

Workers' Liberty



The emancipation of the working class must be the act of the working class itself ISSN 1446-0165

No. 32, August 2003

<http://www.workersliberty.org/australia>

\$2.00

**Costly, endless 'wars on terror'.
Rising poverty.
The middle class squeezed.**

Economic bubble set to burst?

Inside:

Debt spiral, poverty and politics – where is the economy going?

Maritime Union of Australia and the High Court on coastal shipping

Socialist Alliance debate & reports:

- **Labour versus Capital or First World versus Third World**
- **Crisis in English Socialist Alliance**
- **Cuba debate**

Forum on Israel, Palestine and the 'Roadmap'

- **The roadmap won't deliver**
- **Something new in the Middle East**
- **All roads lead to Settlements**
- **No trust in the USA**
- **Against an impoverished peace**

BossWatch

Marxism today

Solomon Islands

Where We Stand

SOCIALISM to us means not the police state of Stalinism, but its polar opposite, the self-organised power of the working class breaking the entrenched power of the billionaires and their bureaucratic state machine.

Socialism means a society restructured according to the working-class principle of solidarity. It means an economy of democratic planning, based on common ownership of the means of production, a high level of technology, education, culture and leisure, economic equality, no material privileges for officials, and accountability. Beyond the work necessary to ensure secure material comfort for all, it means the maximum of individual liberty and autonomy.

The trade unions are the product of long struggles by the working class for the right to build their own organisations to protect them from the arrogant power of the bosses. They remain the major organisations of the working class, the major vehicles of class struggle. There is no short-term prospect of them being replaced by new organisations. Since we believe only the working class liberating itself can achieve socialism, we must focus on the trade union movement, rather than on "radical" movements without a working class or socialist perspective.

Yet the unions represent the working class incompletely, unsatisfactorily, binding the class to capitalism. We must develop the unions, transform them, reinvigorate them with socialist purpose. To do that, the radical activist minority must organise itself and equip itself with clear ideas. That is our aim: to spread ideas of unfalsified socialism, to educate ourselves in socialist theory and history, to assist every battle for working-class self-liberation, and to organise socialists into a decisive force, able to revolutionise the labour movement so that it, in turn, can revolutionise society.

Latest pamphlets:

- **“Two nations, two states: socialists and Israel/Palestine” Updated 2nd edition \$5.00**
- **Comrades & sisters \$5.00**

Other pamphlets:

“Why you should be a socialist” – \$3.50

“Is this as good as it gets? Australian workers, capitalism and the future” \$4.00

“How to beat the racists” \$5.00

“How solidarity can change the world” – \$5.00

“Our demands are very moderate – We only want the Earth: Global capitalism and the environmental crisis” \$4.00

Also: **“The Fate of the Russian Revolution”**, Vol. 1 ed. Sean Matgamna 608 pages \$35.00
FRR is also available in

Sydney:

Norton Street Bookshop, Leichhardt;
Gould’s Book Arcade, Newtown

Melbourne:

New Internationalist Bookshop

Send cheques to:

'Workers' Liberty'

**P.O. Box 313 Leichhardt, 2040 Sydney,
Australia**

<http://www.workersliberty.org/australia>

Editorial

The economic squeeze is on, what will give?

Tony Brown

Despite Peter Costello's reassurance that everything is rosy with Australia's economy, he knows that the situation is becoming increasingly precarious. He is like the juggler with too many balls in the air, until he drops one it looks pretty impressive but once one goes the others could all follow very quickly.

Simultaneously there is a growing economy, although slowing against previous years. House prices continue to soar around the country and mortgages increase with them as housing affordability gets worse. Households have taken on massive debts and the national economy is following suit. The massive surpluses run up by Howard and Costello in their first years at the expense of workers and the disadvantaged have been thrown away and the government is again in deficit. The major economies, and Australia's trading partners, are bracing themselves for much lower growth, which will affect Australia's trade and therefore income. The Aussie dollar is rising again and so is the current account deficit as exports are down and imports up. Interest rates remain low but are high in comparison to other countries. Does the Reserve Bank increase rates or lower them? It chooses the apparently safe course and leaves them where they are.

If the economy slows down too much under the weight of lower international growth and the massive amounts being spent on fighting 'terrorism' and security, then the risk is that the housing boom will come to a quick halt and the debts that have been run up on inflated real estate values will not be met. This is the undercurrent that most threatens Howard and it will not go away. And it is why 'terror' will continue to be Howard's best means of defence.

Debt nerves

For the first time in Australia there has been two consecutive quarters of what the economists call 'negative household savings'. What that really means is that households are spending more than they save, and confirms that consumer spending, supported by easy credit, is keeping the Australian economy up. One of the main reasons is that the rapid increase in value of real estate means people can borrow money against their home and so invest in other property. The fascination with the stock market has waned as the degree of corporate incompetence and corruption has been revealed in HIH, One Tel, and a string of other collapses and as 'Mum and Dad investors' have seen their investments in blue chip shares in AMP, Telstra, and NRMA nosedive. Property seems a much safer bet.

The Australian Bureau of Statistics reported that Australian household debt hit a record \$642.8 billion at the end of 2002. The big question is can this debt be

Workers' Liberty No. 32, August 2003

repaid if the economy turns down? The ratio of household debt to household disposable income gives the best indication of how exposed family finances are to falling investment markets, higher interest rates and unemployment.

In 1992 the ratio of household debt to income was about 55 per cent. By 1995 it had climbed to just over 70 per cent. Now it stands at a record 128 per cent.

Australia's not alone. The UK's rate is 127 per cent and American household debt is running at a record 113 per cent of annual household income, up from 60 per cent in 1990, but Australia's 128 per cent leads the pack.

High debt levels are not confined to individuals. In 1996 when Howard toured his 'debt truck' around Australia, the net foreign debt level was \$194 billion or 39 per cent of GDP. The 'debt truck' has since disappeared, but Australia's foreign debt has continued to climb and in 2002 was equal to \$330 billion or 46 per cent of GDP.

Again as the economists say, there is a correction about to happen. Credit induced growth co-exists with an economic slowdown. There are two phenomena operating in parallel that will eventually intersect and when that happens there will be serious problems.

The Reserve Bank is caught in a dilemma. There are strong reasons to either increase or decrease interest rates. The slowdown in the international economy will eventually affect Australia because this country buys and sells goods and services to much larger economies that are not growing. Normally this would lead to a reduction in interest rates to stimulate the economy. But any reduction at the moment would only add fuel to an overheated property market and make credit for consumer spending even more available.

The Reserve Bank is warning about the levels of credit card and mortgage debt and the unsustainability of housing prices. Given these conditions, you could expect the Reserve Bank to consider increasing interest rates. But it feels constrained to do that. A rise in interest rates would dampen down spending, which would then likely increase the value of the dollar and put more strain on the trade deficit as exports would become more expensive and imports cheaper. So instead the Reserve has left interest rates where they are.

The squeeze in America

Even though Australia's economy survived the Asian meltdown and has managed to maintain higher growth rates than other countries it remains dependent on the fortunes of the international economy. World trade contracted both last year and the year before, and the first decade of the 21st century looks to be less prosperous than the last decade of the 20th century.

The main driver of this contraction is the USA. During the 1990s under both Bush Snr and Clinton, the US budget deficit was gradually reduced and Bush Jnr inherited huge surpluses in his first year. But since then three factors have combined to dramatically alter the US economic outlook. The slowdown of the American economy, the massive and regressive tax-cuts Bush pushed through Congress, and the enormous costs of first the 'war on terrorism' and then Iraq has resulted in

an historically high current account deficit and budget deficit.

In May Bush signed legislation raising the amount the US government can borrow by a record \$US984 billion (\$A1.49 trillion) to \$US7.3 trillion (\$A11.09 trillion). Bush's government had hit its previous debt limit of around \$US6.4 trillion (\$A9.72 trillion) in February and had been using contingency measures to ensure that the limit was not breached.

Congress approved the debt limit increase to enable America to keep borrowing money until some time in 2004. It had little option because the government was close to its borrowing limit and if the ceiling had not been raised America would not have been able to make some \$US60 billion (\$A91.12 billion) in payments.

America's growing economy of the past decade has rested on strong consumer spending, a rising current account deficit due to more goods and services being imported than exported, and heavy borrowing from Japan and Europe. Funding these deficits depends on other countries buying US assets and US dollars. But the steady fall in the \$US this year indicates that this is much less reliable than in recent years. The risk for both the US, and Europe and Japan is that if the US reins in its current account then it will likely weaken the already stagnant European and Japanese economies who have relied on their exports to the US to maintain their low levels of growth.

To keep stimulating the economy US interest rates have been reduced by 5.25 per cent since January 2001 and are now only 1 per cent. But an economy can't keep running a current account deficit of 5% of GDP over a long term. The historically low levels of household savings mean that American families and workers are dangerously exposed to any economic downturn.

The additional factor of defence has further distorted State spending during Bush Jnr's term and is a major contributor to the deteriorating budget. Accompanying the massive tax cuts for the rich and therefore a lower tax take, the US government is spending an ever expanding sum on security and defence. During the 1990s defence spending was relatively stable but in 2001 it increased by 5 per cent. In 2002 it increased by another 11 per cent. It is expected to grow by 20 per cent this year and to continue rising in 2004 and 2005.

Increasing poverty in a polarised society

While the media and the government focus on the price of real estate, there is another group for whom housing is totally unaffordable. When the Henderson Commission established its benchmark poverty line in 1974 it found that 13 per cent of 'income units' in Australia were 'very poor' and living below the poverty line. Another 8% were 'rather poor' with incomes up to only 20% above the poverty line. Twenty-five years later, an equivalent analysis (Fincher and Nieuwenhuysen, 1998, *Australian Poverty: Then and now*) showed that in 1996 the proportion of income units living below the poverty line had increased by one-third to 17%, with a further 14% falling into the 'rather poor' category. Thus, the proportion of poor income units in Australia increased from 21% to nearly 31% in just 25 years. This increase in poverty is likely to worsen because of persistent high levels of

unemployment and the skewed distribution of job opportunities.

In recent years Australia has been somewhat quarantined from the economic pressures experienced in Europe, Japan and now America. However Australia like the US, is overly dependent on consumer spending especially in housing fuelled by the easy availability of credit, and the low level of the \$A to keep imports cheap. This is not a stable foundation. If the US economy, and Japan's and Europe's contract and the \$A continues to rise, then the Australian economy will suffer. The rising Australian current account deficit will put more pressure on credit availability and halt rapidly rising property prices. The enormous exposure to debt, both housing and general credit card debt, held by many thousands of Australian families could add considerably to the crisis of middle Australia that Michael Pusey refers to in his recent book "*The experience of middle Australia*". If a weakening economy leads to increased unemployment then debt repayments will be even harder for people to service.

And if this occurs Howard's aspirational voters will be looking to take out their debt worries on a government. Howard will need more and more to deflect their attention to the threat of 'terror' if he is to survive.

Workers' Liberty National Conference Brisbane

6-7 September

Grass Roots Centre

237 Boundary Road, West End, Brisbane.

Public Session

Saturday 5:00pm, 6 September

**"The last 25 years of the trade union movement,
and the next 25 years" Bob Carnegie**

Other sessions planned include:

Socialist Alliance

Global economy – ready for a downturn?

Fighting Labor's capitalist policies

Anti-war movement after the war – solidarity with

Iraqi workers

**Contact Workers' Liberty, Brisbane for more
details on any session: 0416 238 840 or**

Email: contact@workersliberty.org

Maritime Union applauds landmark High Court ruling on coastal shipping

Bob Carnegie

On Thursday 7 August the High Court, in a unanimous seven-nil decision, ruled that the Australian Industrial Relations Commission (AIRC) has the power to hand down an award covering the crews of vessels engaged in coastal shipping, regardless of nationality and place of ship's registry.

In an interview with Workers' Liberty, MUA national secretary Paddy Crumlin outlined the background of the decision and its possible positive flow-ons for Australian seafarers and the union movement generally.

Paddy Crumlin:

"Since the election of the Howard government in 1996, the Department of Transport and its minister John Anderson have run an orchestrated campaign to destroy Australian flagged and crewed coastal shipping by issuing at extremely short notice, single and continuous voyage permits to ruthless overseas shipowners employing foreign seafarers on wages a fraction of what a unionised Australian seafarer earns.

"This grossly unfair competition created a downward spiral on freight rates, making it almost impossible for an Australian shipping operator, employing an Australian union crew, to find work in their own country.

"Since 1996 single voyage and continuous voyage permits have increased from 3% of coastal tonnage carried to some 20%. This is a staggering increase of 650% in less than seven years.

"Central to the High Court decision was the Bahamian-registered, Ukrainian-crewed ship, the *Stadacoma*, which was formerly the Australian-registered, Australian-crewed *CSL Yarra*.

"After much industrial, community and political pressure over a prolonged period, the union was able to get the matter of this vessel heard before the AIRC. The AIRC ruled it had the right to hand down an award covering this vessel. The shipowner appealed to the Full Bench of the AIRC, which rejected the appeal. This led to the shipowner appealing to the High Court, and so to this historic decision.

"It is my understanding that this decision will play an important role in the MUA's ongoing fight for survival against the Howard government's continuous attacks upon it. The attempts to destroy Australian coastal shipping were not only an open invitation for international shipowners to plunder this country, but also an attempt to de-unionise a heavily unionised industry, small in the number of workers but with enormous industrial clout.

"Despite the pressures we are under, the MUA is making progress in areas such as the offshore oil industry and the hydrocarbon fields. This victory in the courts leaves us poised to win job prospects for Australian workers in the coastal shipping industry".

As a former MUA member, elected union representative, and, most importantly, seafarer, I welcome the High Court decision. But this welcome should be tempered by the fact that Australian-flagged and crewed shipping has declined at least 40% in the last ten years, and that Australian-flagged and crewed vessels carry less than 2% of this nation's imports and exports.

The battle must be fought, not only in the courts but on the industrial and political fronts if this sweet victory is not to turn sour.

Socialist Alliance

Labour versus Capital or First World versus Third World?

Riki Lane

Discussion (or the lack of it) on international politics at the Victorian Socialist Alliance (SA) state conference made me realise just how strong the left populist consensus is in the SA, especially on international issues. This consensus is "third-worldist", popular-frontist and largely influenced by various types of soft Stalinism. Explicitly working class politics get a run domestically – reflected in the very positive turn towards serious union work by SA. However, on international politics, it is all very broad, very vague.

The two main components of this come from the DSP and the ISO. Both divide the world into the imperialist and anti-imperialist camps, but in somewhat different ways.

The DSP have a world-view that can be described as "Castroism with Trotskyist origins". The stress is very often on defending particular progressive *governments* – Cuba, Nicaragua under the Sandinistas, Vietnam, Venezuela today.

This extended to the USSR under Gorbachev. I particularly remember a Renfrey Clarke article extolling the virtues of the Soviet system in using computers and proceeding to intensive development. These were in fact two of the greatest weaknesses of the bureaucratic system.

My enemy's enemy...

When it is not governments, it is 'the people', who feature as the social agents for revolutionary change. Workers get a mention alongside other progressive sectors. There is sometimes reference to the "working class as the only class that can challenge capital", but in the small print, and not as the organising principle of all socialist politics.

The ISO (following the UK SWP) have developed a whole framework for supporting ever wider popular fronts, especially since the collapse of Stalinism in the USSR and Eastern Europe. It started in the '60's with opportunist adaptation to anti-Europe nationalism. Then there were UK Anti-Nazi League slogans of "Don't Vote Nazi" (apparently voting Tory was ok) and blocs with anti-

Nazi Liberals and today's coalitions with political Islamists and Saddam supporters. The principle seems simple – if the US are fighting them, we must support them. Minimise or ignore the crimes of those who the US attacks (Serbia in Bosnia, the Taliban, Saddam, the Cuban government). All that matters is to oppose imperialism.

The political heritage of this is again Stalinism. It is as though the collapse of the Stalinist states allowed the SWP/ISO to forget independent working class politics (neither Washington nor Moscow, but International Socialism)

The most interesting speaker at the conference was Cam Walker (Friends of the Earth). He posed questions (saying he knew they sounded reformist) such as: how do we avoid the false dichotomy of US Imperialism versus Islamic fundamentalism and pose the real division of progressive versus reactionary; do we need strategies to bring the transnational corporations under control through measures such as binding codes of conduct, or a World Parliament as suggested by George Monbiot? Cam is at least on the right terrain – thinking about how we can argue consistently for democratic reform nationally and internationally. This is not counterposed to the need to overthrow the rule of capital - a real fight for democratic reform is essential to developing a revolutionary movement.

International capital, international labour

Here are some basic points about where capital and labour are at internationally.

Global capital needs a global state. This is to regulate its functioning without the cost of wars, etc

A number of quasi state international bodies have been set up since WWII – UN, GATT/WTO, WLO, IMF, World Bank. Also the EU and various trade blocs.

US Capital has been dominant since WWII and the US state attempts to operate as the state for global capital, both in its own right, through influence over the institutions in 2 and in co-operation with other capitalist states.

It is extraordinarily difficult (probably impossible) for a stable international state to be set up, due to the inevitable plurality of capital.

Global labour needs a global state. This is to expropriate the capitalists, stop the destruction of the planet etc.

Labour has been a lot less successful in establishing international bodies than capital – both industrially and politically.

The Comintern acted as the international “state” of the workers movement, but developed into an arm of the Stalinist ruling class.

If an international workers' organisation was necessary in Marx's day, how much more so now? The difficulty here parallels that of capital – labour is inevitably plural and sectional.

Our task as socialists is to build an international organisation that can overcome the divisions imposed on workers by capital. Those divisions are both directly material –employed and unemployed; skilled and unskilled, working for different bosses, on different conditions; who does the childcare/housework etc., and mediated by ideologies of race, nationality, sexuality etc.

To do that, we have to be clear about who our friends are and who our enemies are. Some of the enemies are

obvious – the transnational corporations, the WTO, IMF, the US State.

However, many socialists get confused on our potential friends. Chirac is not on our side, just because he opposed the war on Iraq. He is still a crook, an exploiter and a warmonger. Saddam Hussein is not on our side, just because the US is gunning for him – he is still the bloodthirsty murderer of the Iraqi (and Iranian and Kuwaiti) working class and oppressed nationalities.

Religious fundamentalists of any stripe (Christian, Islamic, Jewish, Hindu, Buddhist – whatever) are enemies of working class organisation. In particular groups such as the Taliban, the Iranian Islamic Republic, Hamas are not our friends – unions and socialists do not survive for long in Islamic states. Parties such as the Labour Party of Pakistan and the People's Democratic Party of Indonesia recognise political Islamists as their mortal (literally) enemies, despite having many active Muslims as members.

SA needs to be implacably hostile to the imperialist actions of the Australian government – in Iraq, the Solomons, everywhere. However, to become a serious working class party, we have to be clear that we give no support to repressive, anti-working class regimes and movements.

A practical example here is Iraq. Being anti-war, anti-US is only half the picture. SA needs to place solidarity with the emerging Iraqi labour movement at the heart of our activity. While the DSP and ISO see this as a worthwhile idea, it is a sideline to the real picture – the anti-war, anti-FTA, anti-globalisation movements.

Did you know?

Economists predict that \$100bn or more will be spent over the next five years on the reconstruction of Iraq.

Bechtel, a San Francisco-based construction company, has got a contract to repair Iraq's roads, bridges, schools, power plants and other infrastructure. This contract could well be worth much more than its nominal \$680m value because it could give the company an inside track on billions of dollars' worth of future projects, particularly in the oil industry.

Some other economists, however, say that the companies panting for contracts could be overestimating the loot. They point out that in Kuwait, following the 1991 US-Iraq war, there were also estimates of \$100 billion being spent on reconstruction.

In fact expenditure on rebuilding costs totalled only about \$25billion and US companies took less than half that amount.

In Iraq, the contract won by Halliburton, the construction and engineering company headed from 1995 to 2000 by vice-president Dick Cheney, to put out Iraq's oil well fires and perform emergency repairs has turned out to be worth little more than \$50m, much less than initial guesses of up to \$7 billion.

Halliburton's Kellogg Brown & Root division has also built the prison in Guantanamo, Cuba where the US is holding prisoners from Afghanistan.

US 'Roadmap' for Israel/Palestine

Supporters of Workers' Liberty have been debating how to approach the US "Roadmap". The articles on the following four pages have been edited for length.

The roadmap won't deliver

Mark Osborn

From "Some points on the editorial in *Solidarity* 3/32" (The editorial from the UK AWL fortnightly was reprinted in WL 31 - Ed).

1. The Americans do not intend, as the editorial sees as a possibility, to "force the Israelis to genuinely accept a 'sovereign, independent and viable' Palestinian state". They do not intend to use a great deal of force against Israel. And when they use such language they are not serious and/or do not mean what we mean by such words.

If, for example, the US could get a settlement based on a type of two states solution, in which the Palestinian state was a bantustan, they would no doubt call the entity "sovereign, independent and viable". So would Blair. But they'd be lying.

2. The editorial says, "It is in the US's interest to find a viable solution." No doubt, but they have other, conflicting, interests, including an election in 2004. And their "viable solution" is not ours. What they understand by "viable" is not our "democratic". Their "viable" means "fudge", "cheap", "bureaucratic", "safe".

3. The editorial states, "Israel is not a prop of US interests but a major liability [to the US]." Yes and no. And, besides, that's certainly not how the Perle-Wolfowitz-Rumsfeld group sees the situation. They are ideologically committed Israeli chauvinists. And, after 9/11, much of their hostility is directed at the Arab world and at Palestinians in particular as a source of Islamic terrorism. They want the Arab states in the area to become like Israel.

4. Editorial: "If they [the US and the Quartet] do something approximating what we want, it will be done in their own way. On paper, the proposals could, if implemented, lead to a Jewish-Palestinian and wider Jewish-Arab settlement." Yes, and if I was better looking I could become Miss World.

a. We should bluntly say the US and Sharon will not deliver a two states solution which we could support.

b. We must focus on more than the words of the Road Map. The Road Map sits in a diplomatic context (and is heavily slanted against the Palestinians).

c. So the editorial's comments that, "we should distrust the road map. But in the name of what should we oppose it?" are off the mark.

If a sympathiser of *Solidarity* was in the Knesset they ought to vote against it, given the opportunity, in the name of immediate Israeli withdrawal from the Territories and a fully independent Palestinian state alongside Israel (rather than in the name of supporting the suicide bombers, which the editorial poses as the only alternative).

Workers' Liberty No. 32, August 2003

And we should certainly oppose the general set of diplomatic moves and processes of which the Road Map is a central part. Why? Because the "best" possible result from all this is a Palestinian bantustan (assuming the "process" gets that far).

6. We should see the Road Map in the context of the aftermath of Sharon's savage assault on the West Bank in 2002. Much of what Sharon did ran counter to US policy. But the US did little to stop the Israelis. (And now we think the US will apply enough pressure to the Israelis to get a fully independent Palestinian state?)

Sharon's the one who has been shaping the process, not the US. And Sharon is a strongman, ideologically committed to a Greater Israel.

7. The Road Map's publication required the shifting of Arafat and the placing of Abu Mazen as a new Palestinian Prime Minister, plus the appointment of the interior security affairs minister, Mohammad Dahlan.

This isn't our "reform", meaning "cleaning up PA corruption" and "democracy". This is their "reform" meaning "find someone to do what the US wants".

8. What's Sharon's policy? To prevaricate, to play for time, to continue to build and create established facts on the ground. As Adam Keller writes in the last issue of the *Other Israel*: Sharon never flatly opposes anything.

What does the US do? Does Bush tell Sharon he has to accept the Road Map in full? No, he promises to take Sharon's objections on board. And Bush is going to deliver a peace "approximating to what we want"? No, of course he's not.

It seems that Sharon's overall policy is for a large Palestinian reservation on the West Bank. While Sharon is deliberately vague, he's certainly publicly rejected a fully independent state, saying that he sees a Palestinian entity which has "some of the features" of a state.

9. One of the most striking things about this Road Map is its contrast to the failed Oslo "process". It's a case of first time tragedy, second time farce. Oslo was despite everything — a stronger document... Now we have Bush and Sharon. Will they do what Israeli Labour failed to? No.

Something new in the middle east

Sean Matgamna

Mark Osborn's "alternative analysis" of the Middle East "roadmap" misses all the important points...

The editorial attempted to analyse and report on the document ("the roadmap") and assess what may be new in the situation.

The "alternative analysis" starts from dogmatic assumptions, indeed from one great a priori assumption: that the "roadmap" counts for nothing. That starting point sterilises the "alternative analysis".

Things which the editorial lists as possibilities, or even probabilities—that it will all come to nothing, etc—Mark thinks should have been listed as certainties.

He is more certain about everything here than I am about anything! "The Americans do not intend to force Israel to accept a sovereign, independent and viable state," etc. He knows! But it is not certain that the roadmap will count for nothing.

It does, plainly, talk about a sovereign Palestinian state with contiguous territory. If words mean anything, that rules out "bantustan" scenarios. This strong emphasis is new for the US. So is Bush's subsequent face-to-face confrontation with Sharon where he is reported to have

reiterated the demand for Palestinian freedom in a contiguous territory.

For sure, we shouldn't trust Bush. But we should pay attention to what is going on in the world.

For a certainty there is something radically new in the Middle East now—the US drive to remodel Middle East politics, starting with Iraq. In their own direct interest, they must find some sort of settlement of the Israeli/Palestinian conflict—one that has at least the possibility of satisfying the Palestinians or a sizeable number of them.

That is the fundamental reason for taking their “roadmap” seriously. The Middle East cannot be “stabilised” without a solution to the Israel-Palestine conflict.

One of the foolish and historically ignorant assumptions that shapes the pseudo-left consensus on the Israel-Palestine question is the idea that Israel has been no more than a stooge of imperialism against the Arabs: and some...think that America is only a stooge for “Israel”.

Mark Osborn's piece is shot through with the mistaken idea that Sharon and Bush are on the Middle East politically identical ...It is these assumptions that render most of what Mark Osborn says beside the point.

In fact Israel, and before Israel the Jewish settlements, have been a major liability, first for the British and now for the US, which needs a Middle East Pax Americana. Israel is now a major obstacle to US plans for the Middle East; a solution to the Israel-Palestine conflict a necessity to them. Will they turn on Israel as the British after 1937 turned on the Jews? That is not impossible, though now it seems very improbable. They don't need to.

Achieving the goals set out in the “roadmap” would go a long way towards what they need. Will the Bush administration persevere with it? The answer is another question: will they persevere in what they started to do with the Iraq war?

If the answer to the second question is yes, then yes, they will most likely persevere with the attempt to find a settlement between Israel and the Palestinians. They will have no choice.

It is improbable that we would think the settlement they might achieve is one we could uncritically endorse. But that is another question entirely. Will they succeed? I don't know. But it is not certain that they will fail.

Mark Osborn insists: “They do not intend to use a great deal of force against Israel.” I agree. But where does the idea that they might “use a great deal of force against Israel” come from? He implies: from the Solidarity editorial. Nothing like that is in the editorial! Or in the roadmap it analysed.

All roads lead to the settlements

Michel Warshawski, in *News from Within*.

What is the point of analysing, discussing or arguing over a plan that will never be implemented? Indeed, why even speak about the road map as a whole when we will never reach the end of phase 1? The first phase of the road map is precisely the one, which has the least chance of being implemented, since it demands a total freeze of settlements activity.

Who can be so naïve as to believe that this 'government of the settlers' will do what no other Israeli government has been prepared to do? The Labour Party under Rabin, Peres and Barak let alone Likud under Netanyahu did not agree to freeze settlement activities

Workers' Liberty No. 32, August 2003

not even during the few euphoric months of the Oslo 'peace process'. How than can one believe Sharon will agree to do so?

The only difference between Likud, the far-far-right National Religious Party and the 'Israel is our home' Party (Israel Beitenu) is that the former understands the folly of publicly rejecting the road map. Far better to mask the Israeli government's total rejection of this plan by adding 'amendments', while continuing to push for its own vision of the final geo-political boundaries by establishing facts on the ground.

Though the road map's inclusion of a settlement freeze (and even the dismantling of a few settlements) ensures Sharon and his government will do everything in their power to stall the map's progress, this does not mean that Sharon rejects any kind of political agreement with the Palestinians.

Sharon seeks to impose his own concept of peace on the Palestinian people: Palestinian autonomy in the former Oslo areas A and B. Sharon couldn't care less if such territories are labeled a 'Palestinian state'. It would be a state in name only, a 'state' without control of its borders or natural resources; a 'state' without any territorial continuity, composed of a dozen disconnected cantons. Bantustans.

Knowing full well that no Palestinian leader, not even a 'moderate' one, can ever accept such a 'solution', Ariel Sharon presents Banustanisation (though not of course by name) as a 'provisional solution', which is cushioned by 'long-term' promises to revisit the border issue. During this time, of course, Israel will have a free hand to continue its settlement activities in all of the remaining ('C') areas.

The road map also endorses the concept of 'provisionality'. The only realisable map in the road map is Ariel Sharon's map in which 55% of the Occupied Territories is settled by Israelis.

In order to avoid implementation of the road map, Israeli provocations will continue as before. As a result, there will be new suicide operations inside Israeli cities, and Sharon will be able to accuse Abu Mazen and the new Palestinian government of 'terrorism' or, at least, of impotency in dealing with terror. The road map will then be frozen and the settlements will continue to expand.

The only way to stop the cycle of violence is to impose a cease-fire on Israel along with a total freeze on settlement activities. George W Bush, however, will not be the man to pressure Ariel Sharon's government in this way. For the US president, all Palestinians are terrorists - part of the axis of evil - and the Israeli government is the vanguard of the anti-terror campaign for the establishment of a new democratic Middle East. Bush will not put any pressure on his staunchest ally. He will not implement his own road map. Period.

No trust in the USA

Martin Thomas

Maybe Michel Warshawski has changed his mind between his talk at the Lutte Ouvriere fete in June and the article from News From Within. Or maybe the difference between the two presentations is essentially one of emphasis.

In France, Warshawski started by saying that he thought the chances of the roadmap" being implemented were small.

The "roadmap" could have two positive effects: reducing, if only slightly, the terrible pressure on the Palestinians; and, by even appearing to reopen the possibility of progress, helping a revival of the peace movement in Israel.

His conclusion: a call for solidarity with the Palestinian civil resistance to the Occupation, and, as part of that, assistance to the refusenik and anti-Occupation movement in Israel.

In News From Within, Warshawski says flatly that the USA will not implement the "roadmap". No maybes. It won't. Full stop. Perhaps he had changed his mind; perhaps, in a short article written for an Israeli public, he wanted to simplify and dramatise in order to make a bold call to face their responsibilities to those Israeli peaceniks who may now be hoping that George W Bush will save the day for them.

As regards basic political attitudes to the "roadmap", the difference is secondary. It is not in question, among us at any rate, that things look bad for progress with the "roadmap"... and that we should have no confidence at all in the USA.

However, around us most of the left are denouncing "the imperialist roadmap". The problem with the "roadmap", for them, is not that the USA will not implement it, but how bad it will be if the USA does implement it.

For the "smash Israel" advocates, this is logical. They oppose the "roadmap" just as they oppose any "two states" policy. Others on the left support "two states" in general, but feel an obligation to emphasise the blur and waffle in the "roadmap" (which is certainly there) and go on from that to denounce the "roadmap" root and branch.

This second group, I think, is illogical. If they're right, then we should seek to support those, or at least some of those, thwarting or obstructing whatever attempts there may be to implement the "roadmap".

Or, on the contrary, is it as Warshawski, Gush Shalom, and the Joint Action Group see it, that the broad outlines of the "roadmap" are a positive move, and that the USA should be criticised and denounced for any failures to pursue the "official stated purpose"?

We can take the second attitude without getting into such snares as "demanding" that the USA implement its two-states plan.

Roadmap possibilities

Warshawski did it pretty well in France: without any exaggeration or pollyannaism, he pointed to the possibilities for political revival which may be opened by the "roadmap", and asked us to focus on solidarity to maximise those possibilities for democratic, secular, internationalist politics in Israel-Palestine.

That approach would be wrong, and a root-and-branch denunciation of the "roadmap" would be correct on the basis of "two states" politics, if the

"roadmap" represented the US intervening to impose a worse settlement when powerful Palestinian insurgency was near the point of driving Israel out of the Occupied Territories.

Sadly, that is not the case. To counterpose Palestinian insurgency as our alternative to the "roadmap" is unreal.

The secular and democratic forces among the Palestinians have suffered severely from the pauperisation and atomisation imposed on them by Israeli policy. External intervention, which even promises or makes gestures towards restraining the Israeli government and putting Palestinian independence again

Workers' Liberty No. 32, August 2003

on the agenda is more likely to help revive those secular and democratic forces than to suppress them.

Of course, if the secular and democratic forces should become strong enough to go far beyond the muddy phrases of the "roadmap", then the USA, and Palestinian Authority forces trained and pressurised by the USA, will become dangerous enemies. We should not trust or give credit to the USA. But none of us proposes that we should.

Maybe the "roadmap" is just a piece of diplomatic bluff by the USA, designed to placate the European Union and the Arab states.

But it would be foolish to underestimate our enemies. Foolish to suppose that they are capable of nothing beyond crude military suppression. As Warshawski pointed out in France, "even George W Bush knows that to get peace in Israeli-Palestine you have to deal with the settlements in the Occupied Territories."

It is not true that the US ruling class believes, as maybe it once did, that military suppression of the militants (today: the Islamists) among the Palestinians is all you need for peace.

However battered and shattered the Palestinians have been, they have been able to resist hard enough to convince even the US ruling class that any halfway workable, halfway comprehensive remodeling of the Middle East must include a Palestinian state to which enough rights and scope are conceded to satisfy at least a large proportion of the Palestinian people and Arab public opinion.

In some periods, an alliance with Israel has been functional for the USA.

If it cannot secure fully friendly regimes in the Arab states, a workable second best for the USA is to ensure that it has ones, which are fearful and willing to do deals. And it can get that second best by being the intermediary with which the Arab states have to deal in order to get concessions or respite from their well-armed neighbour Israel.

The USA's Iraq war marked a new turn. The USA now has the confidence, or the arrogance, not to be satisfied with that second best. This war was not an exercise in "containment". It aimed to create something in Iraq which has never existed there before, to gain leverage for a different order of things in the Middle East

We should do what the editorial did: preach no trust in the USA, while simultaneously pointing out the openings created by the "roadmap" and working to maximise them towards our consistently democratic "two states" policy.

We should reject the alternatives:

a) denouncing the "roadmap" root-and-branch - which implies backhanded endorsement of the status quo, or of the actually-existing Islamist-chauvinist alternative - or:

b) making it our point of honour to insist that the USA will never, ever act seriously on the "roadmap".

I think it is the second of these alternatives which Mark wants to argue - though at points he seems to veer towards the first, that the "roadmap" would be even worse if implemented than if unimplemented - but both are wrong.

Against an impoverished 'peace'

Clive Bradley

It is possible that the US administration will prove able to impose some kind of 'permanent settlement' on the Israel-Palestine conflict, that is, one which satisfies the

Arab states, the majority of war-weary Palestinians (and provides a framework for controlling and repressing those who aren't satisfied), and, obviously, Israel; which results for instance in peace treaties between Israel and Lebanon, Syria, etc; and in which Palestine is formally independent, not merely a patchwork quilt of cantons controlled by Israel.

It is possible, then, that to some degree it will ease tensions, in the short, medium and longer term; and immediately it provides the space, perhaps, for the peace movement in Israel to grow, and for Palestinians who want an alternative to the suicide bombers to organise.

We should not simply 'oppose' it, in the sense of advocating or supporting actions (demonstrations and more) to disrupt or prevent it. And clearly, we should oppose those who are against it because it includes a version of two states, and who want to destroy Israel instead.

It would be foolish to declare in advance that the 'imperialist road map' will come to nothing at all. There is a history of the bourgeoisie being rather better at sorting out intractable problems when it puts its mind to it than the left tends to allow. Given both the need to sort out this problem in the interests of a more secure Middle East within which profit can be made, and the evident determination of the 'neo-cons' to do what they say, some serious shift in the Israel/Palestine conflict is possible.

If this is what the debate on the road map is about, I agree with Sean and Martin.

However, there are very good grounds for being very skeptical indeed that Bush will prove able to implement the road map. An enormous amount of political will would be needed to force Israel to agree to it. Of course, the knowledge that the US 'means business' might have an effect on Israelis, resulting in an election in which Sharon is kicked out and replaced by a government genuinely committed to working with Bush.

But even if the road map is implemented, and even if its implementation results in 'peace', would this be democracy? Our programme is for the fullest, most consistent democracy, the fullest rights for each nation compatible with the rights of the other, etc.

Roadmap to democracy?

For the Palestinians, this means, minimally: full Israeli withdrawal; the dismantling of most of the settlements, (certainly all of them populated by militant nutters); the right of the Palestinians to choose their own president, and elect whoever else they like; Palestinian control over their own security; no 'right' of Israel to re-occupy whenever it sees the need; contiguous territory in the '67 borders _ meaning, the '67 borders, not substantially less than that territory (nobody would argue for fighting to the death over a couple of square km, that's not the issue); no bloody wall separating the nations _ inside what should be Palestinian territory; some kind of settlement regarding the refugees; some settlement regarding East Jerusalem.

Will the road map meet these standards of democracy? The truth is that most of these _ minimal _ requirements for democracy are outside the terms of the road map altogether! That, it seems to me, should define our basic attitude to it.

Fundamentally, what the road map proposes is an utterly impoverished conception of peace founded on the acceptance by the Palestinians that this is all they can hope for. Maybe it is. But it is a million miles from our *Workers' Liberty* No. 32, August 2003

programme. We can't 'oppose' it in the sense described above.

But I think we can and should define our attitude as that of the sharpest possible criticism. We are the party of intransigent opposition: in that sense, of general opposition to the ruling class, we should be 'opposed' to the road map not in the name of the resumption of embittered conflict, or some ultra-nationalist programme, but in the name of democracy.

Many in the Israeli peace camp, I think, accept this impoverished conception of a democratic peace. Martin refers approvingly to how 'Warshawski, Gush Shalom, and the Joint Action Group see [that] the broad outlines of the "roadmap" are a positive move, and the USA should be criticised and denounced for its failures to pursue the "official stated purpose"'.

This seems to me an attitude of critical support, and we should not take it. It is not true, as Martin argues, that to reject critical support means that the 'Joint Action Group for Israeli-Palestinian Peace who want to push for "the actual implementation of the roadmap [to] see to it that it does get to its official stated purpose" should be denounced outright', only that we should argue that the its officially stated purpose is a meagre goal, whose acceptance as a goal is defined by despair. Of course, we should not 'denounce' the Israeli peace movement.

You might define the 'line' I am arguing as 'neither support not opposition' to the road map _ except this sounds too neutral, too indifferent. The road map is a miserable affair. Our programme, fundamentally, is counterposed to it.

What we mean by two states is a democratic agreement between the two peoples, 'from below'. Our programme is defined both by the extent of the democracy we advocate and by the agency which can implement it.

What Bush means by two states is some deal which will buy off as many people as possible so that the region will be safe for American capitalism.

Sharon is against two states: most observers seem to agree that Sharon has formally gone along with the road map in order to obstruct the detail. An Israeli Labour government might formally accept 'two states', and the road map version of it, but _ like Rabin and Barak _ would mean something far less than we do.

We do not advocate two states as the work of a mass, popular movement out of some dogmatic inanity, but because it is the only solution which will work _ that is, bring lasting peace which genuinely begins to heal the wounds and create the basis for working class unity.

The 'road map', on the most optimistic assessment, can neither be expected to deliver democracy in the sense that we mean it, nor to activate and mobilise the agency to which we look.

Join the fight for socialism! Contact Workers Liberty today!

Help to build a class struggle left wing in the labour movement.

Join Workers' Liberty!

Or come to one of our regular public discussion evenings.

Call for details:

Sydney **0419 493 421** or Melbourne **0400 877 819**

Not sure? Check us out at

<http://www.workersliberty.org/australia>

Write to contact@workersliberty.org or to

P.O. Box 313 Leichhardt NSW, 2040

Socialist Alliance

Crisis in England

Jill Mountford

The Socialist Alliance in England is in crisis. The political group with effective control of the Alliance - the SWP, (linked to the ISO in Australia) - is wrenching it onto a new course of submerging the Alliance into a new cross-class, "popular front", pink-green electoral bloc; dissidents are being purged or quitting.

At its last electoral test, the May local government elections, the Alliance did win one council seat. Michael Lavalette won Preston central ward, in part thanks to support from a left-minded local imam, Saeed Ahmad. Generally, however, the Alliance had a poor showing, and especially in the big cities. Its results were a marked contrast to those of the Scottish Socialist Party, which won six seats in the Scottish Assembly elections held the same day.

Worse, the Alliance did nothing - beyond a token amount of desultory placard-carrying and leaflet-distributing - in the big non-electoral events of late 2002 and early 2003: the firefighters' dispute and the movement against the Iraq war. Resolutions passed at the Alliance's Executive and National Council remained dead letters. Essentially, the SWP, which defines the Alliance as an "electoral united front", had allotted those events to the domain of other "united fronts", its "Red Watch" bulletin for the firefighters' dispute and the Stop The War Coalition for the war.

The decisive turn came only days before the Alliance's 10 May conference, when George Galloway, a Labour MP whom the Stop The War Coalition had made prominent, was suspended from the Labour Party on concocted charges following detailed allegations in the press that he had been receiving money from Saddam Hussein's government in Iraq. The SWP got an Alliance statement eagerly backing Galloway out within hours, tabled a pro-Galloway motion as first business on the Alliance conference agenda, and set up a string of meetings round the country with three-speaker platforms - Galloway, someone from the Muslim Association of Britain (British offshoot of the Muslim Brotherhood, biggest Islamic-fundamentalist party in the Arab world), and someone from the SWP, usually speaking as "Stop The War".

At the conference it also pushed through a vague but sweeping motion that the Alliance should seek a "new coalition". It voted a large number of new members onto the Alliance executive, almost all SWP members or close allies, so that together with its close fellow-travellers and its hapless satellites in the International Socialist Group, the SWP has a straight numerical majority on the new executive. It wanted to break the previous norm of having all supporting groups represented on the executive by voting off Martin Thomas (representative of Workers' Liberty), and backed down only under wide pressure.

Many Alliance members were dissatisfied with the SWP's running of the conference, but at that stage most were willing to go along with the general idea of a "new coalition", and a big majority backed the pro-Galloway stand. The problem is that Galloway has a long record, since 1993-4, as a close associate and uncritical supporter of the Saddam regime. On his own account he visited Baghdad, for talks with top officials, about once a month between 1993 and 2002, and offered his services to the British government as a go-between. He denies the press allegations, but says that he got money for his activities - about \$2.4 million (900,000 pounds) - from the governments of Saudi Arabia and the Emirates and from an Iraqi businessman, based in Jordan, with close ties to the Saddam regime. In reply to a document claiming to show he met with an Iraqi police agent, he says that he would not have needed to because the day before, he was celebrating Christmas at the home of Tariq Aziz, Saddam's no.2.

Why would he not have taken money from the Saddam regime, if offered? On his own account, he was happy to take money from Saudi and the Emirates. His only (implied) explanation is a statement that he has only taken money from governments friendly to Britain. Not very "anti-imperialist"! Early in July, the SWP organised a big Galloway meeting in Birmingham, and in the aftermath packed out a Birmingham Socialist Alliance meeting with SWPers and allies to vote out local Alliance chair Steve Godward. Godward is a victimised firefighter and, until only weeks before was vice-chair of the Socialist Alliance nationally, but a critic of the Galloway/"new coalition" orientation. The same stacked meeting voted out the whole local committee. This was necessary to secure a local majority for the new orientation.

Generally the "new coalition" is elusive - the rump Communist Party of Britain, the Greens, and the Muslim Association of Britain, the obvious candidates, have all either refused or conspicuously failed to support the idea - but in Birmingham the SWP has a "Peace and Justice" candidacy for next year's Euro-elections lined up in coalition with the leaders of Birmingham Central Mosque. For many Socialist Alliance members who backed the general idea of a "new coalition", this is a step too far. Particularly since, when asked what the "Peace and Justice" slate will say about lesbian and gay rights, the SWP's Lindsey German has replied that the SWP favours those rights but will not "make a shibboleth" of them.

The latest stage was an Alliance National Council meeting on 19 July, where an SWP majority voted down a motion from Lesley Mahmood protesting at the Birmingham purge. Almost all non-SWPers at the Council voted for Mahmood's motion. Until recently, Lesley Mahmood was the other vice-chair of the Socialist Alliance nationally, alongside Steve Godward, the position of chair having been vacant since Liz Davies resigned from the Alliance in a dispute with the SWP. The crisis runs deep. There are signs that many SWP members, too, object to the new turn. The question is whether substantial forces who want to continue the founding purposes of the Socialist Alliance can be regrouped to go forward on a clear political basis, or whether the non-SWP element of the Socialist Alliance will disperse in a dozen directions. For more see:

<http://www.workersliberty.org>

<http://www.independentsocialistalliance.net>.

Socialist Alliance

Cuba

Martin Thomas

In the Socialist Alliance Discussion Bulletin of July 2003, Chris Slee upholds the claim that Cuba is a socialist democracy.

He writes: "Many left groups in imperialist countries start from an ideal model of what socialist democracy should look like, and find that Cuba falls short of this ideal. They then conclude that Cuba is not democratic at all". For Chris, all the shortcomings in Cuba prove no more than that Cuba is an *imperfect* socialist democracy. And the imperfections are mainly due not to errors, but to inescapable circumstances. "The limitations on democracy in Cuba are mainly due to the government's need to defend itself against imperialist pressures and threats".

So Chris's basic argument is clear. The left is too fussy about democracy. We are so perfectionist that we cannot recognise a real though imperfect socialist democracy when we see one. We must loosen up a bit, be less demanding!

But check out the record! The problem is the opposite. The radical activist left in the second half of the 20th century was not dominated by ideologies of ultra-libertarianism, or parliamentary socialism. It was dominated by Stalinism, by a statist, authoritarian model of socialism. That is why the collapse of Stalinism in 1989-91 wrongfooted the left so much.

Workers and revolution

Workers in many countries, and not only imperialist ones, have become accustomed to rights of free speech and independent trade union action. The rights to form and vote for opposition political parties, to publish newspapers and organise demonstrations hostile to the government - those they take as obvious.

Inevitably revolution is a forceful, drastic business, with not every initiative ratified in advance by ballot-box counts. If workers hear the revolutionary socialists telling them also that our "socialist democracy" after the revolution would regard removing *all* those rights as necessary, or at least a secondary "imperfection", why should they ever support revolution? Especially if we regard it as fine and reasonable for such "imperfections" to exist for 44 years and into the indefinite future? That is the scale of it. Cuba does not just fail to be a socialist democracy. On many counts it falls short of the minimum we expect from a bourgeois democracy.

On Chris Slee's own account, "those who disagree with government policies cannot form a new party to contest the elections" in Cuba. Worse. In elections to the Popular Power assemblies, no-one is allowed to put forward any political platform, even individually. They can tell the voters only their biographical details.

No-one can publish opposition newspapers, or organise opposition demonstrations.

The higher assemblies, above municipal level, consist of candidates chosen by an election commission made up of members of the ruling party and its auxiliary organisations.

And those assemblies have no real power. All real power lies with the Council of State and the Executive Committee.

Within months of the January 1959 revolution, the Cuban trade union movement had been purged and brought under tight government control, via the intermediary of the old Communist Party. Workers cannot organise independent trade unions, or legally strike. Recently dozens of people were given long jail sentences after the briefest trials for peaceful dissident political activity.

In Chris Slee's opinion, all this is reasonable because "under present conditions any significant opposition party would almost certainly be a pro-capitalist party". Presumably he would also argue that any significant opposition newspaper would be pro-capitalist, any opposition demonstration or public meeting likewise, so they must be banned too.

Cuban oppositionists and 'war communism'

When the Cuban Trotskyists were banned in 1962, they were certainly not pro-capitalist. Why does it have to be illegal in Cuba today (as it is) to organise a party demanding an elected government, free trade unions, and workers' control in industry, while retaining public ownership of the major means of production?

I do not know what opposition parties would grow fastest in Cuba today if they were permitted. The Cuban exile socialist Samuel Farber estimates, ruefully, that "the centre of gravity of the opposition, or dissidents, or whatever you want to call them, in Cuba is centre-right, politically speaking". So maybe, to start with anyway, the larger parties would all be pro-free-market. But that says something very damning both about the Cuban regime and about the stance of the left internationally: that Cuban workers cannot imagine any third alternative to obediently following the *lider maximo*, or embracing the system of the USA about whose treatment of workers, especially workers of Latin American origin, they must know a great deal. And the only way they can come to imagine something better is by gaining the freedom to read, debate, discuss and organise freely.

If Cuba were socialist, why shouldn't it allow pro-capitalist opposition parties? Countries like France and Italy, very far from the best bourgeois democracies, for decades allowed strong "Communist Parties" subsidised by the USSR to function legally. Why should socialist democracy stand lower than bourgeois democracy on this score?

According to Chris Slee: "Trotskyist groups generally consider the banning of opposition parties [after the 1917 revolution] a regrettable necessity given the objective situation in Russia at the time. Yet the same groups often condemn Cuba for being a one-party state".

The Russian workers took power in a poverty-stricken, war-wrecked country which no Marxist considered ripe for socialism. They did it not with the idea that they could build socialism in one country, but to be pioneers for a

wider international workers' revolution at the end of World War One which, they hoped, would draw in the richer countries of Europe.

Revolutionary uprisings happened in Europe. They were defeated. In the meantime the Russian workers' state faced a civil war with no fewer than 14 states sending forces to help the counter-revolutionaries. By the end of it, 14 million people had died in civil war and world war combined. Starvation and disease were widespread. Industry was shattered. The industrial working (class which had made the revolution) was dispersed, its best activists drawn into the Red Army and the government machine. Many of the rest returned to their families in the countryside.

That the defeat of the revolutionary workers' risings in Europe was definitive for a long period was not clear for some years. The Bolsheviks did not and would not accept defeat prematurely. Men and women of uncommon will and determination, they saw it as their first duty to maintain the workers' bridgehead in Russia. Had they let it go down to defeat, then, as Trotsky put it, we would have a Russian rather than an Italian word for "fascism", and the new-formed Communist International would have collapsed in the same way as the First International did after the suppression of the Paris Commune.

What the Bolsheviks considered permissible in order to "hold on" a year or two longer to keep open the chance of European revolution, in a war-wrecked country, cannot and should not be a model for other countries. And not, in particular, for Cuba, a very much richer and more developed country, where we are dealing with a government stable for 40-odd years and one which has done nothing to promote workers' revolution internationally.

The Bolsheviks definitively banned opposition parties only after the end of the Civil War. Almost all Trotskyists today would consider that was a mistake (one, of course, easier to see in hindsight than in the maelstrom of the time). But even so Russia in 1921-2 compares favourably with Cuba as regards democracy.

There was a real though limited democracy in the Bolshevik Party. The Cuban Communist Party is a machine for rule, not a political party in any normal sense. It had its first congress many years after being founded, and at that and subsequent conferences, no outright opposition to the leadership was permitted. The Bolshevik Party had frequent and rowdy conferences, and the views of opposition groups were expressed through the public press.

The trade unions retained autonomy until 1929. Lenin, in 1921, insisted particularly that the trade unions must retain the right to strike against the "workers' state". In fact, the Bolsheviks' ban on opposition parties did not prevent the existence of dissident political groups. Left Zionists, for example, continue to operate and publish their views until 1927.

But comparing Russia of the early 1920s with Cuba of 1959-2003 is not comparing like with like. In Russia there was a workers' state where a decimated and war-calloused workers' movement was struggling to keep its grip in a country in economic collapse where it believed the peasant majority was turning against it.

The Cuban revolution was a variant of a very widespread pattern in the twentieth century: groupings from the middle class acquiring cohesion and clout through military organisation; ousting a demoralised, corrupt old ruling group closely linked to foreign interests; and using state power to pursue the forced-march national economic development which they call "socialism".

Cuban revolution

The overturn in 1959 was, as Jonathan Sherlock wrote in a previous Socialist Alliance Discussion Bulletin (despite Chris Slee's attempts to refute him), "the work of several hundred guerrilla fighters". About 1500 guerrilla fighters were involved in the revolution. The general strike in the first week of 1959, to which Chris Slee refers, was a public holiday after the guerrillas had won. Batista had already fled. The previous attempt at a general strike in April 1958 had been a failure. The revolutionary leadership had long insisted that its supporters in the cities ("the plain") subordinate their activities strictly to the tasks of raising resources for and creating diversions to assist the guerrillas in the mountains.

Many workers supported the Castroite revolution. But then so, at the time, did a large part of the Cuban capitalist class and middle class. The Castroites' manifesto rejected nationalisations as a "cumbersome instrument" and promised that Cuba under their rule would be "a loyal ally" of the USA. The "socialist" turn of the Cuban revolution was a subsequent decision by Fidel Castro, announced by him to the crowds in Havana, not something promoted by an independent, self-controlling workers' movement.

I do not deny the necessity of supporting Cuba's rights to self-determination against the US blockade. I do not deny that Castro and the other leaders of the Cuban revolution are more sympathetic characters than the Brezhnev and Jaruzelskis, or that on all evidence the Cuban government still has more popular support than the old East European regimes outside Tito's Yugoslavia.

Having popular support, however, does not make a government socialist, or even democratic. To tie ourselves to the idea that a socialist revolution can be something handed down to the admiring workers by a guerrilla leader from a podium, to refuse to agree that we must have standards of socialist democracy far higher than those embodied in Cuba and apply them consistently, is to repeat in miniature the huge mistakes made by the left for decades when it suspended independent judgment and took almost everything Moscow or Beijing did as socialist good coin.

The logo for Socialist Alliance features the word "Socialist" in a purple, stylized font with a red star above the 'i', and the word "Alliance" in a green, stylized font below it.

*'For the millions,
not the millionaires'*

Join Socialist Alliance

email: ne@socialist-alliance.org

Web: www.socialist-alliance.org

BossWatch

Lynn Smith

The real problem re platinum

handshakes for corporate execs is - we're not told how many squillions they'll get before they depart, right? Believe it or not, this is a core element in a "new deal" on corporate disclosure by Macquarie Bank. I don't know about you, but I feel so much better knowing Macquarie boss Allan Moss is to get \$13 million in "accrued bonuses" when he removes the family pix from his desk and summons the chauffeur for his last trip home in the company limo. It will also help me sleep better at night now that I have the facts on the rest of the tall poppies at Macquarie: Nick Moore executive director/investment banking (I thought that's all they did) gets \$4.3 million a year, Andrew Downe (executive director/treasury and commodities) \$3.8 million, Bill Moss executive director/banking and property \$3.4 million, David Clarke executive chairman \$2.95 million.

Watch out: the next professional liar in Canberra could be a real conman!

Peter Foster, the man linked with the UK PM's wife Cherie Blair (they bought two apartments in Bristol together) who's been gaoled in the UK and the USA and deported from Fiji and Ireland, is presently soaking up the sun on the Gold Coast. Did rubbing shoulders with New Labour mandarins in the UK have any effect? Foster announced that he now watches news and current affairs rather than music channels. "Bush, Blair, Howard... they will fail, all of them" Mr Foster announced.

"It's pretty obvious people are fed up with the Liberals, the Nationals and Labor and are looking for something else. We should stop following the party line and start following the Australian line." Sound like a certain ex fish-and-chip shop owner to you?

There were solid gold deckchairs on the good ship Enron before it keeled over

A group of current and former employees of the failed US energy giant Enron have filed a suit to recover US\$72 million in bonuses paid just ahead of the company's bankruptcy filing (of course they didn't know it would happen, did they?).

The Employee Related Issues Committee which has taken Enron to court, said the bonuses were paid to 292 executives, officers and other Enron employees. Those whom the gods smiled upon started receiving their cheques (which went as high as US\$8 million) 28 days before the bankruptcy filing. Some actually got the money on the last business day before Enron filed for bankruptcy protection.

Any monies recovered will be placed in a trust fund to be distributed to eligible former Enron employees.

"We intend to hold 11th-hour bonus recipients accountable for their self-dealing as Enrol fell" the Committee stated.

Top banker admits: honesty is bad for profits

Here's an intriguing admission... heavily couched as it is in corporate double-speak. ANZ Bank's chairman Charles Goode complained recently that journalists were making corporate governance a "big issue" (surely not! Now why would they go and do something like that?) But not Mr Goode 2 Shoes. He "would not put corporate governance as one of the main issues facing Australia". And why not? "I am not sure that good companies with good corporate governance perform better than companies that may not tick as many boxes".

"I'm sorry" (for the other blokes in this with me)

Businessman Ronald Zimet was happy to get it all off his chest when he sat in the witness box at the recent London trial of one Andrew Regan, a Monaco-based businessman accused of stealing \$6 million from his own food company. Zimet transferred the \$6 million through an offshore account.

It was used as a bribe of \$2.5 million each for two directors of a supplier company. Zimet pocketed \$1million.

"I've made a big mistake in accepting this stupid offer... I signed documents that were false and transferred money I shouldn't have". Zimet admitted the deal was "corrupt".

Why the candour? Zimet wanted to become Honest John from that day on, right? Well... not exactly. The UK's Serious Fraud Office has given him immunity from prosecution for grassing Regan.

Who's gonna be at Rudd's next brekkie fundraiser? Al Capone?

Just when you thought The Right Honourable Phillip Ruddock MP couldn't be in any more shit because of his relationship with Philippines crook Dante Tan, it gets worse. It seems another doubtful character was keeping Tan company at Ruddock's fundraiser at a Baulkham Hills hotel last May. In a shot taken at this big nob's bash (which includes Ruddock) published in the Sydney Morning Herald late last month, a certain Mr Jim Foo can be clearly seen. An election poster featuring the sensitive, caring Minister for Immigration and Ethnic Affairs went on sale during breakfast. Now, while you or I might consider a poster of Ruddock's mug fit for little more darts target practice, Mr Foo felt differently. Bidding on behalf of his company Pioneer Spirit Development, Mr Foo paid five grand for it. Foo of unknown nationality came to Australia in 1994 on a business visa which has since expired.

Foo was introduced to Ruddock by Tan's former business partner Karim Kirswani who's under investigation over an alleged payment of \$220,000 from Tan to use his influence with Ruddock. To top it all off, Foo fleshed out Ruddock's collection with some commemorative Chairman Mao stamps which he (Ruddock) at first failed to declare. Suggestions were made that they might be worth \$50,000 and, as MPs must declare any gift worth more than \$200, a hurried search for the stamps ensued. They were found and subsequently valued at \$90.

Marxism today

Ideas - to Make a Difference.

Ron L. Price

In this column over the coming issues I shall introduce some of the ideas which have been put forward to make a difference to our world; ideas to eliminate wars, poverty, and various forms of inequality. I shall concentrate on those ideas which form what has broadly been called Marxism, beginning with those of Marx and Engels themselves. In this issue I want to suggest why such ideas are necessary and to place them in the long history of people's struggles to 'make a difference'.

In order to change the world, of course, action is required, not just ideas. But actions are influenced by ideas, just as ideas are shaped by actions. In fact the important ideas explaining our world are linked with values and interests in packages which Marxists (and others) call ideologies. I shall return to this topic on a later occasion.

At the present time large numbers of people are aware of and opposed to the state of our world. This has been expressed in huge public demonstrations like those against the World Trade Organization ("Seattle", 1999) or the US/UK invasion of Iraq (about 8 million worldwide on 15 February 2003). It also expresses itself privately in conversations at work, or in casual remarks when shopping. While little of this receives serious treatment in the mass media, whether state or privately controlled, it is currently served by a number of valuable alternative media available on the Internet (see list below). The weakness of this discontent is that it is both divided and transient, focussing on one issue today and another tomorrow, with no agreement on either the underlying cause of problems, or on what needs to be done to solve them.

Above all, what is required is agreement on the essential nature of today's capitalism and its relation to the world's problems. It is not simply a question of "globalisation" or the actions of "the multinationals". Contemporary imperialism is a combination of the political and the economic, something emphasized in the title of Karl Marx's famous work: *Capital: a Critique of Political Economy*. The weakness of current movements, (whether against exploitation of the Third World, in favour of peace, or defending the environment), is that the underlying linkages are not perceived and therefore the possibility of the required joint action is absent.

The other requirement for a mass movement for change is a belief in the possibility of a really different society. For some two hundred years following the Great French Revolution of 1789 thinkers like Saint Simon, Charles Fourier and Etienne Cabet put forward ideas of improving the lot of the whole of humanity. Robert Owen set up a model community around his cotton mill at New Lanark, Scotland. Socialism for these people was, in the words of Engels, 'absolute truth, reason and justice and needs only to be discovered to conquer the world.' For Marx and Engels, who preferred the word communism, it was something which had to be gradually developed by

Workers' Liberty No. 32, August 2003

labour (the proletariat, the working class in the broad sense) in the course of class struggle over many years. Rather than a fully developed system to be handed down from above, it was to be evolved in the course of democratic struggles, from below.

In the course of the 20th. Century, beginning with their support of World War One by the leaders of the Social Democratic Parties, and then the development of Stalinism in the USSR, both the Labour and Communist wings of the socialist movement became discredited. We are currently in the course of trying to recover from that, a process which can be greatly helped by a vigorous and undogmatic discussion of socialist ideas. In the next issue I shall introduce Marx and Engels and their works.

Subscribe! Subscribe! Subscribe!

Make sure you have regular coverage of local and world events, analysis and comment from a Marxist point of view.

Take out a subscription to:

_____ *Workers' Liberty* Australian magazine @ just A\$25/20 per year/10 issues

_____ the *Workers' Liberty* international journal A\$65/55 per year/6 issues

Cheques to "Workers' Liberty"
P.O. Box 313 Leichhardt 2040,
Sydney, NSW, Australia

Name: _____

Address: _____

Email: _____

_____ Phone _____

Amount: \$ _____

Donation: \$ _____

I would like someone from Workers' Liberty to contact me: _____

<http://www.workersliberty.org/australia>

Workers' Liberty

Solomon Islands Humanitarian intervention or naked self-interest?

Bryan Sketchley

John Howard seems unable to come up with a single justification for the need to send Australian armed forces and the Federal Police to the Solomon Islands, so he has come up with several! No doubt he has reflected on the lessons from the Gulf war in this regard and figured that if one justification is found to be bogus, others will suffice. So what are the official reasons for sending armed forces to the Solomons?

The Solomon Islands government is weak, corrupt, and unable to manage its own affairs. This could lead to a number of detrimental effects for Australia.

Its true the Solomons government is hanging by a thread, and is corrupt. This state of affairs is due to the shabby way in which the British administration left the islands in the early 1980's, ensuring that British business interests were well positioned and protected, while leaving little for the local population in terms of either employment or the fruits of the islands' resources.

The existence of a 'weak state' in the Pacific will lend itself to being a base for drug running, money laundering and terrorism.

Drug running is said to be rife on the West Coast of New Zealand's South Island, in towns that once were major employers, in mining, transport and support services. Economic rationalism saw an end to those industries and the communities that had existed prosperously for over a 100 years are now ghost towns. Often times, in the absence of ongoing work, and with little else to support them, communities have turned to low level drug production and distribution. The same has happened in the Solomons, but no one is proposing to launch commando raids on NZ.

Money laundering and financial swindles in the Solomons is non existent compared to it s neighbours in the Cook Islands and Vanuatu. Yet to combat such a serious threat to Australia the Howard government apparently needs 2000 army personnel and 1500 Federal Police...

And the prospect of Al Qaeda style terrorism getting a foot hold in the Solomons? Perhaps Howard is unaware of the cultural and religious roots of Melanesian societies but there is no Muslim population in the Solomons, and without any sort of popular base then the prospect for getting terror groups off the ground is very tiny.

The Solomon Islands are a 'failing state' in that they are unable to provide even the basic requirements for its citizens, work is scarce, infrastructure is poor, there is little development, and corruption is rife. This is the result of more than 20 years of plunder by western business interests, and a corrupt and incompetent government that paved the way for, mostly, Australian and British business interests in those years. Those made to pay the price won't be the trans-national company directors or the local politicians, but those who have already suffered at their hands. Howard will paint his colonialist policies as being some kind of humanitarian intervention, in much the same way the troops were sent to East Timor, and with the same result – Australian business interests will win out before all else.

This is the same John Howard that argued forcibly against sending troops to Fiji when the government was toppled by a coup in the mid 1980's. Or has turned a blind eye as long as he has been in power to the hereditary corruption of Cook Islands royalty. Happily for him, Australian business interests required he do nothing in these instances.
