamination is so strong that other bodies are doing their work for them (Like Sarkozy through his fascist adviser Buisson, and after him the Socialist Party interior minister Valls against Roma, or now the Union for a Popular Movement (UMP) MP Wauquiez on welfare dependency)

The programme of national isolation is a fascist policy

The fascist character of the Front Nationals bourgeois programme emerges most brutally in relation to Europe and its future. To strip it down, we need first to cast a brief glance at the bourgeoisies own orientation on Europe.

Painfully, and at the cost of two world wars involving massive destruction, this bourgeoisie, or rather its dominant faction, has arrived at a significant pragmatic conclusion: that the powerful contradiction between the forces of production, which have become European (and even global), and the strict maintenance of national divisions, is one of the causes of capitalist decline and thus a permanent source of war; that even this massive destruction, despite an unheard-of level of devastation, has done nothing to stop this decline but only slowed and prolonged it, all the while growing in extent and intensity. It was this empirical understanding which forced the bourgeoisie to undertake among other things the unification of Europe under the iron rod of its larger monopolies.

Now the whole undertaking of building Europe is completely impossible for the bourgeoisie, whose birth was linked to and completely bound up with the birth of nation states. For the same reason, the death of these nation states will for sure only come over the corpse of the bourgeoisie. Events in recent years completely confirm this truth. The more the bourgeoisie has engaged on the road to its version of European unity, the more it has stoked up its crisis, the more it has weakened itself and torn itself apart. Its very first hesitant and shaky steps towards its alleged European unification already increased the general destruction at every level and increased

many-fold the difficulties all working people have suffered. Above all and despite these unprecedented ravages, difficulties of every kind continued to grow, the class struggle has intensified, doubts persist and become widespread – and the death agony of capitalism worsens.

The Front National certainly picks up in a very lively way on what is badly wrong in the traditional bourgeoisies (and its social democratic allies) attitude to Europe, not to correct it, but to denounce European re-unification as an unsuitable, not to say harmful, approach to resolving the general crisis of the system. Against it they advocate the abolition of the Euro and other attributes of unification and a frank return to national sovereignty as we used to know it.

But such a jump backwards into the past is nowadays impossible; it would create immense upheavals which could quite possibly throw humanity a long way back. How damaging that would be was proved by the atrocities of war as long ago as 1914 and confirmed by the even worse atrocities between 1939 and 1945. Nowadays the European jigsaw of nation states existing separately from each other as independent entities is no more than an historic relic based on differences of language and culture. When we look at the material basis of life, we see economies really intertwined, an organic linking or fusion between the economic products of the various countries which has far outgrown any kind of self-contained national economies existing in parallel and lends them an increasingly integrated character at the European and even international level. Even if this unification is being done in a capitalist way, i.e. by cruelly grinding away involving material destruction, suffering on the part of millions, and above all glaring imperfections and inadequacies, it is concretely being done and there is no possible way to turn the clock back that does not involve general chaos.

This is because what is at stake here is the historic development of the socialisation of production on a grand scale, something that even the bourgeoisie has continually had to adapt to, albeit in its own capitalist way, in order to

mitigate the growing and murderous contradiction between this process and the private character of ownership. The absurd, rickety, incomplete character of their European turn faithfully reflects their fear and inability to see things through to the end, and then on top of that they had to adjust to the international socialisation that has been (wrongly) described as globalisation. Their grotesque attempts to mitigate the threats of serious instability that arise in the capitalist system from this growing international socialisation by establishing official but ramshackle European, American, Asian etc. regional groupings and then the G20 are testimony to how potent this socialisation process is. These bourgeois reactions to the challenges posed by the socialisation of the world (and European) economy cannot but be timid and incomplete, because not only do they rest on the basis and framework of capitalism, they also aspire to consolidate the system. But instead of mitigating the sources of disequilibrium and instability, they increase them and sharpen the contradictions even more. And so the bourgeoisies European adventure has considerably increased imbalances across the continent, increased economic instability and further deepened the contradictions between the various countries in the continent. The persistent isolation which has greeted French intervention in Africa (Mali and Central African Republic), then the paralysing cacophony of contradictory interests over Ukraine and Putins policies express this natural inability to achieve real European unity.

For a workers programme for Europe!

The conclusion is obvious: All criticisms of the Front National which do not expose its bourgeois character badly miss the essential point. Obviously none of the bodies such as the (Conservative) UMP, the Socialist Party (PS), etc., can do that, so their criticisms of this dangerous rival are reduced to angry shouting of a generally moral order. Their hands are particularly tied in this respect in that they all on occasion

draw from the same nauseating bourgeois political arsenal as the Front National without a second thought. Their policies towards Roma and other refugees illustrate this perfectly. At a European level they are compelled to defend their own anti-working class machinery in servile and ingratiating terms against the spectre of the aggressive FN nation-state.

In fact, expecting any political organisation that is not itself resolutely opposed to the bourgeoisie to come up with a class critique of the Front National is really like trying to square the circle; its literally impossible! And the absence of such a fundamental critique on the part of organisations which nevertheless put themselves forward as opposing the capitalist system as a whole reveals how seriously they lack any such ambition.

But a few additional comments are required on the European policy of the Left Party (Parti de Gauche), who do aspire to represent working people and so deserve a closer examination. For all our political sympathy for this organisation, or rather, precisely because of the solidarity we feel towards it, we are obliged to repeat a criticism we already made during the French municipal elections: It quite clearly does not have a working-class programme. It didn't have one during the previous elections and the lack is possibly even more glaring in relation to Europe.

Of course we do know this party's criticisms of the bourgeoisies current European monstrosity and its austerity policies. We agree with them. But it is essential to recall that even the harshest, severest and most extensive criticisms workers pour out on this Europe do not add up to a political programme. If they themselves were enough to create such a programme, you would not need a political party. On the other hand we are undergoing the terrible effects of the Europe imposed by the PS, UMP and their allies. We also know that in this area the Front National wants a return to nation-states. These are the two orientations available to the bourgeoisie. But what, concretely, does the Left Party want? In the absence of a clear and direct answer, one can only speculate.

The party's documents talk about the need to reject Europe as it is so as to open the way to put it right socially, economically and ecologically. It also demands that Europe should be re-founded on social, ecological, democratic and peaceful foundations and also wants a new model of development in Europe. It declares it wants to put an end to the Europe of finance, asserting the need to break with productivism: set up a Europe-wide ecological planning system.

The way these desires are formulated suffers from a dreadful lack of precision, expresses unforgivable naivety and at times betrays crass ignorance. It very clearly shows that instead of an exact and precise political programme, the Left Party presents a fairly confused jumble of vague aspirations and scrambled and indistinct hopes and desires. In any case, the one priority that does stand out clearly in this wish list is to leave the capitalist structure of economy and society fundamentally unchanged, since all this party wants to do is at most alter (or re-found) it in the sense of relegating finance to a subordinate position and reorganising the economy according to ecological doctrine.

In doing so, this list abandons all the tried and tested methods of working peoples struggles such as putting social demands in the foreground and the alliance with trade union struggles. It replaces them with the cheap and tacky ideology of ecology, whose main function is to absolve the capitalist system of its innate responsibility for destroying nature and to re-direct this accusation against people in general.

Now all these specific wishes are entirely compatible with preserving the continued existence of capitalism. They do not at all demand that it should be destroyed, but merely that it should be corrected and improved. (Clearly this party's leaders do not realise that even some of these innocent wishes are in complete contradiction with capitalism as it really is. And in that case capitalism will either tolerate these garrulous but basically inoffensive charlatans or it will confront them brutally because its crisis is getting more serious. As always happened throughout history, when that

occurs, the great majority of these nave quacks will choose capitulation while a tiny minority will decide to fight but, unprepared and overtaken by events, will go down to certain defeat.)

But a workers programme takes an entirely different route: It calls things by their proper name. So it starts resolutely and publicly from how flagrantly and obviously bankrupt capitalism is when it comes to providing the slightest solution to or improvement in the day-to-day difficulties working people in Europe face. The future capitalism holds for them is getting gloomier and less secure, and the system itself cannot accurately predict even the main lines of where it is going. It will not find refuge in any one of its long-past variants: certainly not its old, bankrupt, democratic version and even less whatever it can lash together in terms of the nation-state. Such a programme would clearly enunciate the need to abolish this bankrupt capitalism and replace its pseudo-Europe with the goal of a United Workers (or Socialist) States of Europe, the only road to any real level of continental economic and social integration. We call on all worker-activists and their political organisations, especially the ones in Left Front, to adopt that sort of programme.

It is easy to see that such a programme could not be achieved all in one go, but needs to be prepared and facilitated by a whole series of obvious immediate demands which, as transitional demands, would lead to the inevitable conclusion that such a programme is needed. Besides providing a framework activists to mobilise, it is essential that, to fulfil the requirements of a genuine workers programme in leading us to socialism (actual break with capitalism, real class independence and living working-class internationalism), such a programme should contain:

1. Joint planning at a European level of the activity of all political formations really fighting for a working peoples programme for Europe, and standing international co-ordination between them.
2. It is important to state the objective of a struggle for a

Working Peoples Europe, as the anti-chamber to the Workers United States, in opposition not only to the current bankers Europe but also the fascists goal of nation-states.

Several partial demands can be condensed into this one:

a. It implies the struggle to unify legislation right across Europe which embodies social advantages and gains on the basis of the most favourable (minimum wage, pensions, social security, etc.).

b. It involves sustained activity in relation to and alongside the trade unions with a view to extending co-operation to organise this struggle.

3. The demand to cancel the states immense debts should be prominent in the programme. It is through the reimbursement of these debts and the interest that lenders (banks etc.) regularly siphon off a significant portion of the surplus value produced in the debtor countries. On the other hand, the obligation to repay the debt is used as a pretext to cut and destroy social rights and gains. So debt and repayment constitute the main current source of extra profit and a vital lever for exploiting the working class and working people in Europe. To make it easier to understand and popularise this demand, we should co-operate with all movements calling for a public, independent examination and general audit of these debts.

4. Reducing the struggle against unemployment to the national level is a return to past failed practices or at least represents a serious illusion now that the inter-dependence of the various countries of Europe is so far advanced and the unemployed form about 20 per cent of Europe's active population. This fact makes an active movement essential which challenges capitalisms claim to dominate and direct the economy. That is the demand for workers control of businesses threatened with closure and the establishment of a struggle for workers control to ban unemployment.

5. Finally, a real fight for genuine European democracy is vital against all the bourgeoisies despotic bodies and arrangements. A real general clean-out is needed to close them

down and re-organise them (the European commissions and directorates and all bodies such as the European Central Bank, the European Parliament, etc.) to ensure that there exists a new set of European arrangements that function in a healthy way at the service of working people. The pre-condition for such a clean-out is preparing, convening and holding a European Constituent Assembly.

A workers programme of this kind puts to shame all the various schemes and horse-trading which preoccupy the leaders of the Left Front about what organisations are called and whose names is on the ballot paper as miserable squabbles of a cheap parliamentary politics unable to hide the absence of a workers programme worthy of the name. However, perhaps a pathetic result at the ballot box will shake these organisations centrist outlook and unleash a movement for their renewal. It is a hope to cling to.

Balazs Nagy,

May 2014[/threecolumns]

Numsa and the question of a revolutionary Marxist- Leninist political organ of the working class in South Africa today

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“It is obvious that the black capitalist class favours capitalism and that it will do its best to influence the

post-apartheid society in this direction.

It is obvious that the black middle and upper classes who take part in a broad liberation alliance will jostle for hegemony and attempt to represent their interests as the interests of all Africans.

It is obvious that (like their counterparts in every part of the world) the black middle and upper strata, who find themselves on the side of the people's struggle, are often inconsistent and vacillating. They are usually the enemy's softest targets for achieving a reformist, rather than a revolutionary, outcome." (**Joe Slovo, 1988**)

[threecolumns]It has become necessary, and quite urgent, to emphatically re-state and explain the December 2013 historic Numsa Special National Congress Resolutions, especially the ones that talk to the formation of the United Front, the Movement for Socialism, the ANC and its alliance, and the formation of an independent revolutionary socialist vanguard party of the working class and the role of Numsa in all this.

The Resolutions adopted in our Special National Congress were a culmination of more than 26 years of working inside the South African Liberation Movement (LM) in general, and inside and building the ANC and its alliance in particular.

Over more than two decades of struggle inside the LM and the ANC and its alliance, by December last year, Numsa came to the inescapable observation and conclusion that there is no chance of winning back the ANC led alliance to what it was originally formed for, which was to drive a revolutionary programme for fundamental transformation of the country, with the Freedom Charter as the minimum platform to transform the South African economy and society.

As for the South African Communist Party (SACP) it was clear

that its leadership had become embedded in the state and it was failing to act as the vanguard of the working class. Nor, for that matter, has the SACP any revolutionary programme, post 1994, for the struggle for socialism for South Africa.

By December last year, we became convinced that the chances of winning back the ANC onto the path of radical implementation of the Freedom Charter and the SACP onto the path of genuine working class struggles for working class power had become very remote, truly, had actually evaporated!

We therefore correctly resolved to call on Cosatu to break from the ANC led alliance. We stated that the need for looking for a political alternative had arrived.

We then resolved that NUMSA was going to lead the establishment of a ***new United Front***, which will coordinate struggles in the workplace and in communities, in a way similar to the UDF of the 1980s.

The task of this Front will be ***to fight for the implementation of the Freedom Charter and to be an organisational weapon against neoliberal policies such as the NDP***. For this to happen, the Special Congress charged our members and shopstewards to be active on all fronts and in all struggles against neo- liberal policies, wherever these policies were being implemented.

Clearly, the United Front is not a political party – it is simply an ***organisational weapon against neoliberal policies and for the demand for the radical implementation of the Freedom Charter***. The fundamental purpose of the United Front is to ***coordinate struggles in the workplace and in communities***.

We have noticed that some creative journalists have gone so far as to announce for us that Numsa's political party is called the United Front. Nothing could be further from the truth. In our Resolutions, we clearly stated that the United

Front will be an organization similar to the United Democratic Front (UDF) – a democratic umbrella coordinating structure of the shopfloor and community struggles of the working class bringing together all sorts of working class and progressive community organisations and individuals.

Again and for the record, the United Front ***is not a political party!***

Side by side with the establishment of the new United Front, we resolved that Numsa would explore the establishment of ***a Movement for Socialism***, as the working class needs ***a political organisation committed in its policies and actions to the establishment of a socialist South Africa.***

We said that Numsa would conduct discussions on previous and current attempts to build socialism. We resolved to commission an international study on the historical formation of working class parties, including exploring different type of parties – from mass workers parties to vanguard parties.

In our Special Congress we even mentioned countries such as Brazil, Venezuela, Bolivia, Greece – as potential sources on socialist experiences we would study. We then said the whole learning process would lead to the union ***convening a Conference on Socialism.***

We said that the work to explore the formation of a Movement for Socialism must be regularly reported to our Numsa constitutional structures and the work must be finalised by ***the first NUMSA Central Committee in 2015.***

In the meantime, in all the work being done, whether on building a new United Front or exploring the formation of a Movement for Socialism, we said that ***we must be alert to gains that may present possibilities of either the new United Front, or any other progressive coalition or party committed to socialism, standing for elections in future.*** We charged the NUMSA constitutional structures to continuously assess these

developments and possibilities.

It is in pursuit of this objective that we have recently announced that we will consider the possibility of the working class fielding candidates in Metros and Municipalities, in 2016 Local Government Elections, such as in the Nelson Mandela Metro.

The “Movement for Socialism” is not the name of a political party Numsa has formed. The name of such a political organ (could be a broad coalition of revolutionary socialist formations) or party (could be a straightforward revolutionary socialist workers party – not necessarily of that name!), and how such an organ or party will be formed, ***all will be determined in the theater of struggle*** – the working class, once sufficiently mobilized and united behind the demand for socialism, will determine the programme, form and name of such a structure.

From the above, a few things that are very important must now be very clear.

Numsa is and will remain a trade union, inspired by Marxism Leninism. It will not convert itself into a political party. It cannot do so, anyway.

Numsa sees itself playing ***a leading role*** in the formation of the United Front and ***a revolutionary and catalytic role*** in the formation of the revolutionary socialist organ of the working class – it is theoretically and factually wrong to assert that ***“Numsa will form a political party”*** or more ridiculously and quite incorrectly, that ***“Numsa has formed a political party”*** in the same way that Julius Malema or Bantu Holomisa formed their parties!

The political organ to logically arise out of the processes outlined above (whether it be a socialist movement or a socialist workers party, and called by whatever name) cannot be about ***“beefing up, or providing credible opposition to the***

ANC” precisely because the process we have outlined above are processes of **the immense majorities** – the South African working class, both black and white, in all their workplaces and communities!

All other previous and historic political formations, including the birth of the ANC itself, were movements of minorities!

The ANC and SACP are everyday reminding Numsa that the working class organised in Cosatu unions and Cosatu itself will always remain in the ANC and its Alliance. This is arrogance of the highest order, and it reveals shocking ignorance and abandonment of Marxist-Leninist class theory and analysis, on the part of the leadership of both the ANC and SACP, about why the working class both organized in Cosatu unions, and those not organised in any union, have tolerated a clearly dysfunctional and anti-working class alliance for more than 20 years!

Simply stated, the working class, are not the political property of either the ANC or the SACP – their presence in the ANC and SACP **is premised on the sole fact that these organisations are able to protect and advance the class interests of the working class**. As more than 27 years of our Marxist-Leninist analysis and revolutionary work has shown, both these organisations no longer champion the interests of the working class or socialism. And the advanced working class has, and continues to, abandon these organisations.

The revolutionary strategic objective of all these processes is for the advanced detachment of the working class to rally the immense majority in order to win economic and political power for **the immense majority of South African working class** in all its manifold manifestations, for a socialist South Africa as the only solution to the human crisis in South Africa, and the world, today.

There are no individuals among the Numsa national leadership who harbor ***illusions of personal grandeur, or who want political power in order to advance their personal economic interests.*** Only a malicious and extremely ignorant imbecile would make such a mischievous and unashamedly false accusation.

Numsa as a revolutionary trade union inspired by Marxism-Leninism, will play its revolutionary part in solving the human crisis in South Africa by advancing the cause for the only alternative and solution available to us: socialism.

Writing in 1988 at a time when many left and revolutionary socialist formations condemned the SACP's strategy of working inside the ANC led Alliance for many reasons, including the possibility of the SACP abandoning the struggle for socialism in favour of the struggle for bourgeois nationalism, Joe Slovo then SACP General Secretary warned the working class thus:

"It is obvious that the black capitalist class favours capitalism and that it will do its best to influence the post-apartheid society in this direction.

It is obvious that the black middle and upper classes who take part in a broad liberation alliance will jostle for hegemony and attempt to represent their interests as the interests of all Africans.

It is obvious that (like their counterparts in every part of the world) the black middle and upper strata, who find themselves on the side of the people's struggle, are often inconsistent and vacillating. They are usually the enemy's softest targets for achieving a reformist, rather than a revolutionary, outcome."

Twenty years into our neoliberal capitalist democracy, it has become clear to us, the working class, that ***sections of the black petit-bourgeoisie and the bourgeoisie who took part in the broad liberation alliance are viciously jostling for***

hegemony and attempting to represent their interests as the interests of all Africans by claiming that the Black and African working class will forever remain in the ANC and the SACP, and in the neo-liberal and capitalist ANC led Alliance.

The SACP, when it was still led by Marxist-Leninists, further warned the working class about these tendencies of the vacillating strata among Black people, in its 1989 Programme:

“In the period after the seizure of power by the democratic forces, the working class will need to continue the struggle against capitalism. It will need to strengthen its organisations and build the bases of working class and popular power in the economy, in all sectors of the state and in the communities where the people live.

A deliberate effort will have to be made to prevent attempts by the bourgeoisie and aspirant capitalist elements – and their imperialist supporters – to dominate state power and divert the revolution. Constant mass vigilance will also have to be exercised and action taken against such negative tendencies as the stifling of popular democracy, the bureaucratisation of the state and corrupt practices in government or in society as a whole.

In order to prevent the emergence of a seed-bed for capitalist resurgence and ensure an advance to socialism, the working class must win to its side other sections of the working people, both now and after the popular seizure of power. The landless rural masses, sections of the intelligentsia, students, large contingents of youth and women (as social groups) and some small businessmen and other forces stand to gain from the victory of the socialist revolution.

The transition to socialism will be neither completely separate from nor contradictory to the tasks of the national democratic revolution. On the one hand, consistent implementation and defence of the national democratic

programme constitute a major guarantee for progress towards socialism. On the other hand, many of the major objectives of the national democratic revolution will be fully accomplished in the process of socialist construction. Among these tasks are complete national liberation and equality, elimination of sex discrimination, and, more significantly, the elimination of monopoly domination over the economy."

As Numsa we have consistently maintained that the NDR is not on track. The only track for the NDR is towards socialism because we believe many of the major objectives of the NDR can be fully achieved in the process of socialist construction. Our call for a United Front of the working class and a Movement for Socialism is precisely a defence of the national democratic programme, the Freedom Charter, which remains the only programme that is capable of laying the basis for socialist transformation of South African society.

There is no turning back, for us in Numsa. We will do whatever it takes to contribute to uniting the working class behind the demand for the radical implementation of the Freedom Charter, for the struggle against a neoliberal capitalist post-Apartheid South Africa, and for Socialism. As the Marxist-Leninist SACP said in 1989; "in the aftermath of the democratic forces assuming political power, the working class has the duty to continue the struggle against capitalism, for socialism".

Irvin Jim,
Numsa General Secretary
20May 2014.

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South Africa's youth unemployment crisis

5 March 2014, Posted in NUMSA Bulletin

Lessons from Germany

South Africa's structural unemployment crisis which affects the youth in particular could do with a good dose of German training medicine says Boniswa Ntshingila.

South Africa's youth unemployment crisis

South Africa's youth unemployment rate is amongst the highest in the world. Therefore one of the greatest socio-economic problems currently facing South Africa is youth unemployment.

According to the Quarterly Labour Force Survey by Statistics South Africa, in the third quarter of 2013, 34.8% of young South Africans¹ could not find a job compared with less than 15% of adults over 34. If one breaks down the youth unemployment figures by race, the picture becomes more gloomy for African and coloured youth. In 2010, African youth unemployment hit 58%, coloured youth unemployment 45% while Indian and white youth unemployment were at 22% and 18% respectively. However, these figures do not correctly reflect the seriousness of the youth unemployment problem because it

excludes young people that have not been looking for employment².

If all young people are considered in the calculation of youth unemployment then the actual youth unemployment rate was 47.5% for the third quarter of 2013. This means that 1 in every 2 young people cannot find a job and has very little chance of ever finding a job.

Since 1994, the South African government has implemented various policies and strategies aimed at tackling this serious challenge. However these policies and strategies have failed to create enough jobs for young people and to dramatically reduce youth unemployment. Instead youth unemployment has continued to increase. Between January 2008 and September 2013 youth unemployment increased by 2%.

South Africa's unacceptable high youth unemployment figures are a ticking time bomb that pose a threat to the country's political stability. Recent events in North Africa and some Euro countries show the importance of creating job opportunities for young people and the need for inclusive growth in South Africa.

South Africa's youth unemployment challenge has increasingly become an important topic in policy discussion. The recent youth wage subsidy and employment tax incentive scheme are just some of the policy proposals from government that have created a lot of heated discussion about youth unemployment and ways in which it can be solved.

It has become very clear from the policy discussions that in order for South Africa to permanently and sustainably solve its youth unemployment crisis will require that the inherited structural problems that are hindering the creation of jobs for young people must be eliminated. South Africa can draw some key lessons from international experience in order to properly tackle the youth unemployment challenge.

Global youth unemployment

In most countries in the world, whether industrialised, developing or in transition, young people suffer from lower access to the labour market than the adult active population. The global youth unemployment rate increased by 1.1% between 2011 and 2013 and grew to 12.6% in 2013. Global unemployment is expected to continue to increase and by 2018 the global youth unemployment rate is expected to rise to 12.8 per cent. Furthermore, young people continue to be almost three times more likely than adults to be unemployed.

Youth unemployment in the United States and Europe has seen a big increase since the beginning of the recent global financial crisis in late 2008. By the end of 2012, youth unemployment in the European Union stood at 23.3 percent, while it was at 16.3 percent in the United States.

International youth unemployment rates

Although there was a significant increase in youth unemployment for the European Union, however, not all countries in the European Union experienced increases in youth unemployment. Whilst many countries such as Greece, Spain and France witnessed significant and sustained increases in their youth unemployment figures, Germany on the other hand was able to escape this trend and its youth unemployment has continued to decrease. Germany's experiences should therefore be considered because they could draw some interesting lessons for South Africa.

The Case of France and Germany

France and Germany represent two opposites in the European debate about rising youth unemployment. Unlike France which has witnessed an increasing youth unemployment rate Germany's youth unemployment has been on a continuous decline for many years in spite of the recent global financial crisis. By the end of 2012, the French youth unemployment rate was at 25.5

percent. On the other hand, youth unemployment in Germany has been falling continuously since its peak at the beginning of 2005. It now stands at 7.9%.

How Germany was able to solve its youth unemployment problem and France was not?

Germany's institutional settings and public policies have played an important role in influencing school-to-work transitions and ensuring that enough jobs for young people are created.

The labour market institutions and labour policies that explain the differing youth unemployment experience between France and Germany are namely:

- a) vocational education and training;
- b) minimum wages and employment protection; and
- c) activation measures and labour policies.

So how does the German dual apprenticeship program work?

German apprentices sign a training contract that last about three to four years with a firm. It alternates between school- and firm-based training. Over 50 percent of all companies with at least one employee have acquired an entitlement to train. Apprenticeship training is basically provided in all sectors of the economy. Firms bear the costs of work-place training facilities and pay apprentices a standardized salary (about €600 to €700 Euro per month in 2011).

Companies benefit from this type of training scheme because it allows them to work with new employees and to retain those that perform well. Firms can also show their social commitment. The returns to completing dual apprenticeship training are significant in Germany because 66% of those who successfully complete training subsequently enter employment. Additionally participants of the dual apprenticeship program

also have faster entry into the labour market when compared to participants in school-based vocational training (Parey, 2011).

Furthermore, the dual apprenticeship system significantly improves wages and employment stability when compared to individuals with –schooling only|| (Adda et al., 2011). After about 3 to 4 years, about 80 percent are employed (of whom 60 to 70 percent are in –stable|| employment relationships). Their wage profile is similar to university students in early years, but flatter in later years.

The dual apprenticeship systems rely on the broad support of employers, trade unions and the government regarding regulation and financing. In particular, their success critically depends on the trade unions' willingness to accept apprenticeship contracts which are paid below the level of standard contracts—in exchange for a commitment from employers to offer practical training.

The support of the government involves not only developing special vocational schools and training qualified teachers, but also offering preparatory training for young people who are not yet ready to start apprenticeship after leaving school.

This –pre-apprenticeship|| training is essential for low-qualified young people—in particular, when the access to the dual system is as competitive as in Germany (Caliendo et al., 2011). As a consequence of such a broad support, vocational training via apprenticeships is widely recognized by young people, their parents and society as a solid pathway to employment in Germany, Austria and Switzerland.

1. In South Africa youth are defined as individuals aged between 15 and 34.

2. This paper reports the narrow definition of unemployment (used as the official definition in South Africa by

government). Individuals are narrowly unemployed if they “(a) did not work during the seven days prior to the interview, (b) want to work and are available to start work within a week of the interview, and (c) have taken active steps to look for work or to start some form of self-employment in the four weeks prior to the interview”

Structural unemployment

Many countries in Europe and the US are facing cyclical unemployment because of the global financial crisis from 2008 that affected economic growth in those countries. If the economies begin to pick up again, their unemployment figures will drop.

However, South Africa’s unemployment crisis is often called “structural unemployment”. This is because even if our economy is growing, there is still a problem of unemployment because of:

- the apartheid legacy of poor education – “out of a group of 100 Grade 1 pupils, only 40 will reach Grade 12. Of those, 28 will pass matric and four will enter university. Of the four, only one will graduate.” (Eugene Daniels, a former district director in the Western Cape) The less education you have, the less likely you are to find a job.
- the mismatch of skills. Not enough people are acquiring education in the careers that are in demand. Therefore some students get a tertiary qualification but cannot find jobs because there is no demand for their kind of skills.

A comparison of France and Germany’s policies for tackling youth unemployment

GERMANY	FRANCE
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Vocational education and training

Germany has established a dual apprenticeship system which

allows combining work experience, on-the-job training and classroom teaching.

France does not have a dual apprenticeship system but only has traditional vocational education.

The youth that participate in the vocational education and training are low-skilled young people.

The youth that participate in the vocational education are relatively qualified young people, i.e., youths who already have an equivalent or better diploma than the secondary school leaving exam.

This form of vocational training makes up the main path of transition from school to work in Germany. About 66% of the youths completing general schooling each year enter the dual apprenticeship system in Germany; and about 20% participate in full-time vocational schooling.

In France most young people are only exposed to the traditional vocational training program and apprenticeship system.

Businesses are open to hire apprentices.

Businesses are reluctant to hire apprentices.

The course contents and expectations are appropriate for vocational training which is developed through close and continuous engagement with the social partners, aimed at establishing and regularly updating training courses for each type of qualification.

The course contents and expectations for the final exam are too stringent and unsuitable for vocational training. The course content is similar to that of a professional qualification.

The apprenticeship pathway is viewed as a solid alternative in

Germany. Every detail is discussed and negotiated, including the duration of apprenticeships, expectations for the final exam, course content and pay levels.

In France there is a negative attitude and perception regarding the apprenticeship programme. Apprenticeships in France suffer from the perception that this training path is only an inferior alternative to full-time vocational schooling.

Activation measures and labour policies

Germany has compulsory and specific systems requiring the public employment service to encourage low-qualified young job seekers to resume their studies, apprenticeships or training courses (i.e. activation measures). The public employment service assists job seekers in searching for employment, preparing for interviews etc.

In France however such a system does not currently exist. This essentially means that young people in France are not afforded the same support in finding employment and becoming employable as in Germany.

Almost everywhere in Europe including Germany young people have access to a minimum income scheme before turning 25 years.

This income ensures that whilst young people are seeking employment with the assistance of the public employment service, they are not plunged into poverty.

France is furthermore an exception amongst European countries because it restricts its minimum income scheme to people who are 25 years and older. The consequence is that currently half of the poorest 20 percent of the French population are between 15 and 29 years old (Cahuc et al., 2013)

Book Launch: Marxist Considerations on the Crisis by Hungarian Marxist Balazs Nagy

7pm Monday 31 March 2014, Conway Hall, Red Lion square.

This work was originally planned as “an article explaining the great economic crisis which erupted in 2007 from a Marxist point of view”.

However, while working on it Balazs Nagy quickly realised that a deeper understanding of this development would only be possible through grasping the nature and meaning of this current upheaval in and through the development of the economic-political system as a whole.

Therefore he “could not avoid going back – occasionally a long way back – to unearth the roots of the social content and important components of economic life and trace how they came into being historically”.

The present volume therefore contains Part One of this work. It starts with the efforts of classical socialist thinkers to understand imperialism as a stage of capitalism, then traces the persistent contradictions working in society and economy through the Twentieth Century.

This compelling and original account rescues and re-presents basic Marxist conceptions of these matters which are often overlooked in contemporary political discourse.

Balazs Nagy dedicates this book “to the memory of the pioneer who inspired these Considerations, the outstanding Marxist economist, my comrade and friend Geoff Pilling, who died before his time in August 1997”

Marxist Considerations on the Crisis by Balazs Nagy

190 pages, paperback:

£9.99

ISBN 978-0-9564319-3-6

Published for Workers International by Socialist Studies, PO Box 68375, London E7 7DT,

One of the Secretaries of the Petofi Circle in Hungary in 1956, Balazs Nagy participated in establishing the Budapest Central Workers' Council.

In his pamphlet: 1956: How the Budapest Central Workers' Council Was Set Up, he explains that even before the uprising and the brutal intervention of the Soviet army, workers had spontaneously started to organise their actions.

Forced into exile in Western Europe, Balazs Nagy came into contact with Trotskyism to which he has since dedicated his life. He is a founding member of Workers International to Rebuild the Fourth International.

The Way Forward in North Africa and the Middle East

Theses towards a revolutionary programme

by **Balazs Nagy**, Workers International To Rebuild the Fourth International, 20 February 2011

Biased, fragmentary and very incomplete as the media reports are, some things are clear:

1. These movements are desperately short of revolutionary leadership. The long years of ruthless dictatorship have strangled even the more or less petty-bourgeois parties. There is no sign even of any bourgeois leadership independent of the ruling authorities, apart from groups and individuals tied to

the dictators whom the workers have thrown out.

2. We offer the following considerations to Tunisian, Egyptian Libyan and other groups in Europe and by any means available to people in the countries affected. Workers in those countries are in a real state of confusion, not knowing what to do or how to do it. In general what they want is real democracy.

3. Indeed, that is not a bad place to start. But before thinking about what to do and how to do it, first a few words about the general situation. There is no doubt that this is a revolution, or rather several revolutions. Now, a revolution is a whole process, more or less long, and we are just at the start. That is the first thing we must explain to these workers who clearly believe those who tell them that it is already over. They have got rid of the dictators, but these were merely the personification of a whole economic and social system – imperialism – as it exists in these countries. To maintain its domination almost unchanged (in a different form from the old colonial regime the workers long since rejected) imperialism has succeeded, with the help of reformists and the Stalinist bureaucracy, in turning these young independent states into military dictatorships and medieval monarchies by delegating its direct power of oppression to native political regimes. In its first phase the revolution has thrown out the dictators in two countries and started the same battle in many others (Yemen, Libya, Algeria, etc.). But in these first two countries, the revolution is now marking time. The politico-economic regime remains more or less intact and is preparing, at this moment, to demobilise, push back and repress the workers. It dare not go too far in the direction of bloody repression because it is weakened and does not yet feel strong enough. Soldiers would probably refuse to fire on the people. The army's apparent neutrality, as the fruit of this uncertainty, forces the generals in power to negotiate with the workers over their demands. The situation is a little different in Tunisia but remains essentially the same.

4. In this situation workers should push forward with their

desire to achieve democracy. In continuing the revolution in that way and by concretising their demands, they can transform into facts their obvious vigilance and their distrust of the new people on power – both expressed loud and clear not least by their determination to stay put where they mobilised their movements. But all that is very fragile. If they are demobilised, it would certainly mean the first step towards a defeat and the re-installation of a new dictatorship, possibly veiled for a time.

5. We should propose to them that they continue their movement towards real democracy – a battle that is not even half won yet. Progress in this the only guarantee against a turn backwards in the situation: if you do not go forward you are condemned to retreat. The general slogan should be the conquest and strengthening of real democracy based on winning and securing democratic rights, as well as on the organisation of the movement.

6. We can only sketch several essential points of a democratic programme which workers in those countries themselves, their political and trade union organisations, would need to work out in detail.

a. Immediately lift the state of emergency which has been in force for many years in all these countries (in Egypt, the new – military – authorities have only promised to lift it in 6 months time!)

b. Besides that it is important to demand and secure freedom of speech and of the press; freedom of assembly, freedom for workers to organise together democratically and, finally, freedom to demonstrate. At the moment the masses have spontaneously exercised these rights, but it is necessary to guarantee and codify them.

c. Complete and total separation of the church and the state (of all churches)

d. Immediate freedom for all political prisoners (already started in Egypt)

These are the immediate measures that directly flow from the current situation.

Beyond that, it is important to make progress towards complete democratic freedom for the working masses in the towns and the countryside. For this, political democracy must go hand-in-hand with economic democracy.

1. It is vitally important for the life of the country to nationalise the factories, mines and banks, particularly those owned by foreign capital.

2. One fundamental democratic measure is a radical agrarian reform, with the re-distribution of land to the poor farmers and their co-operatives without compensation to the present owners. This is the very bedrock of democracy in the countryside and at the same time it breaks the power of the big landed proprietors who are pillars of support for the dictatorship, as well as of those leaders currently in power. All the generals in Egypt, like Mubarak and his family, are big landed proprietors, and the same is true elsewhere.

3. Democratic rights for workers at their workplace, codified in progressive social legislation (collective bargaining, defined working times, the right to strike, unemployment benefits, etc.)

4. Freedom to form trade unions and trade union rights. At the same time democratisation of existing trade unions, holding fresh elections to renew them..

5. Progressive social legislation for all workers (sickness insurance, laws protecting workers' housing, etc.)

6. Confiscation of all the material goods of the cronies of dictators already fallen and yet to fall: land, factories, buildings, businesses, wealth stolen from the people and monopolised during the decades of dictatorship.

But the most urgent task of the day, and therefore the main slogan, is – organise working people

1. So that they can make progress towards real democracy, guarantee the freedom which has been won and achieve all their

demands, the most determined and conscious and therefore the most active elements must set up their political party, a workers' party, a sort of Labour Party. The job of this party from the very moment it is set up would be to work out and promote in practice the whole democratic programme, raising it in all workers' movements.

2. All of these movements in the country should unite in a political process aimed at setting up a new regime in line with the wishes and desires of workers. It would be a terrible mistake to put faith in the promise of elections. The whole country (all the countries), the whole of the working people, have rejected the dictators' bogus constitution. They need a new one, a constitution of the working people. They need to fix and codify the new order, i.e. the most highly democratic measures, rules and laws, which alone conform to the will of the people and its dynamism. They need also to prevent the possessing class, the pillars of the dictatorship, from cheating the people through a fraudulent electoral farce. Therefore workers need to prepare and hold a Constituent Assembly of the country. It is for the creation of that type of assembly that elections should be held, to select delegates drawn from candidates of the truly democratic parties, first and foremost of the workers' party.

3. Both to run the the elections – and to make sure they are run properly – and to prepare the Assembly to bring about their demands and under popular supervision, workers urgently need to form local committees of action and supervision in the workplace and in the local areas. In the countryside, one vitally important task for such committees would be to push forward agrarian reform and land re-distribution energetically. Poor farmers and agricultural labourers would form the majority of these committees in the countryside. Everywhere these committees, with the participation of housewives, should keep an eye on prices at markets and in the shops. This is all the more necessary since the international bourgeoisie could strangle and starve the infant workers' democracy through present and future speculation in cereals

and other agricultural products.

4. One extremely important political task for workers and their organisations is a radical and immediate break with national isolation. A main condition for the success of their movement is to bring about an effective and living alliance

a. with the other peoples engaged in similar movements in North Africa and the Middle East. The people of Tunisia, Egypt, Libya and Algeria, can already form permanent contacts and synchronise their demands and activities through their movements and political parties (once the latter have been established).

b. also with the workers in the countries of Europe and their organisations, demanding their solidarity and collaboration to establish a broad united front against the forces of restoration in their countries and internationally.

5. Separately, I would like to make a particular point about the enormous importance of the following problem: Fraternisation with the army soldiers, especially in Egypt, has already born fruit in the apparent neutrality of the army. But this is very fragile. It is necessary to continue and extend this fraternisation (which is a very important task in the other countries too), with the aim of forming stable contacts so that ultimately, at a stage which cannot be determined from here, soldiers' committees can be set up, especially since the soldiers are workers in uniform, or very often farmers willing to discuss a programme for the redistribution of the land.

Here in broad terms and hastily sketched, are a few points, hints rather, to serve as the basis of an programme for these movements. The determination and the dynamism are there. But about the aims of their struggle and the means available to them almost total confusion reigns. That is where we should at least try to help.

Stop the destruction of social gains! March separately, strike together!

In defence of the workers and people of Greece – first
victims of capital's offensive

European march on Brussels!Response to the “Common Appeal for
the Rescue of the People of Europe” launched by Mikis
Theodorakis and Manolis Glezos,

by Balazs Nagy, Workers' International (20 February 2012)

From a stricken Greece, long-familiar voices are calling on
the peoples of Europe to defend themselves and come to the aid
of Greece and its working people. Above all for the working
people of Greece, living standards and indeed the whole
setting within which they live, and their public services and
properties, are once more under vicious attack and their very
existence threatened by the intensified, concentrated
onslaught of aggressive and arrogant world capital. Greece was
the cradle of our civilisation and is now in the cross-hairs
as the initial site for the destruction of gains the modern
age has contributed to that old civilisation: a series of
rights, to fair wages, to work and decent housing, to the
equality of citizens and individual and collective liberty as
a whole. Greece is a symbol for all of this, since the
suppression of these rights and advantages so lately won by
civilisation, their deliberate destruction undertaken by
capital, raises the spectre of their imminent annihilation
along with the ancient civilisation born in Greece which is
the foundation and natural framework for all that has been
achieved. Theodorakis and Glezos are a thousand times right to

invoke the dark shadow of fascism on a Europe rendered numb and vulnerable by capital.

Greece and her working people are particularly undermined – and also denigrated and slandered – as they have been picked on as the first to undergo the creeping barrage of capital's heavy artillery. But don't fool yourselves! Working people in the other countries have already felt the first salvoes and the strategists of capital have them in their sights too. Portuguese, Spanish, Italians and all the rest ... they will not be spared by the shattering fire of this class war.

Our analysis of the crisis and its effects is not the same as that of the Greek authors of the appeal. We believe that the first and most important target are the workers and other working people of Greece. They are attacked, not because they are Greek, Italian or whatever, but because they are workers; that the attack on them is organised and waged by the world bourgeoisie, and not just by the American banks, which are only one pernicious head of the immense thousand-headed hydra. Ministers – whether unelected like Papademos and Monti, or elected, like Merkel and Sarkozy – are infinitely closer to Goldman Sachs than to the workers of Athens, Rome or Berlin, who in turn are class brothers of Greek, Portuguese or British workers. The current European crisis – to speak only of Europe – and the proposed “solutions” constitute a new and particularly important episode in a class struggle that has lasted over a century. In this struggle, Europe, as constituted in her institutions, is neither a neutral nor a well-intentioned entity, but an instrument of war on the the social, political and cultural gains working people have made. How true this is is proved by its presence in the hated “Trioka” with its pitiless dictatorship over Greece. Whatever differences there may be in analysis, the response of the working people of Europe to the appeal from Greece cannot but be massively positive.

To resist capital's attacks, it is high time that working

people throughout Europe take up the only weapon at their disposal: the organisation of their ranks. All they have to defend themselves with is their ability to mobilise. It must start immediately, as things are urgent. It must be concentrated and it must be strong. Hesitation and dispersal of our forces weaken us and strengthen our attackers.

The immediate goal of the mobilisation is to defend the working people and the whole people of Greece.

- Down with the dictatorship of the Troika with its shameful exactions!
- Throw this three-headed hydra out of Greece!
- The people of Greece are the only sovereign power with the right to determine what to do about the debt!

As a way to carry the struggle forward, we should without delay prepare and organise the march of the working people of Europe on the HQ of the bourgeois attacks in Brussels. From every country, the chosen columns of working people can converge on Brussels to express their determined opposition to the predators and the desire to colonise their initial prey – Greece, and to there present the determination and united strength of the working people of Europe in a huge demonstration as a culmination of the first stage of the action and a prelude to a broader struggle.

Alongside our forthcoming defence of Greek working people and in order to remove definitively the permanent threat facing all working people and all peoples, we should open the way for the main demand: for a Working People's Europe!

The very recent general strike against the same enemies by working people in Belgium as well as the decision of the European Trade Union Confederation to hold a big joint action at the end of February show that favourable opportunities exist for such an action.

Let us eagerly seize these opportunities to introduce our

action in order to give redoubled strength to the defence and resistance of the working people throughout Europe.

Stop the destruction of social gains!

March separately, strike together!

By Balazs Nagy, member, Workers International

ALL over Europe, the various capitalist governments are inflicting drastic and very similar austerity measures and plans on working people. Obviously people in other continents are not exempt from the effects of the deep crisis of capitalism either, but it is here in Europe that they take on their most significant and vicious dimensions. This is the cradle of capitalism and therefore of the workers' movement.

In the past, with the support of all working people, this movement succeeded in winning significant rights and advantages during over a century of bitter and stubborn struggle. The crisis is far from over, however those in government spin it. The determined frontal attacks on the gains and rights workers have won will grow in number and ferocity, so it is very important to know what they really represent and where they come from.

Thirty (not so) glorious years

These attacks by the capitalist class did not just start with the current crisis. In fact the material, social, political and cultural rights working people enjoy are incompatible with capitalism-imperialism (the overall period since the beginning of the twentieth century, when finance capital merged with industrial capital), particularly in its current state of senile decrepitude. They were never freely given, but all of them were won from the system by force in heroic struggles by working people over many years, during and after World War II, but also well before then. At that point the balance of forces, internationally and within almost every country, swung clearly in favour of the working class. Terrified by the underlying support for the powerful revolutionary wave in

Europe – and bankrupt – the capitalists were only able to defuse the revolution with ready help from the leaders of parties which called themselves socialist and communist. But this came with a price tag attached, and so there started the series of measures and reforms which culminated in what became known as “welfare states” or “social market economy” (in Germany) and the so-called “thirty glorious years”. But even then the rot had already set in.

Even if they had wanted to, the capitalist class and their governments could not have granted these reforms and advantages to working people on a permanent basis. And they certainly did not want to let working people keep that fraction of an accumulating mass of profits, which was squeezed out of them in the first place anyway. In the end they could not allow it to go on, especially since, as time went by, although the total sum grew, the rate of return was shrinking by the minute. To put it in capitalist economic language, the return on investments or the profits on capital were no longer enough. Marx and his followers describe this as the tendency of the rate of profit to fall. At its root was above all the progressive shrinkage of the world market for expensive western capitalist goods.

From this flowed two major consequences which were to shape the course of capitalist-imperialism and the behaviour of its major players. It was not totally transformed, but it would be correct to say that its features were altered in a significant and historical way. The first change was that it became a system that not only could not carry any more genuine reforms, but actually had to do away with and destroy the reforms and advantages which it had been forced to concede under pressure in the past. The second was to do with its structure. The emergence of the imperialist phase at the beginning of the twentieth century had already meant:

“... the merging of bank capital with industrial capital, and the creation, on the basis of this ‘finance capital’ of a

financial oligarchy”.

This now went a lot further. In fact, in attempting to overcome market saturation and the declining substance of profit, this marriage of convenience between industrial capital and finance capital gave birth to a legitimate but monstrously deformed offspring – the uncontested hegemony of finance capital. Inevitably this artificial, overblown, distorted and ill-proportioned substitute for real profits mutated into an insatiable parasite sucking the life-blood of the whole of society.

But please note carefully: well before it could infect every pore of society, the capitalist class – both mother and father of this formation – did everything it could to take back and revoke the reforms and concessions it had been forced to make earlier. At first it did not dare attempt a full, general, global offensive against all these concessions, because it felt too weak. The working class and working people in general justifiably continued to think that the right to sickness insurance, to a decent pension, to full employment and proper care, to free education – in short, the whole system and network of rights, assistance and protection – were an essential part of their wages, and that capital had taken a big enough cut out of them already. They correctly took these things as a legitimate “social wage”, theirs by right.

This was far more than the increasingly insatiable capitalist class were prepared to tolerate. But, however desperately they wanted to launch an open frontal attack on these rights and concessions, congenital cowardice in the face of the organised strength of working people cooled their ardour and a cunning instinct to side-step such confrontations moderated it.

Consequently, in the first phase of its war on the rights and concessions working people had gained, in the 1960s and 1970s, the capitalist class mainly concentrated on undermining real

wages and working conditions. They made constant and repeated attempts to claw back the inroads that the “social wage” made into their profits, doing what they could to increase the productivity and intensity of labour and nibble away at wages. But powerful strike actions, drawing in their wake not only wider categories of working people but even top union leaders, blocked these attempts and a succession of partial struggles restored the real value of wages by force. In the course of those “thirty (not so) glorious years”, for example, working people in Britain twice brought down governments through the sheer scale of their struggles – once the Labourite Wilson and once the Tory Heath. In France, at the same time, working people engaged in a series of struggles, including a remarkable national miners’ strike. They then united in 1968 in a long general strike and inflicted a resounding setback on De Gaulle, who had been tasked precisely with smashing their resistance and taking back their “social wage”.

Nor should we forget the German working class and working people as a whole. Already bled white by Hitlers’ counter-revolutionary dictatorship and the years of total war, they were both divided and tied down in the late 1940s in the four zones of military occupation. Thus the previously powerful German working class, with its pivotal role at the heart of Europe, was isolated and kept off the scene. And just to make sure, working people in Germany were also stigmatised with the vile insinuation that they were collectively responsible for Hitler. The reactionary and extended occupation regime was followed by the long drawn-out trauma of the country’s surgical separation into two with the assistance and complicity of Stalin. This veritable act of vivisection was only compensated for, and above all partially masked, by the efforts of international capital as a whole during the cold war to use the western part of Germany as a shop-window for their prosperity.

For many a long year, capital was forced to put up with paying

this whole "social wage". Alongside repeated unsuccessful attempts to make up for this in other areas (real wages, productivity, etc.), it never stopped trying in every possible way to weaken working people and to prepare the conditions for a general assault on their rights and gains. Step by step, exploiting every opportunity and helped by the complacent and often complicit leaders of the workers' movement, the capitalist class nibbled away unceasingly at the scope and extent of the advantages working people had gained. But above all they acted to reduce the latter's strength and ability to resist by corrupting and suborning the general staffs of their organisations. It continued the already long process of domesticating the trade unions, and also of breaking up their unity using rival and competing leaders. Working people's right to defend themselves was, little by little, patiently reduced and increasingly strictly regulated, so that strikes and demonstrations – not to mention other forms of direct action – were confined and fettered in a rigid and repressive legal straightjacket.

For all this, the European capitalist class were not able to claw back all the concessions they had been forced to give. But, more and more threatened by shrinking profit margins and the international situation, they were forced to take drastic steps to take back the reforms and improvements they had previously conceded. At the same time they tilted the structure of their system towards something that looked more lucrative: the supremacy, not to say dictatorship, of finance and its bastard child, speculation.

Capital's frontal attack – and the fall of the USSR

The global offensive was unleashed by Thatcher in the UK and Reagan in the US. Thatcher soon faced a formidable miners' strike, and even though they were left in the lurch by the bureaucracies of the other unions, the miners stood up to the government's offensive as long as they could. Their defeat was the signal for a general offensive right across Europe. It was

the beginning of a great general frontal attack on working people's gains, an attack whose origins, however, lay much earlier. Never forget that the capitalist class had spent years carefully honing their weapons for this great offensive.

It is also important to emphasize that the continent-wide scope of this offensive was supported by strong, allegedly socialist, parties led by François Mitterrand in France, Gerhart Schröder in Germany and Tony Blair in the UK, ably assisted by bureaucrats at the helm of so-called Communist Parties.

The bourgeoisie's "European" project fitted in with the trend towards the concentration of capital and offered the means and the tools to consolidate and boost this offensive. So the general attack on the rights and gains of working people known as "neo-liberalism" was centred on the "European" institutions in Brussels, Strasbourg and Frankfurt. Each section of the European bourgeoisie gained at least three advantages from this. The first was unquestionably that it allowed them to shelter their own anti-working class offensive behind the attractive screen of building a united Europe. The second advantage resulted from the fact that it appeared as if policies and measures directed against the interests of working people emanated from a centre in Brussels and each individual country was merely carrying them out; this appearance implied that nobody in any particular country was to blame, so that nobody in a given country could be held to account. The third and last advantage rested on the fact that this centre, detached from any real political and social life, is so profoundly anti-democratic and the majority of its members so anonymous, that any struggle against it is impractical, not to say impossible, within the normal framework of democratic politics; its chiefs and their staff are parachuted in anonymously, unelected and without apparent qualifications. It is a monstrously distended bureaucracy which abuses the whole idea and conception of Europe, while in

reality it is nothing but a scurrilous parasite unable to achieve anything, let alone a European entity. On the contrary, this overblown, very expensive and useless organism is an agent of the capitalist class' main and most pressing objective and acts solely to organise, regulate and supervise its overall offensive and to destroy systematically the rights and gains working people have won.

Shortly after the concerted attack on working people's rights intensified in this way, a historical event of considerable importance gave a new and extra boost to the capitalist class and their offensive. At the same time, it both directly and indirectly weakened working people's resistance. There is no doubt that the collapse of the Soviet Union stiffened the capitalists, consolidated their position and increased their confidence. Quite apart from what anyone thought about the fall of the USSR, and despite the disastrous role of the bureaucracy which was both its manager and its grave-digger, the whole world working class and working people everywhere lost an advanced post and a precious base for their goals of emancipation. For how long we do not know, the relationship of forces has tilted clearly to the advantage of the capitalist class and to the detriment of working people.

Capital and all its devoted supporters, in a rush of blissful satisfaction and smug arrogance, crowed their overweening self-satisfaction and arrogance to all and sundry, culminating when one of their intoxicated "thinkers" even proclaimed the end of history. In any case, the sequel was clearly more and stronger cynical and shameless attacks by capital and its supporters and a confused and chaotic retreat by workers forced onto the defensive. Over the last twenty years or so workers have continued to retreat more and more markedly. Some of their big organisations, following leaders already integrated into the system, have identified themselves with the temporary victors, while others have melted like butter in the sun or simply vanished. Unions, too, which used to be

official defenders of working people, have, under the leadership of inveterate bureaucrats, publicly become “social partners” of vengeful capital. Even the sinister warning creaks of a system in temporary – but nevertheless alarming – crisis did nothing to disturb these good folks’ deep content.

Shock therapy disguised as “reforms”

In this state of artificially induced euphoria, bumptious capital nevertheless went on reducing, cutting and one by one taking back the advantages working people had won, limiting, circumscribing and slimming down their reforms. All these good people were brutally awoken from their pleasant reverie by the alarm bells of the latest great crisis. We are right in it now, but there is no point going into detail about that here. Everybody knows perfectly well that to reduce the negative impact on themselves and to get out of the crisis, the capitalist class and their system – as is their nature – are doing everything they possibly can to put the whole burden of dealing with and “solving” the crisis onto the backs of working people. However, what is less clear to a lot of people ? because it is hidden ? is the fact that the crisis is being used as a pretext to ratchet up out of all proportion the scale and force of capital’s murderous offensive, which is bearing down on the people of Europe like a tornado.

Governments of every type are shamelessly presenting the destructive attacks they inflict as “reforms”. This viciously abuses the traditional attachment working people have to genuine past reforms which actually tangibly improved their lives. Sadly, the unanimous din from the opinion-formers means this pernicious deception has contaminated the whole of society. More seriously, the general staffs of the left parties and of the unions use the same dishonest terminology, whose purpose is precisely to camouflage the dismantling and destruction of the very same genuine reforms in the near and distant past. That is how the “troika” – which has assumed right of attorney over Greece’s financial affairs – commands

and supervises the stripping and deprivation of the working people of their gains and rights while all the time presenting this destruction as “one-off structural reform” for the “benefit” of the Greek people. As we all know, language and choice of words are never innocent.

Here “disaster capitalism” is applying the “shock doctrine” used more or less all over the world as described by the journalist Naomi Klein. Her book has never been refuted or disproved. (While we are on this subject, there is no doubt at all that her accusations are true and supported by a mass of proven facts. What you can hold against her is that she presents this whole scandalous and revolting situation as an excrescence, a deviation within a healthy capitalist system, whereas it is its essence in its present phase of decline, naturally woven into the very fabric of its existence.) What is happening in Greece – and this is just the prelude – gives us a foretaste of the determination of the capitalist class and its acolytes to squeeze the very last halfpenny out of a people who they have (most democratically) quarantined so that they can be offered up to the tender mercies of “the markets”, i.e. to capitalists usurious to the marrow of their bones.

For Europe’s working class and millions of working people, the most important thing to understand is that what is happening is no accident or passing whim, not some passing attitude on the part of capitalism arising just from this particular crisis. Get your heads round this: you should expect absolutely nothing from the capitalist system and its servants. They themselves are all telling us that their society is ill-suited to meeting the needs of working people, that it cannot do it. They keep repeating the mantra that working people are to blame for “living beyond their means”, but this merely recognises and confirms that their system really is not able to guarantee the advantages and rights people rely on. That is something that really is “beyond their means”. Indeed, thinly-veiling an implied threat of

punishment, they have decided to dismantle and end all the previous social gains for once and for all in order to bend working people into the narrow straitjacket of their moribund system's stunted "means".

An historic turning point

We are at an historic moment. In the past, the capitalist class launched successive attacks aimed at reducing the gains working people had made, culminating in a general offensive by Thatcher and co. which exploited the weaknesses of the workers' movement. Now the capitalist system is using the crisis to develop a final all-out assault on working people. It is not just another skirmish or even a partial or isolated confrontation, such as we have often seen in the past, nor even their subsequent extension and development into a general offensive. It is a new stage over and above that, where the ferocity, extent and depth of the blows struck and our capitalist opponents' resolute firmness of purpose absolutely all reveal their determination to go all the way. One further proof of this implacable determination is their peculiar insistence on ravaging gains even beyond the point where the attacks deliberately reduce, indeed annihilate, any resources that offer a potential way out of the crisis. Now it is the turn of Italian working people to sit in the hot seat: others are not far behind ...

In such a threatening situation, you can only welcome the fact that people get angry in the face of so much deceit and malice and express that anger publicly. There are more and more of them all over the world, an obvious sign – following the spectacular and uncompleted risings by a series of peoples in North Africa and the Middle East – of a reawakening of working people that it still groping for a way forward. All of these expressions of anger and protest in place of resignation and fatalism are in themselves precious as the first signs of incipient consciousness of the threatening reality. But bearing in mind the enormity of what is at stake, the global

extent of the conflict and the enemy's unyielding determination, passive indignation and verbal protest are helpless. Those in power, by the way, simply see them as public disorders, at worst annoying, or maybe as street entertainment. Annoyed or amused, they are not going to change by one iota their destructive plans. You really need to do a lot more. In this respect you have to salute the Portuguese working people whose powerful general strike has shown us how to fight. There is no doubt that Greek working people, who have been savagely attacked by capital, will find a path to the kind of vigorous struggle they have always waged over the years. There is also no doubt that other European countries will follow the same path.

The response must be international

Anyone who will not put up with cuts and measures that destroy their rights and advantages, or with present and future austerity plans, and wants to oppose them, needs to get their heads round the idea that this struggle goes far beyond national boundaries. Capital's frontal attack is international, even if it is carried out on national soil and tailored to fit each specific national set of circumstances. The enemy is everywhere the same. Consequently, struggles confined within the framework of one or another nation, fragmented and isolated from the others, lack the necessary strength to repel attacks that are international in nature and to force into retreat an adversary who is also completely international. Solidarity and links between the various movements in different countries are important but inadequate on their own. We absolutely must field against these degrading plans and actions a movement that is both organically international and also struggles on an international scale. Obviously none of that precludes movements and struggles in each individual country, which provide the base and the framework necessary for any international action.

There is no doubt that what makes a movement of struggle and

its action international in character, and what forges its fighting potential, is that it really is international. That is the only way it can measure up to the international character of the plans, actions and offensive of an adversary who is attacking the social position and conditions of life of working people all over the globe, even if what he does varies considerably country by country and continent by continent. Despite the distances that separate them and the great divergence between their respective positions and conditions, that is what solidly unites, for example, working peoples engaged in their own local battles who have recently revolted in the Middle East and North Africa. And that is why there are signs that the working people of Europe are stretching out a fraternal hand to their natural allies, the revolutionary working people of Egypt and Syria engaged in their own bloody struggles.

“Anti-globalisation” a blind alley

Nevertheless, it is necessary to reject calls for an “anti-globalisation” struggle. To characterise the current world economic and political system as “globalisation” is simply wrong. The bourgeoisie and its ideologists have invented and introduced this mystifying term to hide behind its eminently **geographical** character the present phase of their **economic** and **social** system, which is that well known capitalism-imperialism that is now in a state of advanced senility. As for capitalism, in its distant and still vigorous youth Marx and Engels described “globalisation” in the Communist Manifesto:

“Modern industry has established the world market ...” “The bourgeoisie has, through its exploitation of the world market, given a cosmopolitan character to production and consumption in every country...” “In place of the old local and national seclusion and self-sufficiency, we have intercourse in every direction, universal interdependence of nations.”

These notions and concepts of capitalism and its globalisation have long since formed part of the elementary knowledge of the

whole of humanity. We are still dealing with the same old system. The changes are only quantitative and moreover are connected with an enormous worsening of its defects.

So it is no surprise that those who have risen to the poisoned bourgeois bait and support “anti-globalisation” are inextricably trapped in confusion. It is very hard for them to shake off the accusation of a bad dose of protectionism, since that is actually the reactionary nationalist and historically outmoded antidote to the world market, with its largely interconnected and interdependent parts. All the noise about “de-globalisation” takes us straight into a dead end alongside the confused and backward-looking prophets of anti productivity, when there are officially a billion people in the world suffering from starvation, not to mention other millions condemned to vegetate in poverty. We should reject capitalist “productivity” spurred on by greed for profit, but we should also fight to expand production to meet the immense unsatisfied needs of humanity.

It is understandable that the first steps of those who want to struggle against the actions of capital should lead them to embrace “anti globalisation” or “anti productivity”, but these first steps lead into a blind alley scarcely different from that of the “indignant ones”. These are a one-way street to confusion and disillusionment.

The capitalist class cannot unify Europe

The situation in Europe pits us above all directly against a section of the European capitalist class more or less gathered together into a deeply contradictory, unstable and muddled conglomerate called “Europe” or more precisely the European Union. And it is through this body with its monstrously swollen head that it hopes to impose its outrageous plans to wipe out the social advances working people have won. That objective is its central pre-occupation and determines what it does. From this point of view and for that aim, the governments of the European countries, varied as they are, act

as its arms and executive agents, even the ones which appear to keep their distance.

That is why the movement against the attacks and attempts to dismantle and destroy working people's rights needs to be organically international, very concretely Europe-wide, and not simply an occasional adding together of those arising in each country. While reinforcing these, the European movement as a whole needs to concentrate its fire on the capitalists class's self-proclaimed centres (Brussels, Strasbourg, Frankfurt) and on its planned dirty deeds and manoeuvres.

But it is highly important to understand that a continent-wide movement to defend working people cannot be anti-European. On the contrary, it is the capitalist class that struts around in stolen "European" clothes to hide their concerted attack behind fine phrases about Europe. To tell the truth, this exploitative and oppressive class with its train of servile politicians is absolutely incapable of unifying Europe. The birth of this class was all mixed up with the birth of the nations with which its entire life is bound up. Two catastrophic world wars testify to this, obviously from the negative side. And since it was only the appearance of this class way back in time that gave birth to nations, so only its disappearance will signal that they too will also die away. The several decades of the European venture provide adequate proof that the capitalist class is quite incapable of unifying Europe but at the same time stolidly determined and able to attack and demolish the gains and rights working people have won.

The colossal level of indebtedness, or rather specifically the way the debts are configured in Europe, is one of the main aspects of the current world crisis which has clearly put into relief these two "European" faces of the capitalist class. Instead of bringing them together on the road to a greater European integration, it has laid bare the divisions between countries, even their extreme separation. At the same time as

successive capitalist governments have let domestic inequalities build up and grow to a monstrous level, their “European” agents have reproduced and reinforced these many and varied inequalities in their stunted “Europe”.

They have already divided Europe into several more or less concentric circles. There is the outer circle of poor, untouchable pariahs waiting for their masters – usually their former imperialist rulers – to save them by letting them into a second circle of the chosen elect. They are tossed around according to the whim of the lords of Europe, the banks and their packs of patronising politicians. Within the circle of the chosen elect, there are two more circles: that of the countries which are doubly elect because they possess the single currency and the others, looked down on pityingly, who have not yet tasted that bitter fruit. Even though they have caught the same disease of debt, small and large, from Poland to the UK, they are not fettered directly to the calamitous consequences of an artificial currency. (Of course, their working people undergo the same frontal attack by capital on their gains. On this there is no country that is different, inside or outside Europe.)

And then, behind the deceptive veil of the European “Union”, within an already pretty restricted inner circle, the policy of destroying social rights and gains in order to save the capitalists has increased and enlarged the inequalities between countries. That artificial pseudo-currency the euro has powerfully contributed to extending and increasing these inequalities. The monetary aspect of the crisis has revealed and at the same time deepened not just a “simple” growth in inequality but a veritable fissure between these supposedly “united” countries. The leaders of the “more equal” ones and their entourage speak slightly about certain “less equal” countries like Greece, Portugal, Italy, etc. which these arrogant leaders disdainfully describe as the “periphery” of Europe, echoing the contemptuous and fearful French mantra

about the “dangerous *banlieue*”.

Today even this – only yesterday broad and compact – camp of close-knit European insiders has fairly well broken apart. Confronted with a veritable rout in which the concentric circles of a pseudo-Europe are gradually shrinking and tending openly and cynically to be reduced to the so-called “German-French axis”, “pro-European” politicians and journalists speak and write openly about the possibility of the euro collapsing while their “Europe” falls apart. It is worth repeating that their artificial money, conceived in the feverish imagination of monetarist dogma and first seeing daylight under the magic wand of voluntarism, is before our very eyes colliding with the realities of a fragmented Europe on which it will inevitably break apart. Glimpsing this abyss, some economists, more lucid than the mass of politicians and other “experts”, foresee a much narrower grouping of countries as the only way to furnish a more or less realistic and adequate base for a euro which is being tossed about in the air like a shuttlecock. But one can also see clearly the obvious fear leaders have of taking this route, one more proof that the capitalist class are by their very nature incapable of unifying Europe. The euro is an artificial currency condemned to disappear, and its collapse will lead to that of the capitalists’ counterfeit Europe.

Of course this capitalist class and its leaders will never acknowledge that their European (misad)venture is a fiasco. After all, for better or for worse, it is in line with the move towards greater concentration of capital and guarantees it a wider unrestricted market. But most of all, rickety and deformed as this scaffolding is, it provides a framework, a way and a cover (and now also as a pretext) for organising, pursuing and carrying out its frontal attack on the rights and gains workers have achieved, which is ultimately essential if they are to keep their crumbling system going. On Europe, the sharper the contradiction becomes between reality and the

capitalist class's obstinacy, the heavier the burden they will put on the backs of working people.

Dream of a "social" Europe or fight for a working peoples' Europe

So what is needed to fight this general and frontal attack by the bourgeoisie is a broad movement of working people. While they camouflage that attack behind the pretence of dealing with the crisis, that is actually the concrete form in which the attack is taking place. You can see that clearly in Greece, Ireland, Portugal and a succession of other countries. Italy is next on the execution block. Given the nature and extent of these attacks, the movement against them cannot but be international and, more concretely, Europe-wide.

Every single one of the great organisations traditionally supposed to defend and promote the interests of working people stops at the borders of its own country, despite the well-known fact that they have sister organisations in every country in Europe. They do have some sort of European or even international centres, but what stands out is these zombie bodies' total and absolute lack of any European-wide platform or programme. What most of them do is mimic the capitalist class's attitude on Europe, including its general offensive disguised behind a fig-leaf of "reforms". At most, they embroider lovely little designs to set themselves apart, but always on a canvas provided by the capitalists. What they absolutely will not ever do is work out and put forward a coherent programme for Europe, different from, and opposed to, the one currently in force. Not to mention the essential precondition for such a programme, i.e. a critical global analysis of the capitalist class's programme.

At most, the leaders of these organisations will from time to time humbly petition the "competent authorities" to give Europe a social dimension by introducing a series of social norms among the other conditions and criteria of their "European project". In this connection it is brutally

revealing that these norms and social rights have been deliberately set aside and have simply disappeared from all plans for “Europe”. These ridiculous Don Quixotes never say a word about that and make fools of themselves when they occasionally flaunt themselves as champions of social rights. It never occurs to them to put forward social demands of their own.

Obviously it is extremely important to defend the gains workers have made in each country, because the general offensive to dismantle them often takes a particular form depending on specific national conditions. But if it stays at this national level, the movement to defend them will be delayed and ultimately defeated. We must both strengthen them and unify them into a Europe-wide movement right from the outset. But such a continent-wide movement cannot be limited to just defending social gains, which at the end of the day is a *negative* objective. The only way it can attain the stature it needs is if it has a *positive* goal to aim for. To put it another way, it is not enough to be *against* something, you have to be fighting *for* something. The banner of this movement must therefore say what it stands for, i.e the construction of a “working people’s Europe”. Only a struggle with a clear and open orientation on that scale will be in a position to parry and defeat the capitalist class’s frontal attack on working people’s rights, an attack embodied in their their pseudo-Europe with all its destructive plans.

It would be pretentious and premature to try to work out in advance a detailed and complete programme for the movement towards a working people’s Europe, but we should state some aims and demands which flow from the concrete current situation, as well as some of the principles and methods which ought to guide its activity and help it bear fruit.

Main central demand

First of all there is the crisis of this bankers’ Europe which currently centres on the colossal levels of debt faced by all

the countries in the euro zone (and the rest), causing intractable quibbling and haggling in search of a “solution” which looks more and more like squaring the circle. (Unless, of course, they can impose massive impoverishment on working people under conditions of totalitarian oppression.) The Greek leader Papandreou made a feeble attempt to escape this implacable vice by suggesting that the Greek people should be consulted over what to do about the debts in a referendum. The moment he said this, all the leaders of Europe and their entourages rose in protest as one man, violently and angrily, as if stung by a scorpion. What impertinence! How dare he ask the people what they thought, when those in charge have already decided to squeeze them and their rights even harder! This vain effort tore away the mask and showed the true face of their runt “Europe”.

On the one hand this was one more confirmation that they will never be able to pay back the gigantic debts (which at the same time sheds light on the cynical, off-hand, way these leaders trample democracy underfoot). On the other, it exposed how profound the crisis – or rather death agony – of the euro actually is. How significant that not a single one of all the “socialists” who are up to their necks in this “Europe” and its euro stood up for their “comrade” Papandreou.

What is more, the plan to salvage creditor capital (and definitely not the Greek people), born amid so many protracted and painful labours, also required a good dollop of help from – that same capital. Whether the banks are willing to repeat the experience is more than doubtful. Attempts to consolidate the much-touted European fund to help states meet their debts are certainly not welcomed with open arms in every quarter and are in fact in a bit of a sorry state. The queue of potential victims – Italy, Spain and then France – is coming into sharper focus. The billions that have to be paid back are joined each day by further billions as the usurious interest rate keeps going up, set and raised arbitrarily at the

insatiable whim of finance capital, or – to use the oracular, antiseptic language of the spin doctors – “the needs of the markets”. They make old Shylock look a mere beginner.

The sorcerer's apprentices of modern “Europe” are at least partly responsible for setting up this reality, but they cannot contain the infernal mechanism which is at one and the same time their servant and their master. Desperately trying to get a grip on a situation which slips through their fingers and threatens to carry them away in their turn like Papandreou or Berlusconi, they have opened fire on the ratings agencies. These are unquestionably parasites on the system which have the juicy job of informing finance capital how profitable their investments are, using a continuous grading system. Their ratings are scanned as anxiously as the class dunces read their end of term reports. Because the agencies have recently handed downgrades even to their star European pupils in view of their poor economic performance, these former teachers' pets have turned on them furiously and used some rather choice language over the loss of their cherished triple-A ratings. Just like the ancient Romans who put to death the messenger who brought bad news.

The steady and yet disproportionate growth in the already monumental weight of debt actually reflects the real economic situation. That, and the quite bleak prospects for the future mean that it will never be possible to pay the debts back. The few more clear-sighted economists and journalists point out that the main reason for the debts is that economic growth is slowing down considerably, if not just marking time. Consequently they point out that the way forward is a series of measures to improve and increase this growth. And they are right – on paper. Growth is not an isolated, separate economic phenomenon which you can stimulate and increase at will. In capitalism, it depends exclusively on the ability of domestic and export markets to absorb the goods produced. Without going into detail, suffice it to say that these markets are more or

less saturated, resulting in chronic over-production. In any case, for a long time now markets have been inaccessible to European (and American) goods which are too expensive and (with the exception of Germany) of inferior quality. That is the actual fact hiding behind the insistent calls by a handful of economists and even fewer politicians for production in Europe to be made more competitive. To put it in simple everyday language, they must produce goods at a better price and of a better quality, etc., if they are to sell them against ever tougher competition from the massive quantities of goods at unbeatable prices appearing from the so-called "emerging" countries, made possible by the shameless super-exploitation of their workers.

Of course capital and its economic and political managers, as ever, see a way out of their serious situation, but it is *their* "way out" in line with their system, starting with a savage determination that their debts will be paid in full, come what may. Next, they seek to improve their economic competitiveness, i.e. cut their production costs. This is exactly what they are doing with their continuous attacks – not to say a veritable grand offensive – on the rights and advantages working people have gained, achievements which are now definitively incompatible with this reduction in production costs, and therefore with their system as a whole. But they do not stop there. In the next wave they will take direct aim at real wages, and this has already started in places. Do not forget that the German capitalists consolidated their industrial competitiveness by drastically squeezing incomes across the board through a wage freeze "agreed" by compliant trade unions, and this has been going on for years!

Don't pay the debts!

All this means that for a prolonged period the crisis is going to get worse and consequently we must expect a redoubled and sharper offensive against working people on all fronts. There can only be one serious response: we must propose a *general*

refusal to pay back these debts, which are growing all the time as the interest goes up. This should be the first demand of the Europe-wide workers' movement in connection with their call for "a working people's Europe". At the same time it builds a barrier against further destruction of workers' rights. The series of harsh austerity plans inevitably threatens human civilisation as a whole, a terrible sacrifice on the hideous altar of capitalism in decline.

Historical regression of this sort would not be confined to economic and social conditions; gloom would also spread across political life, and to an extent it already has. No-one should forget that in a similarly tortured situation fascism conquered power in Germany, having already triumphed in Italy. It is no accident that it is already making giant strides in several European countries on the same basis of capitalist convulsions and taking advantage of the same dereliction of their most elementary duties by workers' official leaders. If workers and their representatives remain inactive and turn their backs on this struggle to defend themselves boldly and unite their forces at a European level, there is no doubt that new Hitlers and new Mussolinis will take their place. The worrying progress they are already making in a growing number of countries goes hand in hand with no less disturbing retreats by the workers' movement. The only effective way to fight these shades of barbarism was and is an energetic united struggle to defend the rights workers have gained and to transform a Europe shrouded in shadows into a free "working people's Europe".

While it would be silly and pointless to try to work out a complete scheme of detailed demands for such a Europe-wide workers movement in advance, it does seem necessary to put forward a few important points and principles to guide its activity.

Against a stunted "Europe" and its banks

The central target is European policy, summed up and

concentrated in the offensive described above, and Europe's anti-democratic central institutions. The Europe-wide workers' movement is directed against this policy which is profoundly anti-democratic in every way. The movement will be aimed directly against these so-called European institutions whose establishment, character and methods, in line with their policy, are not merely anti-democratic but brutally opposed to democracy. These tyrannical organs are veiled in an anonymity from behind which they issue and impose binding decrees without appeal, squandering vast sums of money in the process. Swarms of idle parasites gravitate around the innumerable pressure groups, wooing and winning support for this or that group of capitalists. In the name of elementary democracy, the Europe-wide workers' movement will fight these anti-democratic monsters, spectres of a long-vanished feudal rule. The Europe-wide workers' movement should loudly insist that the whole lot of these autocratic, parasitic and enormously expensive bodies should be abolished. And while we are about it, it will fight to establish democratic bodies based on the mass participation of workers and all working people.

Everything about the problems under discussion shows very clearly that this Europe-wide movement will have to have a working-class character. It also means that that this has to be laid down clearly and unequivocally. This stands out when it comes sketching even in outline the aims, programme and method of such a movement. As the partial mobilisations have so far have emphasised, the Europe-wide workers' movement must beyond doubt be directed against the main threat, i.e. finance capital and its institutions, which are already exploiting the crisis to unleash a large-scale offensive. It is therefore clear that, from the start, the movement must aim to undermine the very basis for this evil offensive. The conviction arises naturally that in doing so it is impossible to disentangle social and economic troubles in general, and the refusal to repay the debts in particular, from the circumstances and position of the banks. Consequently one of the very first

demands will be to end banking secrecy which, by the way, will remain a pious wish unless it is accompanied by nationalisation of the leading banks under workers' control.

That is the natural, logical and concrete way to strike a real blow at the source of their power, as opposed to the endless chatter and demagogic fantasies, devoid of both content and consequences, around "regulation" of finance capital and its movement. It is also the only serious way to strike a definite blow against the pressure towards impoverishment. Only a radical step like this, under the watchful supervision of workers, would provide at the same time an indispensable basis for and a means to manage credit vigorously and healthily and get an effective grip on the arbitrary up and down movement of interest rates. Such steps are also important in defending the many thousand small, often family, firms which are being mugged by capital. They are the natural allies of working people and their movement in this struggle. What is downright culpable is the almost total silence on these basic questions emanating from the big "Left" organisations. In this they have absolutely turned their backs on their own – not too distant – past.

Renew the trade unions

To even get off the ground, never mind flourish, a Europe-wide workers' movement absolutely must be allied to the trade unions. Actually there is much more at stake here. The current situation is marked by the general merciless offensive of capital on the one hand and the successive retreats and political and organisational disarmament of the working class and all working people on the other, so the trade unions are a particularly important force and tool in the workers' hands. After all, the sole and original reason for unions is to rally working people together, represent them and defend their interests. They are probably the only levers that actually exist in every country and internationally which can give a decisive boost to their movement, unifying and strengthening

them. That is precisely why, ever since they first came into being, capital has always done whatever it could either to destroy and outlaw them, or co-opt them and turn them its own servants.

They have long since succeeded in shepherding unions, through their leaderships, into a sort of “peaceful co-existence” or even class collaboration, sometimes masked or hidden, but suspended and interrupted outright in times of heightened class-struggle. From this point of view, the characteristic trait of recent decades, while capital has been preparing and launching a general offensive, has been the way these trade union leaderships have turned openly and publicly into auxilliary detachments of capital, or, as they themselves put it bluntly, “social partners”.

One disastrous consequence of this attack on the innermost core, the most fundamental being of trade unionism, and the kind of behaviour it gives rise to, has been a considerable fall in membership. Massive desertions by workers and working people in general express a lack of trust in trade unions and have reached alarming proportions in every country. One of the most urgent tasks facing the European workers’ movement is to put this into reverse and take back the unions – from top to bottom.

The mass of workers who did stay on in their unions did not follow the same path as the trade union bureaucracies, of class collaboration codified and underlined by their conversion into “social partners”. This stopped the rot from spreading too far and prevented the unions from becoming fully integrated into the state. Despite losses, they have actually maintained their independence and thus their ability to get back into the fight.

On this basis, workers and all working people can and should get back into their unions. In any case, the unions belong to them and not any particular individual, least of all the trade

union bureaucrats who put at risk the the very existence of unions, whose main justification after all is that they stand up to capital. The decisive argument in this re-conquest of the unions by workers is this: without these organisations and their mobilising capacity, it would be very difficult, not to say practically impossible, to develop a powerful Europe-wide movement of workers.

However, it goes without saying that this campaign to take back the unions means that they must at the same time be turned back into organisations of struggle against capital's offensive. To do this, a platform of union-organised workers must urgently express in words the need to break with class collaboration ("social partnership") in order to achieve independence from bosses and government.

Combative actions, not carnivals

Merely deciding to go for that sort of independence, or just talking or writing ringing declarations about it, will not bring it. It will only take concrete shape through involvement in real, resolute struggle against capital's offensive and all its manifestations. Such a struggle is fundamentally different from all the pretend and pseudo-actions used as a pretext by the leaderships of the "social partner" unions, first and foremost because it completely denounces capital's offensive and condemns it from every angle. That means clearly-defined and precise workers' demands rather than the kind of puerile gestures requesting "realistic negotiations" which trade union bureaucrats often indulge in. It also requires serious actions and combative, determined demonstrations instead of the happy-go-lucky clownish carnival-like processions used to lull working people into a false sense of security.

A particularly important criterion in this involvement is its international – above all Europe-wide – scope and character. Trade unions have significant links and even an apparatus at an international and European level. The acutely painful situation we are in means that these entirely bureaucratised

links and offices must be turned boldly into (or replaced by) pillars of continent-wide struggle against capital's offensive and the machinery of it concentrated in Brussels, Frankfurt and Strasbourg. A series of actions in these centres and across Europe should replace the very occasional European rallies disguised as tame village fêtes.

This shows why there is no way the great mass of working people will be able to re-conquer the trade unions without re-establishing complete workers' democracy within them. Besides freedom of discussion, the main test (success criteria) for such democracy is freedom for tendencies and factions to express their views including the right to organise an opposition. This internal democracy is vitally necessary and the only way to work out the best orientation, achieve the necessary flexibility and make sure that the most appropriate slogans are selected. It is the best guarantee against the deadly snares of capitulation through unprincipled opportunism or marginalisation in sectarian sterility. Of course it is also the only way to give the unions back to working people and make the changes to them that are needed.

A Europe-wide workers' movement can only exist and develop through the involvement of a multitude of political, trade union, cultural, etc. organisations and movements in the various countries. In the nature of things, these organisations function on the basis of a very broad spectrum of different conceptions and programmes and a variety of attachments and affiliations. What will unite them and assemble them into a single movement – besides their working-class character – will be their determination to fight back against capital's attacks on the rights working people have won and the gains they have made. In a situation like this, there is only one way to achieve and guarantee on the one hand the unity and integrity of the movement and on the other the freedom and independence of each of its components. That is the historically-proven method of the international workers'

movement, the united workers' front. Almost 100 years ago Lenin, one of the great leaders of this movement, summed it up succinctly in the words: "March separately – Strike together!".

This is the only effective way for our broad and diverse movement to achieve its common goal.

December 2011

The 'future' the bourgeoisie wants: Back to Mass Poverty

by Balazs Nagy

Another day, another worrying news item. One minute a sudden squall blows away the Dutch government's oddly cherished triple-A credit rating; the next, the UK officially announces it is mired in – "double dip" – recession. That most distinguished of French dailies, *Le Monde*, carries a pre-May Day editorial headed "Spanish crisis rocks Europe". Then the Greek people resoundingly toss out Papademos, the banker "democratically" inflicted on them as chief puppet in a government of marionettes. The first round of the Greek elections was certainly a powerful rejection of the austerity imposed by the bourgeoisie's puny, misbegotten Europe.

Actually the bourgeoisie is in pretty poor shape, both as a whole and in each of its various national formations. The world crisis is far from over, in fact, it looks like getting worse. The bourgeoisie exploits it but suffers from it too, so they are trying even harder to get out of it safely – at the expense of working people, of course, since that is how they do things. So they impose wartime-style policies, on Greece at

the moment, but soon on Portugal, Spain and the rest.

Each one in a shock sequence of devastating austerity plans has come with a cynical guarantee that it will finally solve the problem. But in all these countries – especially for working people – things are getting worse by the day. The awful debts are spiralling upwards, the exact opposite of what was promised. Bloodthirsty capital inflicts these “rescues” from behind a shroud of anonymity that also hides its servants and faceless, unelected and incompetent hangers-on lurking in the shadows of that self-perpetuating authority they loftily but misleadingly call “European Union”.

The Troika (European Commission, European Central Bank and International Monetary Fund), helped and supported by world capital, simply impose colonial satraps on entire countries and dictate their policy. These local henchmen include at least two wily old hands from Goldman Sachs, the US bank notorious for greed and guile. Papademos in Greece and Monti in Italy were both parachuted in – neither of them by way of an election – to run puppet governments in the glorious name of democracy, the creed all these gentlemen lyingly profess to support. They didn’t need to use force, all they had to do was pass on the names, since the existing governments welcomed these bankers as saviours, the majority “socialist” PASOK in Greece no less than the unfrocked “Eurocommunist” bureaucrats in Italy. But as we know, the Greek people resoundingly rejected this arrangement and sent them packing.

Europe’s two-faced architects toil away, producing sinister results

In November-December 2011, I wrote that the way European countries’ debts were spiralling and uncontrollably feeding off themselves as interest rates increased:

“...means that it will never be possible to pay the debts back” (*Stop the Destruction of Social Gains*, Socialist Studies Pamphlet, p.17) and that “for a prolonged period the crisis is

only going to get worse" (*ibid.* p.18).

Indeed, the bourgeoisie's public affairs people (pretty well all their lower-ranking agents) were doing their fevered best to push these nations over "the brink of the precipice", to borrow a phrase, not from an opponent of the system, but Patrick Artus, an economist whose devotion to it is beyond question.

How deep is this precipice? Their Europe has clearly split in two, even the most frankly favoured eurozone bit. You don't need to be clairvoyant to see the tension constantly growing between the two sides, driving them apart by their own momentum like galaxies. The language various countries use about each other is already ripe and it will get worse as the gap grows. Frightened by the outcome of the May elections in Greece, *Le Monde* starts by describing it as "chaos", then, even more amiably informs the Greek people they have "voted the wrong way" and must re-run the election. The certified democrats in Brussels, as ever, blithely ignore reality and assume that they are the true guardians of European unity. You can count on it: the wider the gaps grow between the different parts, the more grimly they will cling to "unity".

Take a closer look at Greece. Not long ago, I and others said how urgent it was for the working people of Europe to respond quickly, in a knee-jerk reaction, as it were, to the call for help from the Greek activists Glezos and Theodorakis. Well, apart from some public voices raised and fraternal action by trade unionists and political activists in the UK, nothing happened. We have to say that for all the many official announcements, one European initiative announced by the general staffs of the trade union amounted to little more than a few very limited local actions. The action as a whole was a washout because the trade union leaders (especially the ETUC, the European Trades Union Confederation) obviously lacked the will. The trade union leaderships couldn't even manage to organise a big action in Brussels to defend Greece's working

people against the capitalists plundering them, and their Greek and European agents and touts. There is still time, though, and we must do something.

Thanks to the various "rescue" attempts by its kindly European "saviours", the Greek state is literally falling apart. That unforgettable educator of the proletariat, Antonio Gramsci, examined and laid bare the "integral state" of capitalism in its dotage. It was actually never particularly robust in Greece anyway, and now it is melting away before our very eyes, exposing at its heart the violence of the repressive apparatus. The parties of corrupt worthies, suspended in mid-air and ordered about by the arrogant, tax-levying financiers who back them, offer barely a threadbare fig-leaf, behind which we can glimpse the menacing profiles of generals. Never forget that throughout the whole history of Greek working people, these mercenaries of capital have drowned them in blood every time they have dared raise their heads. Many people still bear physical and psychological scars from ill-treatment suffered in their gaols not so long ago. No doubt the same torturers are again standing by to force a proud and defiant people to do as capital commands, just as soon as they can get away with it. Their political advance guard, the resolute fascist group, has already appeared on the scene. Fortunately, for the time being they are held in check by the formidable resistance and mobilisation of working people. Also, by throwing out the bourgeois accomplices and agents of austerity, the elections too increased the specific weight of working people. In fact for several years now they have, day in and day out, proudly and indomitably resisted the implacable dictates of the masters of European and international capital, relayed by local stewards cowering behind police lines.

We all know that the general strike is a powerful, redoubtable but highly dangerous weapon which the working class turns to when it has to defy and contest the power of the bourgeoisie,

and also as a final warning when its very existence as a class is threatened. Since the attacks started, aimed at reducing this cradle of democracy to a mere colony, and its inhabitants to impoverished natives, the Greek working class has on five occasions risen in an all-out general strike against all those alleged democrats tormenting them in their own country. But they cannot just go on using up their strength in endless general strikes, any more than their Portuguese and Spanish comrades who are boldly repeating similar tactics. (To grasp the full gravity of the situation, read the interview with Greek philosophy lecturer at London University, Stathis Kouvelakis, with its very precise and striking depiction of the sufferings and the struggles of the Greek people, published in the *Revue des Livres*, Paris, March-April 2012). The more working people fritter away their strength in heroic – but exhausting – actions, the more deaf and unfeeling their persecutors become. Indeed these persecutors grow bolder, as if trying deliberately to provoke a situation where they can inflict a death blow.

Trade unions must mobilise

Out of the blood and toil of the resistance put up by significant sectors of the European working class, one irrefutable fact emerges: to halt the bourgeoisie's general offensive, we need to mount a united struggle on a comparable – Europe-wide – scale. When it comes to blocking these attacks on the rights and gains working people have achieved, and driving the offensive back on itself, struggles confined to individual countries one after the other in isolation are doomed to fail. And a partial success on a national level, as in Greece, at least partially strengthens one section of the enemy too, and exasperates others. This is true even though the attacks are fine-tuned to reflect the particular features of each country. It would be a fatal mistake to fall into a nationally-blinkered outlook, when Greece, Portugal and Spain make it painfully clear that struggles which are national in scope will not do, because they can be isolated.

However, the unions do have the experience needed to avoid this and similar snares. Even leaders who up to now have been lured by the siren voices of a false, lying “partnership” with states and employers against workers are now caught up in a struggle against capital’s offensive and its plans to reduce Southern Europe to slavery. Indeed, faced with the distress people there are in and the threat of demoralisation, these leaders have shown some desire to sharpen their act and prepare a more consistent struggle. The unions have thrown themselves into the fight in Greece, Portugal and Spain, and they are getting ready to do the same in Italy and elsewhere. Even in France the unions have started to stir.

The Confédération Générale du Travail (CGT) is the most significant centre of working class activity in the country. During the recent election campaign, its Executive Committee roundly condemned the policy of outgoing President Sarkozy. Everybody knows that the deposed President was the bourgeoisie’s second-in-command next to Merkel. He was the Godfather of *Blitzkrieg* against the working class, which he toughened, honed and nurtured. Without him, the European Fiscal Treaty of evil memory would hardly have got off the ground. In response, on 13 March, the CGT Executive Committee warned that if he was re-elected, this “... would almost certainly open a new round of severe social regression ... and French society ... would sink deeper and deeper into crisis”. Barely a month later its leader, Bernard Thibault, underlined this point in an interview with *Le Monde* newspaper where he stated that: “all European trade unions are opposed to the European Treaty (initiated by Sarkozy) which generalises social austerity and insecurity”.

Although we should not foster illusions, this is a definite step towards undoing the repellent and paralysing straitjacket of “social partnership” which holds back and stifles working people’s struggles. Limited as such statements are, they mean a lot because they break the unions’ silence over the

“political neutrality” which is one of the main planks of “partnership”. (Sarkozy understood this perfectly. He immediately re-vamped his “simply” anti-social rhetoric into downright fascist eruptions, particularly venomous about benefits “scroungers” and “busybody mediators” (particularly trade unions), not to mention other favourite fascist targets such as immigrants ... most of whom are workers. He thus revealed his spontaneous tendency towards fascism. This led the other big trade union centre, the originally Christian – and much more conciliationist towards employers and their state – Confédération Française Démocratique du Travail [CFDT], to protest as well).

These French trade union leaders are perfectly well aware – particularly the CGT – that the Greek and other working people in Southern Europe cannot win on their own and isolated each in their own country because they are up against a stronger enemy. They cannot win any tangible results that way, never mind score an actual success. The only at all realistic and practical way to fight successfully is internationally, specifically on a Europe-wide level. The CGT is particularly well placed to launch and organise such a fight to bring real aid to the working people of Europe: Greek, Spanish, Portuguese, Italian, not to mention the French and all the rest.

They have taken a first step, and now we all hope they will see it through. You can only say: “well done and get on with it”, hoping they will link up with sister bodies across Europe at present thrust into still scattered and unequal struggles. That is also the only way they can escape the humiliating, degrading, wounding and paralysing chains of a “partnership” where they are the servants of the master. The CGT has the depth of resources needed to initiate and deploy such a struggle along with its sisters in Europe and to mount an immediate and directly *international* line of defence, full of ambitious actions aimed at the focus and source of the attacks

in Brussels.

Nobody can tell in advance how the French unions, especially the CGT, will react to capital's offensive, which without a shadow of a doubt will grow stronger. It would be terrible if the internal conflict over the succession caused by Thibault's approaching retirement from presidency of the confederation were to provide the leadership with an excuse for not coming up with the favourable response people expect.

Economists and experts at a loss, ill at ease and at odds

Unsurprisingly, with a few rare and muted exceptions, the vast majority of economists and the countless self-appointed experts were at first completely stunned and overwhelmed by the scope and violence of the crisis. Think about it.

Trained in years of the all-embracing hegemony of (so-called "neo") liberalism (although that was knocked back for a while by the general crisis of 1929-1937), not one of them anticipated the general upheaval and they have still not got over the shock. They imbibed the "self-regulating markets" dogma of "neo" liberalism with their mothers' milk, so to speak, and it has permeated and contaminated every pore of society. They were totally dazzled and poisoned by it. The main, monetarist, segment of this fetishistic catechism (M. Friedman and his many imitators) unanimously announced that crises belong among the imperfections of a distant past. Consequently his followers and disciples have classified the frequent present-day partial and unconsummated – and therefore incomplete – manifestations of crisis under one or another purely linguistic category in order to efface, obliterate and/or corrupt their meaning, thus falsifying reality. So today's vulgar economists dub these manifestations "dysfunctions". Their utter and sincere stupefaction in the face of a social tempest therefore speaks volumes.

Their economic credo refused to acknowledge crises and expressed and promoted a veritable infatuation with

trivialities, so of course they had to wage a crusade against Marxism. It was (and is) the other side of the (forged) coin of their paeans to neo-liberalism. To justify their crusading zeal, these economists did not hesitate to use as ammunition the repulsive practice and anti-Marxist ideology of Stalinism, although they are perfectly well aware that he and his supporters entirely liquidated the party of the revolution, physically exterminating its members in their tens of thousands, and locking them up in their millions. Unable to refute Marx's theories, they relentlessly condemn the Stalinist epigones who falsified him and whom they actually applauded not so long ago. As for Marx, Engels and Marxist theory, they at most poke inane fun at it, on the assumption that the mere mention of the vile Stalin and his regime releases them from any obligation to deal with it properly. One can only welcome any who, although not themselves Marxists, did not howl with these wolves.

How instructive it is, we must add here, that the leaderships of socialist or social democratic workers' parties have long since publicly and officially repudiated Marxism, starting with the German SPD at its Bad Godesberg Congress in 1959. This made it easier for them to spread their policy of class collaboration in often violent opposition to the theory and practice of class struggle. As for the Stalinist parties, fed with the dogmas of a falsified, distorted, deformed and formal, Marxism, their leaderships finally slyly abandoned even those stale, insipid leftovers. They too did so in the attempt – admittedly more difficult in their case – to line up with other collaborators with the bourgeoisie in denying and recanting the class struggle. Some of them went so far as to throw the very name “Communist” overboard.

So it is quite understandable that the intellectuals' great turn to the right on the heels of a succession of defeats for the workers' movement and a series of gyrations on the part of their failed leaders, was also marked by a recantation and

massive rejection of Marxism. This is not the place to examine it in detail, just to note that besides historians, philosophers, literati, etc, it also involved a turn by economists, not merely away from Marxism but also from Keynesianism, that mongrel refuge to which the bourgeoisie resorted when forced to make concessions to a menacing working class.

Neo-liberalism is particularly clueless in the rather significant matter of Europe, or specifically, how to unify it. This was the goal that its initiators set themselves, although they were also clueless about how to achieve this happy consummation. Now in practical reality, the process has barely started and, contrary to expectations, vows and promises, not to mention specific statements, it has already produced striking inequality which is actually growing ever faster: inequality between the classes in each country and inequality between individual countries. It has become a common topic of general and somewhat anguished discussion. Even economists normally anxious to sell the ideology of Europe have a great deal to say about how it presents itself and takes shape; the ones who notice it anyway, unlike its stubborn devotees – and there are still lots of them – who ignore the evidence or don't consider this inequality worth bothering about.

But those who do actually worry about such an about-turn from supposed progress towards unity into its exact opposite present a spectacle of various stages of disenchantment. First the stupefaction provoked by the this cruel blow undermining what had been reassuring certainty; then growing incredulity, doubt or downright scepticism; finally, bypassing any actual explanation of the phenomenon, they lose themselves, divided and perplexed, in conjectures and misty and evasive speculation. And so they launch into fantastic wanderings, each one as extravagant as the other is absurd.

(I am not talking here about the backward-looking dreams of

“de-globalisation” or a “non-productivist” economy, nor their equally reactionary and illusory twins, protectionism and the call to consume only products of the national soil. Such views undoubtedly flourish as distorted side-effects of the mass rejection of the situation provoked by the Europe of capital. They particularly flourished in the overheated atmosphere of the French election campaign, for example, during which the more prudent and thoughtful politicians, alongside a shrinking remnant of the liberal bourgeoisie and fundamentally disorientated petit bourgeois, clashed with official defenders of the hated capitalist offensive. At the same time there were, limited still but significant, attempts to beat a path for working people, and don’t forget for an instant, on the opposite side, the reactionary but dangerous disquisitions of the fascists.)

So it is absolutely normal that in the intellectual desert created as a sort of bonus under the omnipresent protection of capital, practically all specialists and experts in “economic matters” (leaving aside a few rare dissident voices) are sincerely stupefied by how this glaring inequality has arisen in a Europe unexpectedly torn apart. This is really too much, especially given that they had been blind to the approaching crisis in the first place. The surprise and astonishment is all the greater since for decades, lined up behind the capitalists and those responsible for their European mission, they endlessly sang the praises of a supposed convergence of nations, first the Common Market and then the European Union. They were gripped by unshakeable faith in fraternal cooperation and solidarity between countries – which to tell the truth was closer to St Augustine’s “I believe it because it is absurd” than to any objective analysis. It was a rude awakening, so painful that they still keep step with the gurus of capital and their European representatives, mechanically repeating all the twaddle they come out with.

However, the obvious failure of all these “rescues” and the

growing sufferings of the people thus “rescued”, not to mention their growing resistance, raise painfully embarrassing questions. Doubts emerge, new ways out are sought, and this accentuates and multiplies differences between them over a possible solution. To go by some spokespersons, the disarray among them is practically total, and that is confirmed from outside by how often they change their minds and the obvious contradictions in the positions they put forward.

The real meaning of inequality in Europe

The unhealthy imbalance developing between the eurozone countries (but not sparing the others) as the crisis unfolds has its impact on how people think, including economists. First of all it is important to grasp that this inequality is not just a fixed difference between these countries placed neutrally side by side, arising from their different development. Of course there are such differences between countries, marked by their different geographical locations and their varied natural attributes, but above all shaped by and steeped in their own specific histories. I am not talking here about the inequality that arises from their history and heritage, although that continues to influence the one I do mean.

The growing inequality between countries in question here is not exactly the same as the one between classes, although there is an organic link between the two. It is a living, dynamic relationship, in a sustained movement, which measures, compares and describes the relationship between countries and their economic development. What is this relationship all about? And where does this inequality come from?

To reply to these questions, the first essential thing to grasp, which should never be forgotten, is that this inequality develops between different countries with an identical *capitalist* system. The accent is on the *capitalist* character of their mode of production and their society, which implies that the inequality between these countries develops

inevitably, as if dictated by fate, in line with their respective powers and capacities. Now, one of the principal characteristics of this system of exploitation is *competition*, which governs economic life and regulates social relations, even reaching right inside social classes.

Private ownership of the means of production and trade and hence of the finance system drives and compels their owners, the capitalists, into a savage struggle for a bigger share of the markets. This competition is so significant and powerful that it goes beyond the economic field to invade all sectors of social, political and cultural life. It was no accident that Marx exposed and analysed it in all its manifestations and from every angle all the way through *Capital* and all his joint work with Engels, where they presented and examined its enormous power which drove the capitalists not simply to renew production by repetition, but to improve it constantly and without respite, the logical consequence of the fact that they are placed in ferocious, implacable and merciless competition.

This bitter competition has inevitably and constantly led to the concentration and centralisation of the means of production, trade and finance embodied in powerful monopolies that eliminate their victims either by absorbing or by destroying them. This struggle, determined and to a large extent conditioned by history and heritage, has gone on and still goes on between these monopolies. The ever fiercer competition between these giants of capitalist concentration has led them to become intertwined with states. The state constitutes a natural crucible and forcing-houses for monopolies in a dense entanglement in which it serves as their protector and also as their normal and legitimate representative. As a consequence, the relationship of forces and the competition between these monopolies are embodied and at the same time manifested in those between nation states and their mutual relations, not necessarily of course always in their crude, i.e. immediate and brutal, forms, but mediated by

many factors, above all political ones.

This unbridled race for profit which sets the capitalists against each other in a continual antagonistic struggle is “regularised” and administrated by the nation-state. But obviously, it crosses borders and is expressed, decisively, within the framework of the so-called European Union which has neither borders nor customs barriers. This binary or hybrid, but in any case mongrel (both national and at the same time European) character of capitalism on this continent is one element in the flagrant and explosive contradiction of so-called “European unification”. It is so visible and striking that many economists and even politicians, denounce it, without, of course, explaining it, and particularly not by any reference to its real substance, and in any case without any of those responsible for such a calamity, or indeed their critics, being in the slightest degree put out by it all.

Such a struggle to the death by capitalist competition – and an extensive international literature testifies to how savagely brutal it is – has nothing to do with the daily diet of soothing music about fraternal solidarity and European cooperation. The propagandists of capital draw on the biblical image of an encounter between the lion and the lamb, but they would do better to study the fables of La Fontaine. That would teach them something about the reality of the manic struggle to survive, transposed into capitalist economy and society as intransigent and omnipresent competition. If they cannot study Marx, whom they reject and slander, this at least would give them some food for thought. As for Lenin – on monopoly, for example – lyingly considered to be a precursor of Stalin, they don’t even mention him.

Since all they have to go on are the defective resources of vulgar economics, it is perfectly logical that they fail to see the essence of the matter: that behind the ringing phrases about unification and cooperation, tempered by “gentlemanly” good-manners and above all hidden by the virtuous veil of

Europe, what governs relations between nation-states is unbridled, merciless competition between capitals. These commentators also close their eyes to the fact that, the better to conceal their starring roles, the real animators and representatives of capital hide behind stage extras like Barroso, Van Rompuy, Lady Ashton, Juncker and co, whose considerable prominence as wreckers of social advances is inversely proportional to any real personal significance.

It would be both tedious and unnecessary to recapitulate here the whole history of this Europe in all its consecutive stages. However, particular episodes like the establishment of the Common Market and the introduction of the single currency certainly do underline one fundamental point: in the many confrontations over economic competition, these measures and arrangements unfailingly gave considerable additional advantages to the biggest and strongest, the best prepared and the best equipped.

Dismantling customs barriers and allowing the free movement of capital, *uniform* measures applied to countries whose economies were clearly *different* in their structures and levels of development (not to mention any other differences) acted (and still act) as powerful and violent levers in favour of the strongest at the expense of the weakest. The brutal and iniquitous introduction of the euro – a fraught act, but one that was absolutely necessary to complete and consolidate these measures, stimulate them and breathe life into them – forced all these countries to abandon currencies that were issued in line with their actual economic strength and level of development. From then on they had to adapt to a single currency which actually expressed those participants with the most developed economies. And so the euro acted as a tonic for the biggest and deadly poison for the rest.

The consequences and natural effects of these measures very soon showed themselves and acted more and more destructively. Obviously they did not reflect the outpourings of exalted

balderdash about the supposed unification of Europe. Contrary to these fairy stories, they followed and expressed (as they still do) the logic of the economic laws discovered by Marx, in this case those of capitalist competition between unequal countries and its inevitable products: concentration and enrichment of the capitals of the one side and weakening, impoverishment and pauperisation of the other.

The bitter, sustained competition between capitals and their monopolies within this European “unity” divided by nation states has thus take on the form of a certain (albeit managed) rivalry between them. But in the way of such things, it is considerably tamed, domesticated and more or less brought under control, and therefore concealed, by their European “unity”. Nevertheless, it was this competition that structured and then reinforced a hierarchy between the strongest and the others beneath the appearance. Then “natural selection” produced one nation-state, “the first among equals”, at the expense of the rest. In this case, the rivalry produced a situation where bourgeois Germany gradually emerged in a dominant position. She has been assisted (until very recently), but from a long way back, by France, whose bourgeoisie’s strength is withered, and which is vassal-like, complaisant and deferential towards that first-in-line of the capitalist class. The losers line up in a long chain whose links are twisting and writhing, with the weakest one at the end – Greece – in the process of breaking.

German capital in command, served and feared by attentive – but refractory – satellites

Needless to say, Europe’s media rarely even mention how the economic structures of member countries are evolving in terms of their respective performance, i.e. inter-European trade, never mind paying any natural and regular attention to or analysing this. Nonetheless, although finding them involves a childish but instructive game of hide and seek, these propaganda machines do drop occasional morsels of the

information for which we hunger. These meagre hints do allow us to form a disjointed but nevertheless correct and faithful picture.

The major share of each European country's foreign trade – and this includes the eurozone – is with other member states. Capitalist competition does take place between them, and even though it is codified and therefore alleviated somewhat, it produces victors and victims in the European setting. The big ones in front brutally eliminate the weaker ones who come second, or swallow them greedily. Big fish eat little fish. In the present crisis they gobble them up faster and in greater numbers.

Today, Germany conducts between 40% and 50% of her foreign trade within the eurozone. In consequence, by 2011 almost half her *positive* trade balance amounting to 157 billion euros came from the eurozone. To make up for that, Spain for example lost 47.2 billion euros in the same inter-European trade, Italy 24.6 billion euros, Greece 20.8 billion and Portugal 14.3 billion. This imbalance (to put it mildly), or rather genuine act of pillage on the part of German monopolies, does not mechanically cover the whole inequality, but it explains its basic texture, since the volume of overseas trade, particularly with China and the US, which also places the weakest at a disadvantaged, is oddly and clearly lower than that between European countries themselves.

To stay with Europe, it would be interesting to round out the figures given above. That same year, 2011, brought a mind-boggling negative trade balance of 84.5 billion euros for the French bourgeoisie, for all their notoriously enthusiastic attachment to German capital. And just to show that the whole of Europe is drawn in, even beyond the eurozone, this colossal loss in France's foreign trade is eclipsed by that of the UK. That same year of 2011 the latter showed a loss of 117.4 billion euros, even though the country was in a slightly different economic setting, but still carried out 40% of her

foreign trade with continental Europe.

Other figures reveal a situation that both arises from the development of an unequal relationship between countries and at the same time creates conditions for it to get very much worse. This is the role of industry as the spinal column of the economic body, and also the role of its offspring, the industrial working class, as the bearer and harbinger of human progress. I shall concentrate on France, and occasionally the UK, leaving aside the far worse-affected countries of the south. France's trade deficit in *industrial* products, which by the year 2000 already amounted to 15bn euros, reached a dizzying 92bn euros in 2011. This was the path of galloping de-industrialisation, itself aggravated by the crisis, simultaneously the cause and the consequence of capitalist competition.

In 2010, *industrial* jobs represented a mere 12% of all employment in France, compared with 16% in 2000. In Germany, on the other hand, the comparable figure was still 19% in 2010, also down from 21% in 2000, but the fall was thought "normal" since it reflects "usual" retrenchment and rationalisation within the continual concentration of capitals and quest for higher productivity. Although it stands outside the eurozone, the proportion is even worse in the UK, where 14% for industrial jobs in 2000 shrank to 9% in 2010.

As a consequence, in 2010, French industry, for example provided 13% of what is termed "value added", down from 18% in 2000, whereas in German this same "value added" by industry was still 25%. As for the UK, the respective figures are 20% in 2000 and 15% in 2010.

(I shall refrain for the moment from criticising and frankly rejecting this misleading and mongrel concept of "value added", because that would take us too far afield. May I just state that it was dreamed up and spread and is still used by bourgeois vulgar economics to mix up the real new value

provided by productive labour with the contribution of capital – unavoidable in this society but which remains *passive* – in an almost inextricable magma).

Be that as it may, despite the persistent shortage of data and deceptive concepts like “value added”, these figures suggest a real general tendency which must be clearly more marked and devastating in and for the countries of Southern Europe. It clearly expresses a relationship of German domination with varying degrees of dependency on the part of all the other countries in Europe. That is the precise content of this famous and well-known unequal relationship, although as one can now see, it is a rather vague expression because it blurs the precision of its essence.

At this point it is extremely important to be specific about the overall character of the struggle unfolding in Europe. I have already mentioned, but should re-emphasise, that within the framework of nation-states and behind the façade of and often mixed up with the inequality and opposition between them, this struggle is between capitalists on the one hand and the working class, alongside all working people, on the other. Its class content is masked because it is split and segmented by the nation states and it is all the more likely to appear to be a difference and a struggle carried out between these nation states because there is genuine rivalry between them, animated by real differences between capitalist groupings.

However the mask drops each time the fundamental interest of capital’s offensive unleashes yet another attack on working people in one austerity plan after another. Local bourgeoisies tend to fissure, most of them immediately lining up as “compradors” (colonial natives who act as the agents of the colonising power – Trs.) of the dominant European capital. Then the situation becomes clear, as it did recently in Greece; that is, the antagonistic confrontation of the fundamental classes tears away the national veil, while wavering sectors of the national bourgeoisie, in the minority

for the moment, seek a way out of the vice in the arms of fascism.

Consequently, it is nothing to do with a struggle *against* Greece, for example, as the Greek scholar Kouvelakis (quoted above) – who describes it rather effectively – seems to understand the torpedoing of Greece, an impression shared by a good number of Greek political activists. Of course it is undeniably true that European, particularly German, capital, has a voracious hunger to get its hands on Greece's richer pickings by destroying the resistance of her working people. However, the main attack is on the working people of Europe as a whole, concentrated for the moment on their most vulnerable, Greek, section.

To make the same point from the opposite angle, it would be absurd to think that Germany's predominance in Europe is to do with just that country as such on her own. Germany is also divided into the same opposing classes as every other country. German capital thrust itself above other "national" capitals by subjugating and enchaining "its" own working class through a whole system of brutal and refined restrictions of their rights and the suppression of a series of other gains they had made previously. In other words, German working people have already undergone "their" austerity plan without "their" state even being deep in debt, a plan which was a *prerequisite* for the supremacy of Germany's monopolies. Decisions imposed by Gerhard Schröder, the leader of the Social Democratic Party (SPD) in the early 2000s firmly ejected the "social" from the famous description of Germany as a "social market economy", all done with the traditional servile compliance of the whole trade union bureaucracy.

It is no accident that, in response to the combative mobilisation of working people in several European countries, the German working class has also raised its head. Recently, it has forced the leaders of the IG Metall (engineering) and Verdi (public service) unions to call a series of strikes and

demonstrations to impose a massive wage increase and other improved conditions on the bourgeoisie. European working people as a whole should be their natural allies, just as German working people should be the European proletariat's indispensable partners in struggle. The basis and prerequisites for this fighting alliance are ready and just waiting to be put into actual practice.

Once more we should note, coming back to inter-European trade, that its precise content and disappointing results are carefully concealed behind a seductive but misleading screen of "cooperation". At most, the numerous professional confusionists and brainwashers are forced to acknowledge this growing inequality, since the evidence is palpable. However, disconcerted in the face of this troublesome reality, they merely mention it without venturing any explanation. At the very most, and very rarely, they mention as an isolated fact the power of the giant German monopolies. From time to time one sees the odd reference to groups such as the steelmakers and engineers Thyssen-Krupp, the electrical and electronics giants Siemens and Bosch, or the world's largest chemical group, BASF, not to mention the pharmaceutical firm Bayer, etc. But they never mention a single word about the role these monopolies play or their place in European and international industry. We know a little bit more about the car industry, but even there nothing about what matters, i.e. inner conflicts. But it is no secret at all that while the European car industry has been wiped out except for FIAT in Italy and Renault and PSA (Peugeot-Citroën) in France who have been pretty well turned upside down and are, like the Swedish car-makers, struggling, the German monopolies rule at an international level. It is a well-known fact that Volkswagen, having seen off Opel and already swallowed Daimler-Benz, dominates the world car industry and long since gobbled up Czech "Skoda" and Spanish "SEAT", to mention just two.

A few things that need saying

The great majority of economists and journalists are bourgeois propagandists who embroider the official line, instead of seriously and objectively examining the economic, social and political processes at work in Europe. They point the finger at China, who is mainly blamed for Europe's economic ruin and desolation, and accuse her of being the gravedigger of European industry by "unfair" trading and dumping based on shameless exploitation of Chinese workers. That last comment is entirely correct, even if it sounds particularly hypocritical coming from people who have never said a word about capital's slave-drivers in European factories and their increasingly refined, inhuman and "scientifically" motivated methods of driving up productivity at all costs.

Without going into too much detail here, I should just make two points to put China's role in its proper perspective, starting with the fact, already mentioned, that each European country's trade with China is considerably less than their trade amongst themselves. The first point is the unarguable fact that the *majority* of China's exports are made up of goods manufactured by foreign businesses which have set up in China, among them a large number of European ones.

The second is that in Sino-European trade, the European side is heavily penalised less by the mass of cheap Chinese goods than by a European currency exchange rate which is particularly unfavourable to European trade. The euro is outrageously over-valued in relation to the great world currencies! What that means is that European economy is at a singular disadvantage in purchasing cheap non-European goods denominated in currencies clearly under-valued or at least maintained well below the euro. On the other hand, the eurozone exports commodities denominated in much more expensive euros, i.e. at a considerable disadvantage in international trade.

One single example will suffice, drawn precisely from Germany, whose economy corresponds more or less to the elevated level

of the euro, or rather, is in harmony with the single currency, give or take a little. That is one of the reasons why the German bourgeoisie and its government, who inspire the monetary policy of the European Central Bank (ECB), defend it against comers. They cling obstinately to an over-valued euro as a precious weapon to weaken and subjugate their European competitors economically.

Opinion-makers in the service of the possessing class, including the mass of economists, can manage to cloud even quite lucid minds when rambling on about "unfair" Chinese trade (is there any other kind?). However, the great majority of them are absolutely silent on the role of the over-valued euro. From time to time they accuse the yuan of being under-valued, which is true, but since they do not take the matter any further, this itself is just an attempt to divert attention from the main question. Indeed, in their silence over the euro it is not just the German bourgeoisie they are defending.

The overvalued euro with its unfavourable exchange rates stands as a unique beacon in the international monetary system, attracting manufactured goods at the lowest cost. The euro peaks well above the US dollar, with one euro, despite minor oscillations, usually worth \$1.30. Thus it is largely an open door for American goods, whose competitive edge is already copiously stimulated by generous domestic subsidies and all sorts of favours and privileges. When economists and politicians lecture us about "unfair" Chinese trade, they should be told to have a look at US capitalism-imperialism too.

(I cannot delve any deeper into a detailed and critical examination of the international monetary system within the confines of this article. Such an analysis will form part of volume 3 of my work on the world crisis, of which only the first part has so far been completed, the rest being still on the stocks. However, in order to understand the matters in

hand better, it does seem necessary to define certain aspects of this system.

First of all, the general detachment of currencies from their pedestal of gold, starting with the dollar in 1971, very much facilitated, indeed greatly assisted, the flourishing, spread and complete domination not only of speculation, but also of monetarist economic conceptions, such as those of Milton Friedman and co. for example. The outstanding characteristic of this conception is that it considers money as a thing in itself, or to be more precise, not as an *organic* part of trading economy, above all of capitalism, but as an economic entity not just autonomous but practically independent, possessing only a good or bad link to economic reality as a whole. Consequently, according to this monetarist fiction, it is possible to use money, manipulate and adapt it supremely at will.

However, even though it has thus been robbed of its virginity, or if you will of its manhood, in the sense that it has been dispossessed of its real substance in gold and therefore lost its value, each currency has nevertheless retained an effective correspondence with its home economy. This real correspondence between currencies and economy appears in the relationships between different national economies, among other things in the respective currency exchange rates and the interest rates of productive capital invested in these economies. Now, like medieval monarchs who debased their coinage by diluting the proportion of gold it contained, today's monetarists are also caught out by the harsh realities of economics. They are then obliged to respond – with fresh monetary manipulations [devaluations, re-valuations, quantitative easing] – or, as they so elegantly put it, simply printing more money...)

Now it is a fact that today a goodly number of monetarists, particularly (and not coincidentally) Americans, describe the euro, the single European currency, as an artificial, unfit

and inadequate creation, i.e. as a mistake. Such austere criticism shows that, even while they attribute independence to currencies, they recognise and advocate that they should retain a clear actual link with the economy of their home country. Consequently they criticise the euro because it tries to span countries at very different economic levels without political regulatory unity and possessing only a limited and imperfect central bank.

A comrade and friend, Nick Bailey, has drawn my attention to an article written by David O. Beim, professor at Columbia Business School in October 2011. I mention him here as a worthy representative of such monetarist views. As such, he exposes quite well the vain futility of the euro's pretensions to be the sole representative of countries that are so different, as well as the unsuitability of the conditions under which it functions, summarised briefly above. However, these 9 pages of good and perspicacious analysis, complete with graphs, suffer a generic conceptual deficit common to monetarism. It studies and observes the euro as a sort of original sin, a mistake from the very outset, without placing it in step, in a sustained relationship, with the countries' respective economies and their evolution. He notes the growing tensions among countries over the euro, without establishing *any* relationship between that and the contradictory economic development the euro is struggling to cover. He is thus a long way away from showing how these tensions arise from the diverging economic development of these countries, as I have tried to, merely making a few vague references to the obvious differences between their balances of payment. He does not look any closer at that!

The "solution" he proposes is consistent with his reasoning: all that needs to be done is to recognise the mistake and take the appropriate decision, i.e. unify Europe politically, or give up on the euro. America's fervent monetarists (and quite a few of their European colleagues) clearly cannot understand

why the “stupid” Europeans cling to the euro.

The bourgeois unity of Europe is tearing itself apart, its vaunted union in tatters

I must repeat: the emergence of inequality between nation states and its mutation into actual opposition is not just an appearance, a secondary manifestation. It contains and covers other oppositions, more serious in different ways, which grow between the social classes. It is merely the distorted and impoverished reflection of those which the (dominant) bourgeoisie as a whole arouses in the (dominated) mass of workers by its offensive against their living conditions, in the first place against the rights and gains they have established.

Everywhere, the way “national” bourgeoisies have slavishly transmitted this offensive and zealously applied it has aroused workers’ resistance and utter rejection of the additional burdens it imposes. The class struggle thus whipped-up by the bourgeoisie has not only alienated and distanced working people who were formerly passively hostile to this bourgeois power and its servants, it has rapidly exacerbated their opposition to the point of openly challenging this power. Their resistance has grown more and more, but, alas, has been organised only slightly or very partially, whereas in the course of the last few months that resistance has, here and there, and sometimes indirectly, led them to put the bourgeoisie’s power in question. So much so that a growing part of that class are alarmed by the risks involved and feel the need to try to ease the pressure and alter and lighten the intolerable burdens caused by European austerity plans.

But there is good reason to preface an examination of this political aspect of the crisis, an inseparable companion to the economic crisis, with some mention of what preceded it. Certain economists, seeking to define and describe the much debated relationship between countries, let slip useful

observations about the character of some of these phenomena and the associated dangers. That is how, while the mass of economists have almost given up in sheer distress at the sight of whole countries shattered by capital's stormy offensive, some among them, casting about in search of a way out of this morass, stumble over a few scraps of enlightenment.

Take Heiner Flassbeck, the German Director of the Division on Globalisation and Development Strategies at the UN Conference on Trade and Development, who said recently in a lecture that:

"Berlin is making the same mistake with the eurozone countries as the victors in World War I made with Germany." (As quoted in *Le Monde*, 21 April 2012).

There are indeed similarities, but it is not the same thing at all, and above all it was never a "mistake", then or now. Back then, this "mistake" arose from (was part of) the relentless struggle between monopolies based on private ownership for supremacy in the market, monopolies embodied, privileged, represented and defended by their respective nation states. Between the wars, this "mistake" – which is actually an inescapable law of capitalism – went up to and included the military occupation of the Ruhr industrial region in Germany by the French army (supported by Belgium and Italy). This lasted from the spring of 1921 until the middle of 1925 – an instructive episode in the capitalist conflict between the two sides which provided such abundantly fertile soil for Hitler's fascist movement.

Today the same struggle is taking place in a different and more "peaceful" form which allows them – for the time being – to avoid armed interventions. Nevertheless, Flassbeck is groping in the right direction, since the relationship is again between victors and vanquished, just not in a clash of arms (which is competition taken to its extreme) but muffled and muddled up in competition whose aggression, sharpness and duration in no way yield to real war except that they have not

taken up actual arms. Not yet, that is.

This capitalist competition nails the pious vows and inane protestations of those who – surrounded by a state of competition reminiscent of jungle warfare – beg for “fair” trade and, if not actually friendly, at least polite “reciprocity”.

One might imagine that such fond hopes arise from dreams of a better society, or fantasies about capitalism “with a human face”. In any case these good people do not realise that captivated as they are by the “charms” of capitalism (to say nothing about its more earthly attractions) they are closer to medieval minstrelsy and chivalrous romance than they are to any reality. Sadly, they have little understanding or knowledge of those reckless business pileups whose victims fill the graveyards of depreciated capitals, or of the daily sufferings and difficulties faced by the growing masses of people ejected from production, or indeed, any real economic activity at all.

They simply refuse to acknowledge the struggle for a larger share of an already shrinking market, or for simple survival; a struggle between capitalists which at the moment, it is true, is largely mediated, transcended and thus whitewashed by the European “Union”. Moreover, the latter does all it can to camouflage or deny this struggle for survival, tending to hide it behind the deceptive screen of unification. This denial is accompanied by the other, enormous, lie which denies the reality of class struggle, a piece of mendacity whose scandalous enormity is matched only by its unparalleled success among the great and the good. Once that has been blindly swallowed, simply ignoring the struggle between monopolies and the conditions under which it takes place is a comparatively minor offence.

But behind the fair mask of unification, the brawl carries on unabated, although obviously using appropriate means and

methods. The Maastricht treaty and its single currency were brought in as one of the most important routes to European unification. And that continues to be celebrated with delirious delight by just about the whole bourgeoisie and its legions of propagandists, as well as anyone else they could con or simply lead astray. The few discordant voices were brusquely called to order – what could be more democratic than that? – or vulgarly taunted by the media pack as “Euro-sceptics”. And this cretinous insult, which degrades the accusers themselves, is even now applied to all those critical voices whose numbers are swelling by the minute. There is nothing furtive about this shameless conjuring trick with its procession of the blind or the bewitched. Even now its incorrigible disciples deploy their attacks above and beyond the call of duty.

In fact the process of capitalist concentration is fed and stimulated by competition artificially sharpened in favour of the strongest. Far from culminating in a kind of super-power, its internal contradictions have been exacerbated. The tendencies of dissolution and decomposition arising from the profound crisis have spurred these contradictions on, amplified them and speeded them up. Every day brings fresh proof of how right Lenin was to criticise Kautsky’s fantasies about “super-imperialism”. And so, instead of a hierarchical unification, the sharper and growing inequality divides nation states and lines them up in dependency upon the strongest, Germany. At the same time that eminently centrifugal force which is competition in all of its dimensions not only separates these countries from each other, but also leads to divisions between them and increasingly opposes them to one another.

And that is why, under the capitalist system, the unification of Europe remains as impossible as squaring the circle. That explains why all the decisions taken and actions carried out to achieve unification can only be imposed violently and by

force, which simply makes the contradictions worse, especially as the cancerous growths which unfailingly appear and spread unchecked on the sickly body of outdated and decadent capitalism-imperialism, such as financial speculation, scandalously exploit these flaws, and in doing so contribute powerfully to the process of its destruction. Those who set the euro up and supported it thought it would be the main tool for achieving unification, but it has acted more and more as the substantial instrument for disrupting it. The euro will inevitably blow apart under the pressure of contradictory forces, and that will sound the death knell on this “united” Europe as it falls apart. That is unless something else breaks up the unity before the single currency departs the scene – since the exact route this process of dismemberment will take is not yet clear. In any case speculation is more and more contributing to it.

For example, this April “Eurex” (European Exchange – “Europe’s Global Financial Market Place”):

“...launched a new interest rate futures based on the notional long-term bonds issued by the French Republic”. (www.eurexchange.com/about/press/press_787_en.html).

(Such paper contracts used to exist as a means of speculation, but disappeared with the introduction of the euro, the symbol of monetary union.) The vigorous rebirth of these contracts is an infallible sign of the growing gap between German and French interest rates (the famous “spread”), a gap which expresses and measures the separation between these two economic “entities” and at the same time offers a fruitful opportunity for speculation. The re-appearance of a consolidated and expanded “Eurex” after a recent trial run based on Italian interest rates is yet another indication that a growing disjunction and distance between the “unified” economies is anticipated. Need I add that “Eurex” is a subsidiary of the German stock exchange?

The political expression accompanying this whole rapacious and disjointed economic process presents a fairly chaotic picture. There is not yet a strong and conscious European workers' movement with its own far-sighted and militant political and trade union organisations. These bodies have been rendered lifeless by the immense losses they have suffered and decades of class collaboration on the part of their leaders. Therefore the reaction of Europe's proletariat has been scattered, sporadic and very much reduced to disunited local actions often hampered by routinism. The great mass of it remains outside these organisations and, at best, dissipates its energies in spontaneous and isolated surges based on immediate and elemental reactions which are often not followed through. That is how it responds to blows arising from the crisis and made doubly worse by capitalists who are as calculating as they are panicked. Worse still, quite significant sections, thrown off course by their leaders' treachery, look for a way out outside of the workers' movement and fall victim to fascist or semi-fascist predators.

Indeed, one thing that really translates the emerging economic divisions in Europe into the language of politics is a fairly obvious *step-change* by a large part of the European bourgeoisie. Visible cracks are appearing in their ranks. One major part of its national cohorts openly places itself at the service of the dominant capital in Europe. Another, far from negligible, sector of the possessing classes and their hired help fears a recrudescence of working people's militancy, is sceptical about the strength and ability of the liberal bourgeoisie and is excited by a warmed-over, exacerbated nationalism. It is clearly heading for one or another variety of revived fascism.

The political formations which have sustained fascist ideology and which have more or less lurked in the shadows for several years past are today swelling and growing in strength in almost every country in Europe. They are occupying an ever-

broader terrain, taking advantage of the weakness or even absence of a vigorous workers' movement. What they express and develop is the growing separation and opposition, indicated above, between groupings within local capitalist classes. They define, fix and codify that opposition in their policies of separation and national isolation. They focus in the first place on violent, hate-filled attacks on immigrant workers, the most vulnerable segment of the proletariat who make up a significant part of it in Europe. That fact alone completely exposes the real, undisguised content of their politics as the most violent response of the bourgeoisie in danger. Fascism and fascist parties are the warhorse of the awakening bourgeois opposition and its main agent for breaking up the European Union. It would be a mistake to forget that this warhorse is a Trojan horse which makes no attempt to hide the fact that it carries within its flanks anti-working class and anti-trade union shock troops.

These fascist parties and their disguised front organisations appropriate the anti-capitalist vocabulary of the workers' movement in their conflict and disagreement with the pro-unity bourgeoisie. This has been made all the easier since these slogans have been abandoned and even repudiated by the official leaderships of the workers' movement. On the other hand, the fascists use them to attract and trap a part at least of the disorientated workers and rebellious petty-bourgeoisie, like a hunter who conceals his murderous intentions behind a lure. The economist Heiner Flassbeck came within a whisker of evoking the conditions which gave rise to Hitler in the analogy he drew between Germany's treatment after World War I and the current situation in the countries she dominates. It would be a tragic, unpardonable error to forget that in the 1920s not only Hitler but also Mussolini used language strongly tinged with anti-capitalism, which – long after it had led them astray – turned out to be a deadly trap for workers. Never forget that Hitler's party fraudulently styled itself "socialist", adding the adjective

“national”.

How the bourgeoisie shifts its ground

Its fascist alternative has undoubtedly gained ground, but for the time being a clear majority of the bourgeoisie and forces in its decisive organisations shun such a bracing cure for its problems, believing it can be avoided and in any case is both costly and pretty unreliable. So the majority of the bourgeoisie is convinced it can go forward and secure the success of its policies, including its offensive against working people, using what might be called classical methods.

However, the working people in question are putting up vigorous resistance. As it develops and spreads across Europe, this has raised some doubts in the minds of the anti-fascist majority of the bourgeoisie about how appropriate and effective the paths they are following and the methods they are using actually are. Do they not – they must be asking themselves – run the risk of provoking a qualitative intensification of working people’s resistance into a more powerful and more political movement? The range of responses has shown cracks in that solid bloc of property owners, and those who for the moment are shunning recourse to fascism have in their turn raised proposals for a change of methods. In particular, the idea has been put forward of supplementing the destructive policy of one-sided austerity with one of economic growth.

This bourgeois class is worn out, exhausted and in decline and it is in practice increasingly resorting to a more and more utterly basic narrow-minded pragmatism. It would take far too long to follow step by step the laborious path by which it came to an understanding of the need for a shift in objectives and methods. Instead of describing the whole painful quest, let me just note some of the important milestones along the way. What made it even harder for them to make this change is that a policy of growth is very close to if not identical with Keynesianism, a doctrine of class conciliation which evokes

unhappy memories of concessions they were forced to make, kicking and screaming, under the insistent pressure of the proletariat when it was at full strength (1945 – 1975). Be that as it may, the losses and pains associated with the crisis have stimulated their thinking sufficiently to at least partially revive this economic policy. This has been easier because a – visibly reduced – number of its followers hang on, like an endangered species, around shrunken bourgeois parties that are inspired by a superannuated “liberalism” as well as on the fringes of traditional workers’ parties.

In fact it was François Hollande of the French Socialist Party who publicly launched the challenge of a policy for growth in the election campaign in opposition to Sarkozy, who personified the austerity offensive and its murderous plans. It is worth emphasising that for months Hollande and his project were isolated because they did not seem to fit in with a general atmosphere reeking of the foul breath of the austerity offensive. At first the whole bourgeoisie arrogantly scoffed at the idea as preposterous, ironically commenting how much a policy for growth would cost when everyone was convinced they had to pay off the debts as soon as possible. Its representatives had no qualms about getting Angela Merkel involved in the election campaign, showing her on television patronisingly sounding off alongside Sarkozy, as they tried to overtake this maverick troublemaker.

And he did not give way. But the favourable responses to his project (I am not talking here about working people, but a growing number of economists) came from outside, in particular at a seminar held from 12-14 April this year in Berlin by financier George Soros’s Institute “For New Economic Thinking”. The Secretary General of the Organisation for Economic Cooperation and Development (OECD) himself, Angel Gurría, clearly stated that:

“most governments and international bodies are agreed on one point: we will not bring back confidence and growth simply by

imposing austerity”.

Nobel Prize winning economist Joseph Stiglitz warned:

“For whatever reason, countries in surplus are imposing costs on others, and the persistence of these surpluses has unsustainable consequences”. (Both quoted in *Le Monde*, 21 April 2012).

Even though he is a notorious speculator, Soros, in Paris on his way back from this seminar, rammed the message home, firmly supporting a policy of growth as the only way to free up the means to pay the debt. Another Nobel Prize winning economist, Paul Krugman, wrote in the *New York Times* of 15 April about the:

“apparent determination of European leaders to commit economic suicide for the Continent as a whole”.

The US bourgeoisie and its thinkers have good reason to campaign strongly and across a very broad front for growth in Europe. Faced with competition from all directions, they have a strong interest in making sure that there is a receptive European market for US goods. Nor would they be displeased to curb the appetite of German capital and weaken the damaging competition it offers to US monopolies.

But the idea of amending the policy of one-sided austerity has also been making headway among more and more European economists and politicians of a bourgeois persuasion. In April, the respected French economist Patrick Artus, supported by many others, took up a position squarely and unambiguously against the policy of austerity, showing how inadequate and dangerous it is. He proposed a policy of monetary expansion and changing the role of the European Central Bank to support and guarantee it. Moreover, he clearly predicted (what was already in the air) that:

“Mr. Hollande is completely correct and he will be supported

by Mariano Rajoy and Mario Monti" (the heads of the Spanish and Italian governments).

The tide was starting to turn. The people who run Europe put up some initial resistance, but then a whole series of economists and leaders spoke out in favour, not of a real change, but for the most part of a sort of confused amalgam in which a muddled, ill-defined growth occupied a fairly prominent place.

Then the elections in Greece and France assumed a particular significance, much greater than is usually the case. They laid down a public and official marker of massive and total rejection of the bourgeoisie's offensive against social gains and its austerity plans. In the same breath, the two elections saw the emergence of the first independent political regroupments of the European proletarian resisting capital and was their first baptism of fire. (Do not, of course, overlook the noisy appearance of fascist parties.)

Finally even the German leaders, Angela Merkel and her finance minister Wolfgang Schäuble, announced that they, too, agreed with a policy of economic growth. Everybody, along with Mario Draghi, was now talking about a policy which obviously (!) would need to be applied in full compliance with tight budgetary plans. In unison they emphasised that austerity and privatisations should retain their priority status, even ahead of growth. All in all, they had to take account of their gradually growing isolation but, firmly acting as they do on behalf of the dominant monopolies, they resolutely held the course they had set.

But then another significant event shook the leaders of the austerity offensive with their unwavering dogmas. The several weeks of strikes and demonstrations by 3.6 million German engineering workers undoubtedly provided them with food for thought.

On 19 April, after lengthy negotiations, the IG Metall union won a wage rise of 4.3%, well above the estimated 2012 inflation rate of 2.3%. It is entirely legitimate to consider this a step forward after 20 years of wage cuts and "moderations" (the last time they got an actual increase was ...1992!). It came immediately after a wage rise of 6.3% for public service workers, also following a broad movement. However, that 4.3% rise was a compromise between the 6.3% demanded and the original offer of 3% from the employers.

One can only very much and with deep satisfaction welcome these results, which have made a considerable breach in the concrete ramparts of austerity, even if it is hard to describe them as a victory in view of the considerable concessions the bureaucrats of IG Metall made over an important point in their own demands. The employers refused to regularise the employment of casual workers hired on short-term contracts. The union chiefs bowed to this refusal, although there are already almost a million casual workers in the sector. In the same way the bureaucrats accepted the employers' refusal to provide automatic full-time employment of apprentices at the end of their two years of training. Despite overall progress, we cannot talk of a complete victory because of these retreats, which break up unity in workers' ranks. The final outcome of these negotiations, therefore, brought some consolation for political leaders even if it did not entirely reassure them.

What was won was enough to shake the compact wall of the authorities and their government, especially if you add the results of a regional election (following those in Greece and France) in North Rhine-Westphalia, Germany's most heavily populated region and a centre of the working class. Merkel's Christian Democrats (CDU) suffered a notable defeat at the hands of the Social Democratic Party (SPD) there, even though Die Linke – a party you could compare with Syriza in Greece and Front de Gauche in France – lost a lot of votes. Although

we didn't get the hat-trick, it clearly put supporters of the anti-working class offensive under growing pressure.

With that, all Europe's leaders, even the Germans, started to talk about the vital need for growth. But they all also obediently tipped their hats to the sacrosanct European Budget Treaty, which is actually a handbook of measures to wage the bourgeois offensive. Partisans of growth, like Hollande, talk about it as a supplement to the Budget Treaty, while Merkel and Co. very clearly emphasise the imperatives of the Treaty as an essential condition for any measures to encourage growth. At this stage it looks as if everybody is being very careful not to say exactly what they mean by "policies for growth".

Forced to switch tactics, the bourgeoisie maintains its strategic offensive

A lot could be said about the different ways to achieve economic growth in the capitalist system, but under prevailing conditions there are only two main historically-validated methods.

The first could be described as a policy inspired by a version of Keynes' doctrines. To put it briefly, it rests on the state massively injecting financial credits for production and investment, and on broad market demand sustained by high wages. The second could be described as the exact opposite, removing the state from that role on the basis that the market supposedly regulates itself, and hoping to drive growth by supplying goods more cheaply.

Obviously there is a considerable difference between the two. In the first instance, wage rises are an indispensable economic condition for growth and for increased and sustained demand, guaranteed by the state standing outside the vagaries of the market. In the second, however, the low level of wages, by reducing production costs, is supposed to provide a lower

and therefore more competitive price. As for financing the economy (investment, credit), that is left entirely to the fluctuations of the market.

Very often, the two paths to growth are distinguished crudely and vulgarly as demand management in the first instance and supply-side policy in the second.

The bourgeoisie only turned to the Keynesian path (the first instance) very unwillingly and in a difficult situation in which it faced a vigorous workers' movement. But it is also true that this policy almost immediately inevitably engenders colossal inflation. That is precisely one of the bourgeoisie's arguments, if not the most important one, against Keynesian policy. They always object that it is impracticable because the generally relatively high level of wages and their consistent growth cause great inflation.

However, this statement is a cynical lie often used and repeated as a myth or an axiom as if it required neither to be proven nor examined more closely. In fact the fable that rising wages cause inflation both deliberately conceals a very significant and different reality and at the same time slanders and abuses workers. The reality concealed behind this barefaced lie is quite simply the contradictory and unequal relationship between workers and capitalists.

When the general level of wages rises beyond a certain point acceptable for the mechanism of the economic system, the share of the profits which falls to the capitalists as their individual revenue ought to diminish by at least as much in order to balance out the "excess". But capitalists will never accept a reduction in the share of the profits which falls to them as revenue while wages rise. On the contrary, the general tendency is to increase this revenue excessively, not to mention the other share of the profit which is wasted on financing immense parasitical phenomena and activities which weigh heavily on the currency. In fact what is expressed in

inflation is the tension arising from the specific contradiction between this large useless expenditure and the contribution made by production in relation to *these expenses*. This is one more irrefutable proof that this elevated – i.e. decent – level of wages is incompatible with capitalism over any length of time. That therefore relegates all the slogans about a “fair redistribution” of profits to the already over-filled ranks of utter fantasies. (Which does not exclude the adoption of such slogans under particular circumstances, where their only value is educative, to demonstrate in practise how untenable and awful capitalism is).

After this short but necessary detour, we must get back to the controversy which sets the various groupings in the European bourgeoisie and their representatives at each others’ throats: on the one side the solid defenders of German monopolies, and on the other those who speak for the bourgeoisies they dominate. A struggle has started over which of the two models of economic growth to adopt.

There is a real risk that the offensive against the rights and social advances workers have made will mutate into or get mixed up with a struggle to create better conditions for economic growth. This is a serious and weighty danger. It would mean taking the path of wage cuts, speed-up and deteriorating working conditions, the extension of casual working, the destruction of rights; everything that would help reduce costs and restore and increase that famous competitiveness that is now so glorified, with a heavy nationalistic flavour.

With a touch of the wand, the current offensive against the working class would magically become a method and a means to get economic growth. Soon it will no doubt be presented as a noble contribution to growth rather than a direct attack aimed at wiping out the debt. That debt is not going to disappear, but the general offensive against the working class could well re-appear, lightly disguised and in the form of a change in

this tactic of frontal attack on the working class and the gains it has made into a more beguiling tactic of fighting for economic growth.

It is not excluded that the outcome of the controversy now starting will include some sort of mixture of the two variants of growth, a sort of rotten fruit of a compromise which will – there is no doubt on this score – retain the decisive elements of the anti-working class offensive.

From now on working people have every reason to concentrate their efforts on defending their gains and rights, in particular those which are particularly threatened and picked on a drag and a hindrance to classical capitalist economic growth. They are for the most part condensed and contained in the arrangements in the various country's labour laws (which have all had a battering anyway) and the positive regulations which protect workers from the growing spread of casualisation. It goes without saying that a close eye must be kept on how wages develop in order to stimulate a constant struggle to increase them, especially since the capitalists, who might even grant a wage increase in "the interests of growth", have already announced that they are prepared to allow a certain level of inflation. You can be sure – also in advance – that this level will settle at the precise point where inflation wipes out any benefits from a wage increase.

One thing is certain: the almost simultaneous appearance in Greece and in France of radical political organisations clearly to the left of the Socialist Parties is no accident. They express the first sizeable independent political regroupments of the European proletariat, clearly based on its class interests in opposition to the bourgeoisie and its servants.

After so many decades of retreats and defeats, the birth of these organisations is an encouraging sign that could be followed in other countries, such as with their German

precursor, "Die Linke". So it is hardly surprising, after so many often bitter experiences, mistakes and disappointments both tragic and regrettable, that these new formations see the light of day as coalitions of forces and organisations that have joined together. And that is why, besides the fact that they are the first-born, these coalitions of groups cannot come into the world fully armed like Pallas Athene of mythology from the head of Zeus. They do not possess the inner consistency nor have they had the time needed to work out and test a complete framework for the historical struggle of the proletariat. Considerable as it is, their role in this most important and now irresistible awakening of the working class and its path towards re-conquering a complete theoretical, political and organisational framework will no doubt be transitory.

Certainly their halfway-house position gives rise to notable weaknesses in all these organisations but, in the furnace of experience and struggle, they will have the opportunity to evolve rapidly – in either a good or a bad direction.

The first inconsistency is that these organisations, while expressing a correct independent policy in the face of and against the bourgeoisie's general offensive, still remain dependent on the trajectory that same bourgeoisie follows. Syriza in Greece and Front de Gauche in France define themselves in relation to the policy of the bourgeoisie; they do not have an independent working-class policy. That is why they have sought a place on the bourgeoisie's chess-board and will eventually try to stand alongside the "progressive" wing that has recently appeared in the form of the growth policy I described as neo-Keynesianism.

The second weakness is also bound up with the partial nature of their break with the bourgeoisie. It is their containment within national boundaries, as that class is, which prevents them from appearing on an (at least) European stage in order for example to bring about the unity of their slogans and

actions on an international level. This national horizon also blocks them from organising their movements at a European level, particularly in Italy and Spain. Instead of being open to Europe, they confine themselves to occasional contacts and meetings, like any old-style bourgeois or social democratic party.

But despite these weaknesses and gaps, it is obvious that all working people and every single one of their organisations should help and support them. In France, the three Trotskyist organisations (two of which can lay ever-diminishing claim to the name) have made a big mistake in refusing to join Front de Gauche in an electoral alliance. It is high time to put that right. No formation which claims reference to class struggle should waste its efforts; they should all support these promising experiences, Front de Gauche in France and Syriza in Greece, first of all by helping them to turn decisively towards the trade unions and organise with them a broad and militant European front with massive actions.

The struggle for the nationalisation of the banks under workers' control has a special place here as the only effective way to struggle against the crisis and its effects. In this framework, the demand to refuse to repay the debt incurred by a prodigal and careless bourgeoisie will also have value as a test of how determined people are to break with that class.

Finally, it is high time to open a broader horizon and a consistent struggle against a Europe of poverty and break-up, to prepare and achieve a Working People's Europe.

While working people and their organisations as a whole recognise the value of these new formations, support and aid should also be extended to those in other workers' parties who seriously oppose concepts of economic growth that are thought up and put into practice against the interests of the working class. There is no reason to criticise and condemn support for

a political action that is correct, even if it is social-democratic; the mistake would be to buy into it completely and accept and identify with it.

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