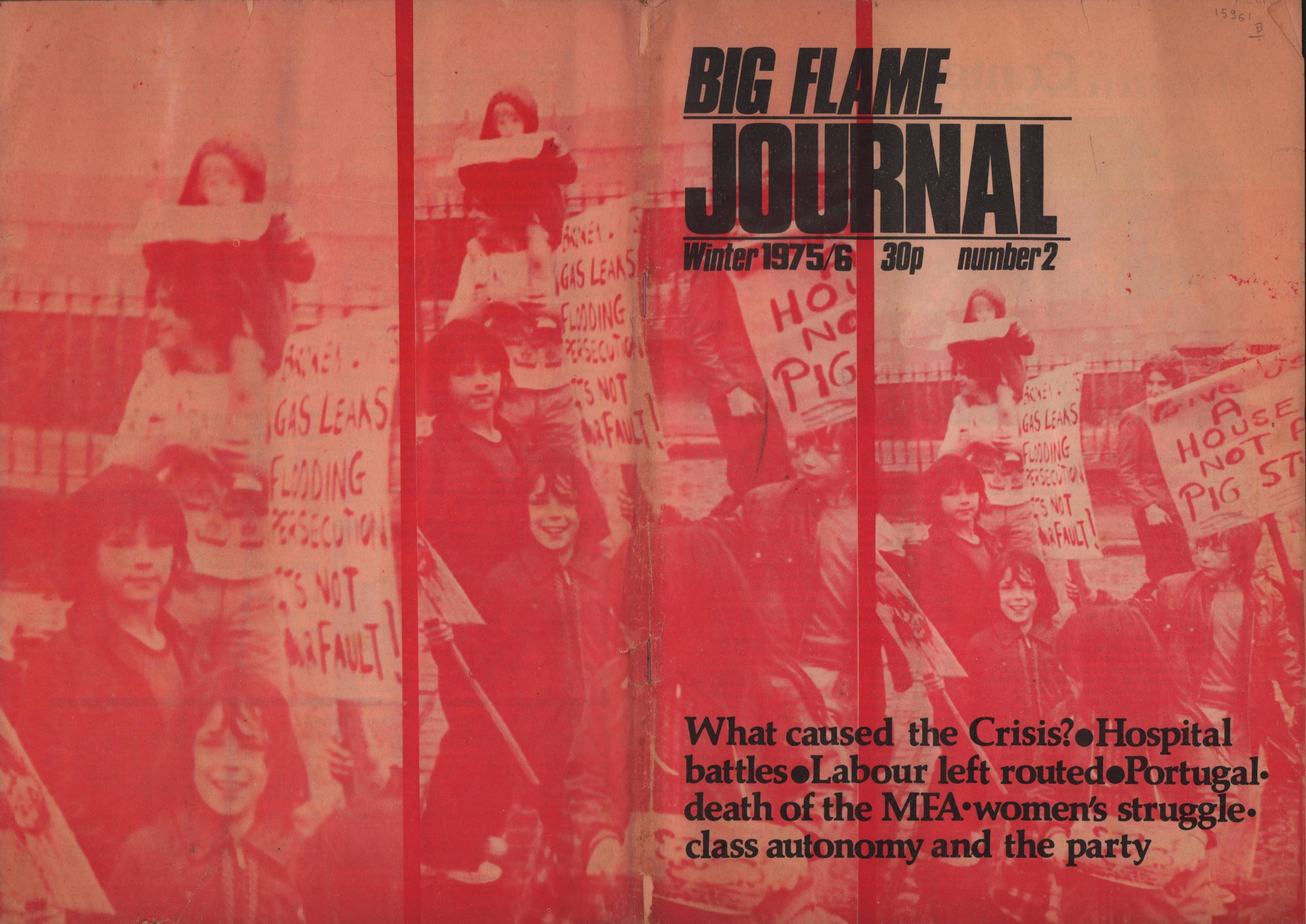


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BIG FLAME

JOURNAL

Winter 1975/6 30p number 2



What caused the Crisis? ● Hospital battles ● Labour left routed ● Portugal. death of the MFA ● women's struggle. class autonomy and the party

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What is BIG FLAME?

Big Flame is a national revolutionary socialist organisation. Socialist because our aim is to build a socialist society, where the working class holds power. Revolutionary because we believe, to create socialism, the working class has to defeat the capitalist state -- and potentially it has the power to do so. At the moment, the working class produce the wealth and the ruling class take it. In a socialist society, we will all get the wealth, but we'll get much more -- the power to control our own lives.

We want people who agree with our politics and the way we work to join our organisation..

OUR MAIN PRINCIPLES

Our politics and ways of organising are carried out at a mass level. We want to put the means of struggle, propaganda and organisation in the hands of the majority of the people, not just a minority of militants, however committed. We see no point in political groups burrowing away inside the trade union and Labour Party machines to capture them, replace their leaders or make them 'democratic'. This does not, and never will, alter fundamentally the way these reformist set-ups operate. Political organisations which pursue this strategy towards the trade unions become compromised and cut-off from the needs and experience of the mass of the working class. On the other hand, the influence of the unions and the Labour Party should not be ignored; the point is for the working class to use them as much as it can. But that can only be done when there is an independent politics of the working class, mass-based and involving a clear understanding of reformism, as well as stressing the need for people to lead their own struggles.

Capitalism oppresses the whole of our lives. Not only are we exploited at work, we also have to pay high prices and rents, make do with bad housing, schools and hospitals. But it's not just the sections of the working class with

great economic power, like the miners and car workers, who can fight back. Power is also social, political, military. This means the struggle can be successfully fought in the community, by white-collar workers, students, the unemployed, cleaners... To destroy capitalism and build the type of society we want, we must fight wherever we can.

Capitalism is international. The struggle for socialism in other countries -- Vietnam, Portugal, Spain -- attacks capitalism internationally and helps the struggle in this country. We therefore support revolutionary movements a-broad. For countries dominated by imperialist powers, particularly the US, the struggles for national liberation and socialism are usually inseparable. This is the case in Ireland, a country oppressed by Britain for 800 years.

The ruling class always tries to divide the working class by skill, sex, race, age; to turn one section against another. So, as revolutionaries, we try to develop the struggle by each section against their own oppression -- unskilled workers, immigrants, women. In the fight, the real enemy, the ruling class, will be exposed. Then, a unity within the working class, against capitalism, can be built: strong enough to take on and beat our enemies.

We are marxists. We try to learn as much as we can from the various marxist traditions, but we firmly believe in the need to create a politics and organisation which grow out of the situation today. We must understand how capitalism works now, not fifty years ago. As we see it, Big Flame's role is to make the working class more aware of its power, and how to strengthen the fight for it. We

(continues on page 39)

The Labour government



and the class struggle

The question of the relationship between the Labour Party and class struggle has assumed major importance for the revolutionary left in this period. Not because of abstract polemics about the nature of reformism, but because we are arguing about the terrain on which the class struggle is being and should be, fought.

The clearest divisions of political strategy are now emerging. The major and minor currents of Trotskyism, in particular the International Marxist Group, are developing an orientation that takes them ever closer to the institutions of reformism, and poses class struggle as always linked to an interaction with the Labour Party. In contrast Big Flame, as well as a group like the International Socialists, have stressed the necessity for the struggle to distance itself from the Labour Party in this period; though then different solutions are posed by different groups.

Labour in power.

The primary reason for the differences with our Trotskyist comrades lies in an analysis of the balance of class forces after the referendum. Prior to the referendum, the working class had been using the Labour Party, and in particular its left-wing, to defend and advance its interests: especially on questions of wages and jobs. The reason and nature of this trend can be traced back to the election that put Labour in power.

We saw in those elections a decisive moment of class confrontation: a Tory victory depended on defeating the miners and through them the whole of the working-class. It was vital to return a Labour govt propelled by the strength, combativity and offensive struggles of the working class. It was not a question of returning Labour to 'expose' them. Only a minority of proletarians are confident that the Labour Party is going to usher in socialism or ever advance their interests through a radical programme.

It was a case of a Labour government, faced with a working class on the offensive, which would be forced to open up spaces for independent working class action to exploit. So our election slogan, 'Vote Labour--Our Weakest Enemy' did not depend on mystifying the essential nature of reformism. Instead it put forward the instrumental use by the class of a relatively weaker force--from the point of view of the ruling-class offensive--in that period.

This perspective was proved correct by the events up until the referendum. Even though the government was a right wing from the beginning, in terms of its projected policies for the crisis, its real weaknesses were apparent. The strength of working class pressure imposed certain temporary reform measures on such questions as pensions, prices and rents. And that strength was reflected by the rise to positions of power by key figures in the 'Labour Left'---Foot, Heffer and most of all, Benn.

The politics of the Labour left were, and are without doubt, pathetic and utopian. In the midst of a deep capitalist crisis they talk of reflation; of the crisis being caused by under-investment, as if investment were a neutral factor not dependent on class power; they were very weak--in capitals eyes--on the question of jobs and wages. In one sense, they wanted a continuation of traditional Keynesian policies, but these policies deny the full nature of the crisis, and therefore offer no solution to capitalism, because they deny the responsibility of the working class for the crisis. The need for the bosses to attack living standards and working class organisation.

Neither of course do the policies of the Labour left offer a working class solution to the crisis. They have nothing in common with the need to build up the grass roots power to resist capitalism at every stage, and develop the programme through which the mass movement can eventually take power for itself. In fact in many ways, policies like workers co-operatives, participation and nationalisation could be the best way to incorporate class struggle, while getting the workers to accept super-exploitation redundancies and wage cuts---

all the more effectively by participating in the process!!

But the contradictory nature of the policies of the Labour left gave the possibility of the emergence of real anti-capitalist feelings and struggles. As we said in our newspaper at that time.... "When Benn talks about the social irresponsibility of unemployment, might that not give workers the idea that we needn't pay for the crisis?"..... The willingness of the Labour left to involve the state in the crisis in the way it did, turned into a disaster for labour as workers started to force it to step in and save jobs. The Chrysler struggle was a good indicator. Against all blackmail from the employers, the workers stood firm because they believed that Benn could be used to force a nationalisation if the firm went bust. These attitudes, if not all the power, also started to spread rapidly among small firms and in the state sector.

The social contract contained similar ambiguities that were used by the working class to push through large pay rises, leaving Foot to explain how they "didn't really break the contract". The working class was taking the measures and transforming the content because they were strong. And this strength—despite the continued sectionalism and economism—forced capital to try and act in an independent way, using the government as little as possible. The major attack on the working class was in the factories, on questions of manning, mobility and productivity in general. And this attack on the composition and organisation of industrial workers was given direction by Sir Keith Joseph's famous speeches. At this time the tactics were to pressurise the Labour government, whilst waiting for a more opportune moment to make a decisive move.

The referendum.

The referendum provided that opportunity. The labour left suffered a decisive defeat which enabled Wilson to shift the balance of power to the right in the government. The result was a setback also for the working class; not because it had been defeated in struggle. But because it dented its confidence, whilst boosting and unifying the forces of the bourgeoisie. These forces immediately launched a direct strengthening of attacks against the working class.

The government used the situation to impose a compulsory wage policy and to increase unemployment. The labour left were powerless to stop this and were unwilling to fight or make a break. They are firmly wedded to parliamentary cretinism and unable and unwilling to mobilise extra-parliamentary forces. From a position of reduced power their only function becomes that of making the workers voluntarily accept the wage ceiling and jobs blackmail. This has become the precise role of Jones and Foot. As every day passes they are pushed or propel themselves rightwards.



One working class solution to the crisis: Chiswick Women's Aid occupies Palm Court, a disused hotel, for a new women and kids' refuge. Picture: John Sturrock (REPORT).

It's because of this that the phase in which the working class used the left has ended. The Labour Conference confirmed all the essential trends. Party conferences always allow the rank and file to let off steam. As usual, there were many fine speeches about socialism, with the left inflicting marginal defeats on the leadership on Chile, defence spending and housing. None of which disguised the fact that the right wing is firmly in control of policy making.

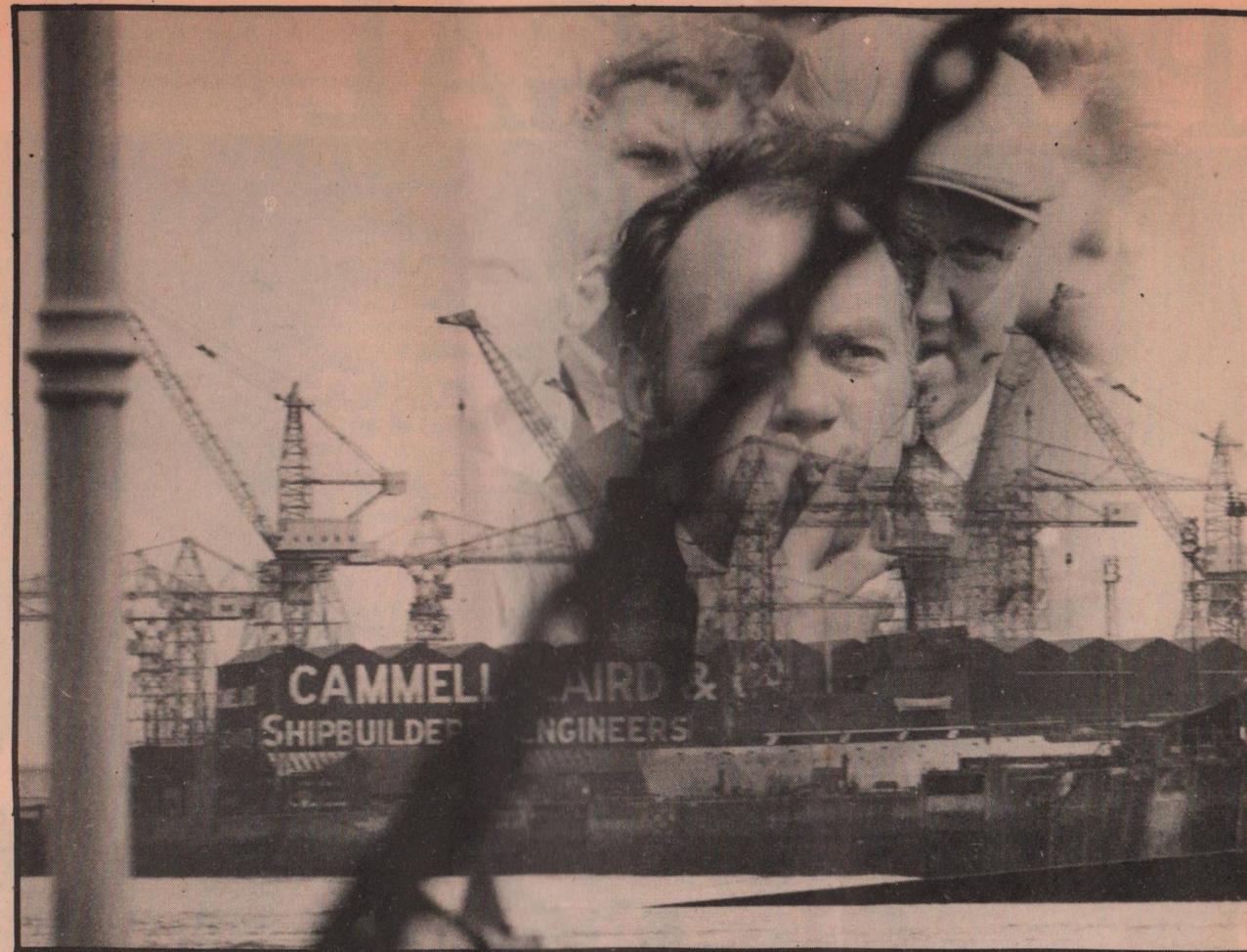
One key event showed this. On the same day as Healey was thrown off the NEC and replaced by Heffer, the Conference voted overwhelmingly for his openly capitalist economic policies. Nor was this simply the trade union bloc votes overpowering the left wing constituency vote. The dominance of the right, the Wilson, Callaghan and Healey trio (Prentice' mob, the Social Democratic Alliance, are a media sideshow) is shown by their increasing influence in the unions.

The left's impotence, even when they may be gaining ground in some constituency parties, is guaranteed by their utopian, rhetorical and confused policies. And that's why the resistance to the right was so small, and why temporary gains, like the ousting of Prentice, are marginal and illusory. The Labour left is in headlong retreat, its head cut off and the remains arguing about which way the body should run. They may make noises about resisting Government policy, but their own policies, their attachment to the Party and to parliamentary institutions ensures that: it remains improbable that they should ever lead, or even be led into, effective resistance.

Nevertheless, the Trotskyist left continues to base its calculations on the belief that the left is still sharing the driver's seat. They assume that struggles will continue to polarise around the Labour Party and that it can still be pressurised through its left wing. So they re-enter the Party with their traditional aim of exposure. IMG talks about a re-groupment of sections of Labour with the revolutionary left to sack Wilson and enforce a socialist programme. But given the unwillingness of the Labour left to engage in effective resistance or in extra-parliamentary struggle, the only gain from this Sack Wilson—Defend Benn line is to expose the left's cowardice.

And this is hardly a worthwhile benefit when the main result of this approach is to sacrifice the autonomy of working class struggle in an attempt to shift the terms of the fight onto a completely defensive and institutional level. This is not the time for revolutionaries to be trying to resurrect Benn and the Labour left.

Our agitation should be aimed at convincing people that the fight will only succeed when it goes beyond the limits imposed by reformism. This institutional focus of the Trotskyists hides the bankruptcy of the traditional left inside the Labour Party and the unions. It hides the reality that the left in retreat is the bluntest weapon to use for slashing through government policies.



This was recognised by IS which said
Even the defence of what workers have gained over the past half century is possible only by revolutionary means...
The day when "force the Labour Party to adopt socialist policies" seemed plausible is dead, finished and gone."
—Socialist Worker, 13 October 1975.

Unfortunately, the only alternative posed to that bankrupt institutional focus is that of joining IS and building the Party. There is no suggestion of what kind of real possibility there might be for extending and transforming the independent, mass struggles of the working class. Yet the basis for such a development is there. Workers fighting for their jobs are rapidly discovering that the Labour left is not to be forced into a fight to save jobs. Whilst the ideas that Bennery reinforced — refusing to take responsibility for the crisis through job and wage cuts or through a bigger workload — are still present.

Our task is to try to consolidate and provide an alternative for these forces. To replace Benn with a revolutionary anti-capitalist programme which could act as a focus for new struggles. By this we mean systematically spreading and unifying the most advanced demands thrown up by the struggles in every sector — factories, communities, schools, offices.

For the moment, these struggles are in their infancy. Resistance to the Government's wage policies is minimal because the effective unity and clarity which can only come from class-wide perspectives, rather than from sectional struggle, was not laid during the preceding period. So, the ideological barrage which has accompanied the current policies has proved to be a decisive means of inhibiting resistance. But this is temporary. When the effect of Government policies begins to bite, the resistance will grow and it will be able to follow the lead of the campaigns against the public spending cuts, against rent rises and for the maintenance of the social wage.

But if the fight is to be transformed politically and extended,

then it's vital to make the starting point of intervention the basic issues which affect the daily life of the mass of the people. The question of wages, job organisation, the rising burden of housework for women, nurseries, and many others, must be welded into a general political struggle against the state. But then the focus can not be the Labour Party.

Those organisations which present political struggle as indissolubly linked to a focus on institutions and government are helping to defuse the political potential of the daily struggles, at the same time as they show their unwillingness to engage in direct intervention in mass struggles.

We immediately refute the suggestion that the Labour Party or its left wing can be ignored. We argue instead that they will only be forced to act in the interests of the working class — always in a limited way, of course — by a far higher level of autonomous mass action.

The Labour Government is now pursuing openly capitalist policies, acting as a straightforward instrument of the bosses' plans. Even the rhetoric of socialism has almost entirely disappeared, while plans for the National Enterprise Board and for workers participation have largely been shelved. In a sense this is actually a sign of Labour's weakness, for to survive they are heavily dependent on defeating the working class. Yet they still rely on working class support. Nothing shows this more clearly than the Government's oscillations over the NHS, as it strives to cope with the conflicting demands of hospital workers, consultants and junior doctors.

Of course, the degree to which working class pressure on the Labour Party is successful depends on the degree of clarity about the role of the Party and the limitations of its left wing. Such clarity would not only advance the level of the struggle; it could confront the many sincere militants who still hold to the vain belief that Labour can be won to socialism with an alternative rooted in the autonomous mass struggle of the working class itself.

PORTUGAL



1. What happened on 25 November?

Jaime Neves, notorious as the commander who ordered the Wiriamu massacre in Mozambique, was offering the services of his commandos to 'clean up' the military police, RALIS and the PCP a few weeks before the 25th. Coming from Neves, the remark could only be a warning that a fascist coup was on the cards. It also emphasised the desperate need for the revolutionary forces to find a way of breaking the stalemate to their advantage before the right could take the initiative itself.

From the point of view of the 6th government, the problem was straightforward. Unless they could be guaranteed the support of the armed forces, they could not govern. This became clear as the weeks wore on and they failed to implement a single item of their programme.

The first trial of strength had come at the end of September when the government ordered the occupation of the radio stations in an attempt to regain control of the generally hostile mass media.

The occupations were defeated by the mass mobilisations which they inevitably provoked and which also won over the occupying troops. Like nearly every repressive gesture by the government in recent months, this was an entirely counter-productive move, for it merely increased the class polarisation and in particular led to the loss of more and

more sections of the military rank and file to the left. No case is more dramatic than the sudden conversion of the paras, an elite unit which had attacked the RALIS barracks on 11 March, had been tricked again by its officers in assisting the police in the dynamiting of the Radio Renascença transmitter but had then rebelled against its history and its officers. The government in the meantime had lost a key strike force of over 2,000 men.

The second test, equally disastrous for the government's authority, came in November over the building workers claim. The builders besieged the deputies day and night in the parliament building, releasing them only when the government had conceded their demands. Faced with a repeat of this tactic by bakery workers, the government decalred itself effectively on strike until the President, Costa Gomes, could guarantee the military support necessary for enforcing their decisions. The situation for the government could hardly have been more grave. With only one or two loyal units in Lisbon, it had been faced by the refusal of the commandos to intervene against the building workers. The lesson was plain to all. In so far as the state still possessed any repressive capability, it seemed it could not be used against the masses without producing a backlash through a heightened mobilisation, which also eroded the confidence and reliability of the military units involved.

Melo Antunes, who calls himself the cement in the coalition between the PPD, the PS and the PCP, set out the problem for the government like this,

The only way to go on governing with the PCP is to begin to win the battle in the army.

To a large degree, it is the PCP which had made the 6th government's task impossible, using the growing strength of the mass movement to propel itself into a reconstructed government. The PCP was managing to put forward a clear programme in relation to the government and to link that programme to the organs of popular power. So in October and November, the Party begins to recover much of the political ground it had lost to the revolutionary left during the period in which it had dominated the government — effectively from September 1974, when Spínola made his play for supreme presidential power and lost.

The PCP's tactic is a dangerous one and it runs the risk that the mobilisations it supports and instigates will go far beyond its own more limited aim, of governmental power. So, while the PCP is instrumental in the national mobilisation of the building workers, on 13 November, with many other sections of the working class coming to their support, it looks as if the builders will go far beyond winning a wage rise and will act as the spearhead of a generalised attack on bourgeois power. In practice, this isn't to be, but what could it have meant in any case?

A government of the PCP and the FUR, the united revolutionary front? Surely not, for the disagreements are too great among them and with the PCP and, more important, which members of FUR could have participated in government when the general question of power remains to be resolved? Then, a mass insurrection, the seizure of power? But no, for if the left parties cannot govern, it is partly because at root the working class itself has not yet thrown up its own unitary, democratic organs of direct government. The soviets or workers councils do not exist; dual power does not exist, and it is obvious that the stalemate can only be resolved, for the moment, by forcing a left wing government on the bourgeoisie whilst maintaining and developing the existing level of mobilisation and unity of the proletariat.

The PCP finds this second half of the equation unpalatable because it puts a block on the degree to which it can collaborate in government with the bourgeois. For the sake of face, Cunhal must refuse to serve in a government with the PPD, although this condition is dropped after 25 November.

Antunes' other concern is to create the conditions under which the PCP can enter the government without the burden placed on it by the existing level of mobilisation of the working class and the revolutionary organisations. In the first place, this can be reduced to changing the military balance of forces against the left, because until this is done no government can govern, with or without the PCP. So, in the days after the building workers siege, the right directs its energies towards neutralising the power of the left wing officers, the revolutionaries and the gonalcavists.

The only feasible tactic is to split these two tendencies. The prospects for the right aren't good. On 19 November, 18 officers, representing the two tendencies as well as the majority of military units in the Lisbon area, sign a document committing them to defending the gains of the revolution and to supporting the advance to socialism. The right's splitting gambit is complex. The key point is to transfer command of the Lisbon military region (RML) from Carvalho to Vasco Lourenço, one of the Antunes group: if this can be brought off, then the reorganisation of the armed forces can begin, with officers moved and red units disbanded. To win the gonalcavists to the replacement of Carvalho, they are offered two concessions. First, the resurrection of the Fifth Division, the agitprop unit which the gonalcavists had once used to cement their influence in the MFA. Second, AMI, the repressive intervention force which the government had failed to set up to counter-balance the power of COPCON, will be disbanded. Since AMI has never functioned this is something of a non-offer, but it might be used politically by the gonalcavists if they needed a public justification for ditching Carvalho.

The news of the attempt to sack Carvalho from the command of the RML spreads and the paras, already in

revolt against their officers, decide to act decisively, to carry out their own coup against the right wing military.

To some of the Gonalcavists, the paras' commitment to preventative action against the right seems to be the only way out of an increasingly desperate situation. Some, closer to the PCP, are reluctant to act at this stage. After all the military balance of forces surely rules out the possibility of a coup sprung from the right, whereas a left wing coup runs the risk of sparking off a popular mobilisation which will rapidly transform the governmental issue into the question of power, a situation in which the PCP may easily be outflanked on the left. Finally, there is no agreement amongst the left in the armed forces that action should be taken.

In fact, on the 24th, in the hours before the evening meeting of the MFA's Revolutionary Council which must inevitably replace Carvalho with Vasco Lourenço, some of the Gonalcavist officers, together with the revolutionaries, tour the main Lisbon factories. At National Steel, Major Tome of the military police urges the need for maximum alert against a coup by the right. By now it is common knowledge that two coup plans exist, the Gonalcavists' (coup tendency) and the right's, with its HQ at the commando barracks at Amadora.

To the Gonalcavists the signs of the impending right-wing coup are unmistakable. Almost simultaneously, the Revolutionary Council replaces Otelo de Carvalho with Vasco Lourenço and in Rio Maior, north of Lisbon, reactionary farmers block the highway to the capital and threaten to starve Lisbon out until the government rescinds its agrarian reform programme and halts the land occupations which are now inching their way northwards.

The paras act, seizing four airbases early on 25th November. The key COPCON units move in reluctant solidarity but their action is simply preventative, guarding against a right-wing seizure of the radio stations or an advance from the north on Lisbon. Even more reluctant are the naval fusiliers, an important force, sympathetic to the PCP, which outnumber the commandos by 14 companies to 4. The fusiliers stay put, guaranteeing that the rest of the left in the military will too. Neither the military police nor RALIS transform their alert into any activity remotely resembling a coup against the right.

Although as day breaks on the 25th the PCP and its civilian militias (the CDRs) are alerted, it's not long before the Party and the Intersindical are appealing for the people to stay calm and stay indoors. With a dozen different command posts, the left is thoroughly confused by events. Unlike on March 11th, the mass mobilisation is patchy and uncertain. The COPCON officers are reluctant to hand out arms or to support the paras actively, and the CP's demobilisation places the revolutionary organisations in a quandry. Only in Setúbal, 30 miles south east of Lisbon, does FUR and the PCP issue a strong call to resist, but the action is isolated and peters out by the next day when it is clear that the left has lost out.

Whilst the commandos occupy the military police and RALIS barracks, Alvaro Cunhal engages in a day long round of talks with Costa Gomes and Antunes. Antunes is already anxious that the clean out of the left, so earnestly desired by Neves, will produce a shift in the balance of forces so far to the right that he will find himself in prison with the COPCON officers.

In return for the PCP's demobilisation, Antunes declares that "there is no proof that the PCP as a party was involved in the rebellion". The result is to ensure that the Party emerges intact from the events of the 25th even if some of its supporters in the armed forces end up behind bars. With the working class demobilised, demoralised and confused, and the revolutionary left at its lowest ebb since the 25th of April 1974, the way is open for a resolution of the governmental crisis, by bring the CP into the 6th Government.

2. The death of the MFA



The Movement of the Armed Forces is dead: the question of the armed forces in the Portuguese revolution is posed anew. What was the MFA? Why did it collapse? What is happening in the armed forces now?

In the Big Flame pamphlet, *Blaze of Freedom*, we said that 'for the time being, the MFA is the guarantor of the revolution'. We added, 'the revolutionary process is itself inside the MFA'. Those two sentences, summing up our position, have caused a lot of puzzlement but we stand by them still. At the same time, we would like to add to that position in the light of the events of the winter.

The months after the downfall of Portuguese fascism, on 25 April 1974, saw the development of an untypical revolutionary situation which caught most foreign observers unaware. Most refused to confront what was new in the situation and fell back instead on stereotypes and half truths.

This was to produce some unlikely political alliances in this country, as when both *The Guardian* and *Workers Press* concluded that the MFA had instituted a military dictatorship (28 July 1975 and 3 September 1975, respectively). As late as 23 October, *Workers Press* is still talking about 'the immediate need to campaign for the downfall of the Bonapartist Armed Forces Movement', months after the MFA has resolved itself into four main political tendencies, two of which at that very moment are busy carrying out preparations for a military coup. Of course, this is an absurd state of confusion, but it is a reflection of the

turmoil created on the left by the MFA.

It's worth re-stating the conditions under which the MFA could temporarily guarantee the continuation of the revolutionary process.

First: the collapse of fascism deprived the bourgeoisie of most of its means of control and repression. The power vacuum was filled by the MFA, a movement of junior officers, whose commitment to a naive programme of social justice provided the political space within which the working class could develop its strength and unity at a stupendous pace. Here lies the atypicality of the Portuguese situation, its dangers and at the same time the strength of the revolutionary process.

The process of disintegration of bourgeois institutions in Portugal was started by a movement which grew inside the most vital of those institutions, the armed forces. The overthrowing of fascism was not led by the working class and was not a direct result of its struggle. But the MFA with its coup opened up a revolutionary situation in which neither the bourgeoisie or the proletariat were able to govern as a class. The bourgeoisie had lost its party, its political institution, its unifying force — fascism — and it would take more than a year to constitute a new one, the Socialist Party. On the other hand, the proletariat needed time before it could form its own. Although some sections of the MFA would help to form one or other of the main political blocs, the Movement itself was politically divided from the first. The progressive polarisation of class relations is accompanied

by the disintegration of the MFA.

Throughout the period since April 1974, one of the most important tendencies in the MFA has been the pro-imperialist one, headed by Spínola at one stage, whose aim was initially to transform Portuguese society into a bourgeois democracy, avoiding a violent break with the past. These officers, backed by the CIA, saw the necessity of maintaining the unity of the armed forces as the guarantor of a linear, non-violent transition from fascism to democratic capitalism. This project was defeated in the days which immediately followed the coup with the explosive entrance into the political arena of the working class. The failed coup of 28 September 1974 pushed this tendency to the margins of the MFA, that of 11 March 1975 expelled it physically. The right-wing institutional coup of 25 November has provided the climate for the return of the Spínolists as a legitimate force.

So, in general, the role of the MFA was to fill the gap between the degree of disintegration of the bourgeois state, and the degree of organisational and political unity of the masses. As the MES comrades have said in the past, '... to keep open the contradictions inside the political power and open the space for the mass movement'. Continual attempts were made to retrain that pace of development, but their success was always limited by the reluctance of the MFA to face the working class head on. *The growth of class autonomy was compelling the MFA to move in directions which could not have been predicted on 25 April.*

Second: of crucial importance is the consequence of the attempted coups on 28 September and 11 March. Both were so crushingly defeated that the balance of forces within the MFA, and the whole of society, swung to the left, whilst the pace of the take-overs of factories and farms experienced a sudden acceleration.

The danger of a coup showed the MFA the necessity for an alliance with the working class. That alliance was essential until the decolonisation of Angola and Mozambique were irreversible.

As we have said already, many political tendencies existed in the MFA — bonapartist, social democrat, peruvian, pro-PCP, revolutionary — but these were never very clear cut in the early stages. With the Spínolist tendency expelled from the Movement after 11 March, for some months the MFA moved steadily as a whole to the left, in a direction favourable to the mass movement. The unifying concept was socialism, which was being defined in practice by the development of the class struggle inside and outside the armed forces.

In this period we see the continuation of the process of unification of the proletariat, with the formation of its own mass organisations, increasingly anti-capitalist and anti-reformist. Let's see briefly how the MFA, between March and July, was instrumental in the dramatic acceleration of this process. Firstly, the slogan MFA-Povo, Povo-MFA, even if confused and contradictory, posed the possibility of linking the class struggle inside the army to the vanguard of the working class; of using the process of disintegration in the armed forces to the advantage of the working class.

Secondly, the abstentionist position in the elections for the constituent assembly on 25 April, ran counter to the way in which the quarrels between the PCP and the PS were tending to confuse the increasing level of class antagonism. Third, the call for the formation of popular assemblies, embryonic soviets, as the proletarian organs of government. Finally, the campaign of cultural dynamisation, which although unsuccessful nevertheless represents a first and concrete attempt to tackle the problem of the political backwardness of the North. It is also one of the first cases of the role of the soldiers as a unifying agent, a role which they were to play particularly in the period after the formation of the 6th Government in September.

Even if the coup of 25 November has been a setback for the development of the revolutionary tendency in the armed forces, the whole of the previous period had probably made

impossible solution with the armed forces acting as the 'party' of the bourgeoisie' and helping to reconstruct a state apparatus capable of repressing the proletariat.

Third: when we wrote our pamphlet last June, we were well aware of the temporary character of the role of the MFA ('...for the time being...'). Only by understanding that this role was temporary could the Portuguese working class use the MFA to its own advantage. So, by July, the fundamental contradiction in society had become so sharp that it was clear that it must be reflected in a deepening polarisation in the MFA.

The rapid deterioration of the economy and the blackmail of the EEC intensified the debate over the Battle for Production, with the Government and all the MFA tendencies, except the revolutionary one, calling for production and the working class rejecting an economic solution which would have spelt its own defeat if put into practice. Maybe of more importance as a factor in the crack up of the MFA is the increasing importance of the organisation and struggle of the rank and file and the nco's, with the formation, at first, of the unit general meetings and delegate committees and, later, of the revolutionary mass movement of soldiers and sailors, SUV, Soldiers United Will Win. These developments pose a challenge to the privileged caste position of the officers and to the hierarchy and discipline of the bourgeois armed forces. Finally, the campaign, at the time of the Helsinki Conference, in the North against the PCP and the left, instigated by Soares, represented an attempt to forge an alliance with the 'moderates' in the MFA grouped around Melo Antunes, to rectify the PS's traditional lack of influence inside the armed forces.

These are the main factors which led to the split up of the MFA. Once the split becomes clear, *the MFA ceases to exist except in name.* Its temporary progressive role is finished and with it the first stage of the Portuguese revolution.

The dying moments of the MFA are taken up with the Battle of the Documents, the struggle for control of the MFA between Antunes and the group of 9 and the officers grouped around Carvalho in COPCON. It is an attempt not only to retain a favourable balance of forces for the left in the armed forces, but also to prevent the formation of an openly anti-working class government. The left loses.

It is unfortunate from the point of view of the left that the most right wing government since 25 April should take advantage of the collapse of the MFA to try to fill the political vacuum thus created. Although the bourgeoisie has found a leader, Soares, and a government, it still lacks the ability to use the state apparatus to defeat the working class. Despite the coup of 25 November, the power vacuum left by the MFA remains. The only real achievement of the government is to have imprisoned and exterminated as a political tendency the left wing officers. The defeat dealt by the coup is more crushing in the armed forces than in any other section of society, yet the bourgeoisie are still a long way from creating a repressive force which can be used a la Chile. The MFA is dead and buried and a new phase in the class struggle in the armed forces is beginning, one in which the soldiers can no longer depend on the leadership of the revolutionary officers.

A point of self-criticism remains to be made. And it is one which we must share with broad sections of the left in Portugal. Whilst we were almost alone in this country in emphasising the way in which the MFA was used by the working class in developing its own power and unity — at a time when the MFA was generally characterised as, if not plain bonapartist, then 'bourgeois' — we failed to stress the way in which working class autonomy was limited by its dependence on the political leadership of the revolutionary officers. At the same time, it has to be said that the importance of this error is easily exaggerated. Ultimately, the significance of the role of these officers was a reflection of the degree of immaturity of the working class. So, the emphasis should have been, as always, on building the

autonomy and unity of the proletariat, the only effective antidote to the elitist perspectives which took such a fall on 25 November.

3. Soares' Socialist Party



The Portuguese Socialist Party has two assets which help to compensate for its diminishing base in the working class: the useful combination of left-wing rhetoric with fervent anti-communism, plus the fact of having been chosen by imperialism as the party of the Portuguese bourgeoisie. But even this will not be enough to establish social democracy in Portugal, as some of the Party's European backers desire.

The PS, which hardly existed before 25 April, was established by Mario Soares and a coterie of lawyers and intellectuals who had gained for themselves a certain popularity by their readiness to defend the victims of the Caetano regime. The new party benefitted rapidly from the swelling tide of sympathy for a vaguely-defined socialism, especially in the MFA and among petty-bourgeois supporters of the revolution. Soares' speeches never failed to uphold the new freedoms whilst avoiding any precision about the exact form of the new socialist society.

The Party also attracted many thousands of workers, perhaps the majority of them from the less politically advanced sectors of the class. Later, the April election results were to manifest an impressive appeal to the urban working class which had a lot to do with two factors. First, many votes must have been cast for the Socialists largely because the MFA's pre-election propaganda had stressed the need to 'vote for socialism'. Second, the PS won many sympathisers and active supporters from among workers who had experienced the PCP as a block to the development of struggle. The very weakness of the PS both in the Provisional Governments as well as in the factories, distanced it from the dirty work of strike-breaking which the Communists couldn't avoid.

The elections were the high point of the Socialists' popularity in the working class. In the following months Soares was to lead the Party further and further to the right at the expense of the proletarian base, throwing the PS increasingly into the hands of the right. The PS was being transformed into the party of the bourgeoisie.

How did this come about? In the first place it is important to recognise that the PS under Soares masked its social democratic intent behind the revolutionary rhetoric demanded of it by the times. (Even the monarchists' leaflets used the form of address - comrade!)

In Autumn 1974 the PS suffered its first major split, with the departure of a marxist current which formed itself into the FSP, Popular Socialist Front. The FSP's most fundamental criticism of Soares' direction concerned his determination to build the PS as an electoral party, as a social democratic party.

Their critique was correct. It explained why Soares collided so violently with the PCP after the April elections. Unabashed by their failure at the ballot box, the Communists set about trying to wipe out the political advantage the PS had gained with its high poll. In this it had powerful backing from sections of the MFA and from the mass movements for popular power. With Soares' claims to political power thus threatened, he counter attacked at the most vulnerable point to his left - the PCP - who were disliked and feared in the conservative strongholds of the north, and held in suspicion by many militants.

That attack compelled the PS to turn to its right for allies. All the more so as its social composition was being altered as Soares' anti-communist crusade attracted more and more petty-bourgeois elements and repelled many working class supporters. Inside the MFA the Socialists united with the right-wing majority, crystallised out during the 'Battles of the documents' in August 75: it was the marriage of the military and civilian petty-bourgeoisie and provided the indispensable foundation on which the 6th Government could be formed.

The PS's anti-communism, its commitment to the re-establishment of the bourgeois order in the armed forces and the media has recommended it highly to the State Department and to a consortium of European social democratic leaders who first convened, significantly, during the Helsinki Conference. The foreign champions and financiers of the PS have provided the backing which has enabled a small and hard-pressed organisation to gain the political confidence of much of the Portuguese bourgeoisie. But they have also exerted a political influence on the PS which has pushed it further and further away from what base it had in the working class.

And this has hardly improved the prospects for social democracy in Portugal. After all, as the Labour Party has demonstrated for half a century, social democracy must exist organisationally, culturally and politically within the working class if it is to be a viable governing strategy of the bourgeoisie. In Portugal none of these conditions has been satisfied. Fascism has ensured that social democracy could never take root, and the tremendous upsurge of the class struggle has overtaken and swamped the Socialist Party's flimsy structures before they had time to anchor themselves into the working class.

We can go further. A party which balances itself rather precariously on a petty-bourgeois base while it preaches the necessity of social democracy could suffer a terrible fall if that base lurches to the right, as is its historical inclination. The PS's balancing act really consists of a race to prove itself as the main element in the 6th Government before either the working class imposes its own solution, or the bourgeoisie, supported by imperialism, dispenses with the PS and replaces it with a Pinochet-type party.

In the absence of the social and economic conditions favouring reformism, the PS's future is bleak. Its dependence on imperialist support, its implacable hostility to the PCP in the aftermath of the events of 25 November, its de facto alliance with people like Neves - applauded in the PS's press for his heroism - all this has combined to push the Socialist Party further to the right, and onto the terrain where it provides less and less alternative to the fascists who await the moment to strike.

The problem for the PS now is that its *raison d'être* in Portugal - to impose on the working class the normalisation of social relations in every sphere - carries a heavy penalty for success. If it were successful, the most likely result would be to open up the space for the fascists to move in and dispense with its services too. Social democracy in Portugal is the most dangerous game of them all.

4. The Communist Party

The Portuguese Communist Party (PCP) began with a big advantage in April 1974. It was one of the few political organisations with any real existence. It was certainly the one with the best claim to represent the working class - urban and rural - having been in continuous existence since the 1930's. It had played an important role in the wave of struggles in the 1970's and had a considerable base in certain sectors: in the shipyards, amongst bank clerks and, of course, in the Alentejo, a vast region of large estates worked by landless labourers and covering nearly one-third of the country. The Communist Party had to be represented in the first provisional government.

We now know that it had been involved in the beginnings of the MFA, and in the months after the downfall of fascism it had won a large following among the junior officers, as well as among many sergeants. Two features recommended it above all. First, there was the fact that the PCP was ready to use its strength to restrain the development of the class struggle. Second, it mobilised promptly and efficiently a large force of armed civilians when fascist coups were attempted in September 1974 and March 1975. In short, the Party's line of close identification with the MFA's position was winning it the support of a large body of officers who were increasingly bewildered by political developments and who looked to it for a definition of socialism which neither meant the loss of a privileged caste position or the complete transformation of military and civil society. Despite being one of Europe's most Stalinist parties, it was nevertheless right at the centre of the mainstream of Communism in being ready to subordinate the interests of the working class to winning over the progressive bourgeoisie.

Clearly, this position tied in closely with its attitude to the MFA. One of the main conclusions the Party's leadership had drawn from the failure of Allende's Popular Unity was to do with the absence of a strong base for the left in the armed forces. Actually, the Party was interested in more than simply a base in the MFA. It saw the possibility of hegemonising the MFA, as a form of protection and as a means of sneaking into power in alliance with the military progressives. It probably came closest to this aim after 11 March when its own man, Vasco Gonçalves, was prime minister and when an extensive programme of nationalisations made it seem as if Portugal was well on the way to becoming a form of state socialism, with the PCP at the rudder. In CIA circles, there was much anxious scanning of the history books for 1948 in Czechoslovakia, when the CP had carried through an institutional coup which left it in complete control.

This kind of situation - which the US fears will recur in Italy if the PCI are admitted into government - presents the Communists with an irresistible temptation. And an opportunity which, once lost, might not repeat itself. Ever since 25 April 1974, the PCP had been entrenching itself in power positions at every level of society, so that it now controlled the Intersindical (the TUC), many union executives, a large

The essential thing, of course, is to try to avoid mistakes; but if they are made, a serious revolutionary party must draw the essential lessons from them.

The main responsibility for the division in the working class and on the left must undoubtedly rest with the Socialist Party leadership. It is, however, understandable especially in view of the distorted manner in which the capitalist mass media have presented the activity of the PCP, that questions should be raised among supporters of the Portuguese revolution in Britain and other countries as to the policy of the PCP, in what way is it trying to overcome these divisions despite the position of the Socialist Party leadership, and whether in practice everything possible has been done to build unity.

-from the British CP's pamphlet, Portugal: support the revolution. 'Mistakes', or just a 'declaration of war on the Socialist Party'?

part of the local government structure, as well as having an influential following amongst the 'goncalvists'.

It is important to understand that inside the Communist Parties, especially those just emerging from long periods under fascism, there are always two tendencies, both mistaken and both class collaborationist in essence, but at the same time, distinguishable. One could be called the 'hard line party apparatus-military insurrection', the other, 'soft line, reformist-capitulationist'. These opposing tendencies are part and parcel of Stalinist history. We could recall the disastrous effect on the Chinese revolution of the arbitrary alternation of these two lines between 1924-27. The two tendencies are always in conflict, and the more the first one suffers a setback, the more the Party moves in the direction of the second, only to provoke some staunch hardliners into launching an adventurist bid for power. This is what has happened in Portugal.

There's no mystery about why the PCP moved away from the insurrectionary tendency over the summer months of 1975. The Socialist Party was able to muster an enormous and unpredictable force, the northern peasantry and small farmers, with which it was able to simultaneously destroy the PCP as an open force in the North, as well as prising the MFA away from the Party. In every corner of society, the repercussions were vast. An alliance of the PS and the ultra-sectarian marxist-leninists of the MRPP and the AOC began to sweep the board in union elections. Undoubtedly, the most reactionary forces were actively involved in the month-long ransacking of PCP offices, but the significance of this spontaneous release of pent-up hostility to the Party can't be ignored.

Abroad, the sigh of relief from the European and Soviet CP's as they watched the retreat of the PCP was almost audible. The temporary lunatic departure by Cunhal from established revisionist practice (above all, the declaration of war on the PS) had already set back the Italian Party's prospects of winning the acceptance of the Christian Democrats. Developments in Portugal had provoked a rupture in the Socialist-Communist alliance in France. The Soviet leaders watched, concerned that Cunhal would turn up to haunt the carefully prepared Helsinki detente conference. Effectively abandoned by its foreign sister organisations, the PCP was almost friendless in Portugal too.

A large chunk of its working class base had been lost to the left, especially to the marxist-leninists, and in the MFA many officers awoke to the realisation that the PCP might begin to be a political liability. Those to its left, like the group around the commander of COPCON, Otelo de Carvalho, were reluctant to protect the Party, or Gonçalves, in any way from the northern backlash. So, Gonçalves was purged and the famous Fifth (agitprop) Division of the High Command of the armed forces closed down.

The Party's abandonment of the insurrectionary line was clear by the end of September. But not only was it losing its hold on the institutions, it was running the danger of

losing its proletarian base to the far left. The constant shifts in line, strategy and tactics (it joined a united front alliance with the organisations of the revolutionary united front in late August and left it after less than a week) were alienating many of the rank and file who, even if they did not leave the Party, began to take their lead from elsewhere. At the mass level, the PCP's credibility was declining. For one thing, the attempted gradual take over of the state apparatus had antagonised large sections of the working class who rejected the bureaucratic road to socialism. The traditional blindness of the CP to the growth of autonomous organs of the working class meant that for a while the PCP continued to prioritise the MFA and the unions, while popular power was being built in workers, tenants and soldiers committees.

For a period, in late September and early October, the Party seemed to have succumbed to the pressure from the base and from the revolutionary left. In reality, it had turned towards class autonomy. For the first time since 25 April, it was actively aiding the growth of the mass movement, hoping to use its strength as a means of propelling itself into governmental power once again. The Party's influence began to grow, for almost alone on the left it could advance a simple programme for breaking the class stalemate. The PCP had begun the leading party of the opposition to the 6th government.

What was the Party's role in the debacle of 25 November?

The defeat of the insurrectionists had been far from absolute. Faced with the possibility of a bloodless or maybe bloody right wing coup in the days preceding the 25th, some of the hard line officers close to or in the Party, along with leaders of the Party's civilian militia, the CDR's (the committees for the defence of the revolution), were making

their own preparations for a preventive coup. Unlike the forces of the revolutionary left who were raising the issue of insurrection and linking it to the mass mobilisation of the working class, the gonalcalvists envisaged an institutional coup.

In the early hours of the 25th, it seemed as if the PCP would give the coup its support (see *How 25 November Happened*), but in the course of his conversations with Gomes and Antunes, their understanding of events was laid bare and Cunhal realised that the Party had everything to gain from its non-involvement. Antunes guaranteed that the Party would remain untouched by the purge which was about to get under way. It would be the revolutionary left which would emerge from the days events with the stigma of failure, even if in reality its organisations and its officers had scarcely been involved in any action. On the other hand, the PCP was needed by the Antunes group to provide a counter-balance to the right's sudden growth in power. So, a serious setback for the working class had been converted

'...at first, they use the leftists as a battering ram, to create disorganisation. Then, their aim is to eliminate them and to seize power for themselves alone.'
—interviewed not long before 25 November, in *Le Nouvel Observateur*, Melo Antunes analyses the attitude of the PCP towards the revolutionary organisations.

into a clear gain for the Party and its leadership. The hard liners were in prison but the PCP was on the way to becoming a major force in the government, and this time with a quieter left flank to contend with.

5. Class autonomy and the Party

In the end, the biggest question raised by events in Portugal since 25th April 1974 is, as always, that of the relationship between masses and vanguard or class and party. In the light of the defeat of 25th November, that question needs to be posed anew. If there is any general agreement on the left about how the right scored its victory at that time, it can be boiled down to the lack of a revolutionary leadership. Unfortunately, this is more of a tautology than an explanation. If we agree that in order to seize power the proletariat needs the revolutionary party, then every defeat can be explained simplistically in terms of its absence. The same explanation when applied to May 68 in France, Chile in 1973 and Portugal in 1975, is clearly very limited.

So, any explanation of the 'November days' in Lisbon needs to go much deeper in seeking to explain the enormous confusion which reigned at every level and which opened the way to Jaime Neves and his commandos. And it is now, as we begin to reach a specific definition of what we mean by revolutionary leadership in any given moment of the class struggle, that the disagreements on the left become clearer. For we have entered the most important arena of debate of them all: what is the process by which the party of the proletariat develops?

UNIFICATION OF THE PROLETARIAT.

To be clear, when we talk about the party of the proletariat, we don't refer to any of the existing revolutionary organisations. Rather we are talking about the party which is being created in Portugal today and which will eventually win

hegemony over the proletariat.

The existence of such a party necessarily reflects a high degree of unity amongst the various sections of the proletariat. On the other hand, its very existence consolidates and strengthens that unity. So, when we examine the situation at specific moments we always have to assess the degree of unity within the proletariat in looking at the development of the revolutionary party. This point is laboured here only because one certain tradition of the left prefers to ignore one side of the equation in its concern to demonstrate the indispensable necessity of a Party in every situation, and one which shares its own line.

The main feature of Portuguese society in the first 18 months after the downfall of fascism was the inability of either the proletariat or the bourgeoisie to rule. The proletariat was far from finding its party - and therefore its unity - whereas the bourgeoisie had lost its, at least until the 6th Government came to office in mid-September. For the working class, the process of unification is inseparable from the experience of struggle. Before April 1974, that experience was generally short and limited to a few vanguard sectors. Class composition and the subjective role of institutions like the Church had produced over the years deeply-rooted social divisions, above all between town and country, north and south. Nevertheless, the working class was catapulted into a pre-revolutionary situation by the captains' revolt, without having expressed through its own struggle the relatively high level of organisational unity which the demands of such a situation imposed.

This is why we in Big Flame gave so much prominence to the MFA, and not so much as a buffer between the two principal classes - because, of course, this would be true of any organisation which does not pose the seizure of power by the proletariat - but rather as something qualitatively new and atypical, a movement which temporarily was filling the power vacuum when neither class could itself do so alone. We have already explained how, objectively and subjectively the MFA, especially between 11 March and mid-Summer, acted in favour of proletarian unity, even if it also acted against the full organisational and political development of that unity.

We have to criticise ourselves for having underestimated the degree to which the activities of the left officers nurtured dangerous illusions amongst the masses, an error which we share with most of the revolutionary organisations in Portugal. At the same time, it must be understood why those officers were in a position to make a claim for loyalty, and often in competition with the revolutionary organisations. If we understand that we may avoid the temptation of issuing retrospective exhortations to the PRP, LCI and the others to expose these left officers for what they are. If the masses suffer from dangerous illusions it must be because they don't find the correct alternatives attractive enough.

We have not argued that the MFA as a whole could have been won over to a revolutionary perspective. Nor, to broaden the question to other forms of reformism, do we think that this could be true for Communist Parties, trade union organisations or social democratic parties. Moreover, we would not want to argue that the main question has ever been how to break the MFA's reformist hegemony over the masses.

For us, the crucial point was how the autonomy of the working class could make tactical use of the MFA and the temporary unifying function performed by this peculiar type of reformism. That was the task of the revolutionary organisations in Portugal.

We must profoundly disagree with all those who continued to call for the destruction of the MFA in a period when its disappearance would have meant civil war at a time when the proletariat was quite unprepared for it. On the contrary, it has to be stated that the slogan "MFA-People; People-MFA" provided a way forward for the working class, which it seized. It's no coincidence that under the banner of the MFA-People alliance, came the biggest advances for the organs of popular power and for the land and housing occupations, or that it should be with the unofficial announcements of the MFA's guidelines for direct democracy that the Socialist Party should choose to make its break with the Goncalves government and form an alliance to its right. All this is neither to deny the importance of the role played by the revolutionary officers who drew up the guidelines as a conscious attempt to break through the confusion thrown up by the battle between the government parties, nor to forget how organisations like the PRP, LUAR and MES used the guidelines to encourage a leap forward. None of this should be forgotten: the unifying power of the MFA at that stage has to be faced.

With the collapse of the MFA and later the formation of the 6th Government a new phase in the class struggle begins. With the upsetting of its internal balance of forces to the right, the MFA could no longer be used by the mass movement against the bourgeoisie. The capture of the MFA by the right, the formation of the alliance between the Antunes group, the PS and the PPD meant that the bourgeoisie was reconstituting its own party and its apparatus of power. The vacuum between the classes had shrunk and the room for manoeuvre for independent groups of left officers was that much smaller. It is no coincidence that the bonapartism of some officers like Otelo de Carvalho grows as they grope for a solution to the political crisis which avoids a clear declaration of allegiance to the working class. In the Portuguese situation, the bonapartism of the left officers meant increasingly a tendency to see solutions in insurrectionist terms, more or less autonomous of the masses - (more for the Goncalvist, pro-CP faction; less for the COPCON group).

It is in the period from the formation of the 6th Government that we see the consolidation and expansion of the organs of popular power, especially in the armed forces and in the countryside. With the class divisions becoming clearer in the armed forces, the working class vanguards are comp-

elled to take a position alongside the soldiers' and sailors' committees and apart from the officers, in their vast majority supporters of the government. Nevertheless the weaknesses in the class' advance are still great. The unification of the vanguards, except temporarily at times of crisis, to form unitary organs of direct democracy, workers councils or soviets, is painfully slow. In fact, it is clear that the urge to organise for self-government exists only patchily; overall there is not a situation of dual power, nor a fall-back to bourgeois domination and defeat for the working class.

When we try to explain why it is that the crisis can be held at such a high level of stalemate without it moving into a real tussle for power, *part of the answer must still be the role of the left officers*. The autonomy of the working class has often gone beyond them, but it can only reach certain point so long as the military balance of forces is an issue which lies so much in their hands. The soldiers and sailors may have subverted the hierarchical structures of the armed forces, but they have not reached the point of being able to instruct their officers in action. But this is a hypothetical question, because the working class as a whole is not yet capable of imposing a programme for the advance to the seizure of power. In reality, in this period, the key question is still the consolidation of proletarian unity against the bourgeoisie's ability to rebuild the structures of class domination. In this context, it is clear that there is little unity on the way forward. The revolutionary organisations are actually losing the initiative to the PCP at a time when the class has never been stronger. Why is this so?

APARTISANSHIP

The irony is that while the PCP bears much of the responsibility for the strength of apartisanship - the distrust of or allegiance to a specific party - the revolutionary parties, the FUR and the UDP, suffer most from it.

The PCP's Stalinism towards the organs of popular power; its continual and cynical changes of line; its attempts to usurp power bureaucratically, especially in the north; its power clashes with the PS; its record of strike-breaking - all of these have alienated important sections of the vanguard from supporting any of the parties. But it is not just the responsibility of the PCP. The revolutionary organisations have too often behaved as if they were *the Party* simply by declaring themselves as the leadership. Too often, they have acted like a mini-version of the PCP, equalling it in their sectarianism.

This is by no means the whole explanation for the remarkable strength of apartisanship in the Portuguese working class. Nor will it do to drag out the Iberian syndicalist tradition. In any situation relatively new to class struggle, when new organisations are thrown up, they cause a fundamental confusion in the minds of the masses about whether these are mass or vanguard organisations. An exact parallel exists with the case of the *comisiones obreras* (workers commissions) in Spain. In fact, the two forms are interlinked: both exist in one. In a way, the confusion is a healthy one. It represents a high degree of anti-capitalist feeling at a mass level. It reflects too the fact that most major revolutionary organisations are born out of the mass struggle: this was the case with the Chinese Communist Party, with the MIR in Chile and with Lotta Continua in Italy.

But in this situation, the various existing revolutionary groups are seen as superfluous, and their struggle for political hegemony is regarded with suspicion and hostility. There are, of course, negative sides to this, for left there the consequence is *syndicalism*, the illusion that the mass organisations of the proletariat are sufficient in themselves to bring about the seizure of power. The illusion grows that the Party is not merely unnecessary; it is positively parasitic on class autonomy. Faced with this feeling, the task of revolutionary organisations is not to confirm these fears and illusions but to prove the need for a vanguard organisation. The most dangerous decision a revolutionary organisation can take in these circumstances is to regard itself as the embryo of the party, which time and circumstances will transform into the Party itself. This is the illusion of the linear process of growth: yesterday's groupuscule can become tomorrow's Party.

There was only one way in which the Party could have been constituted: through the unification of the revolutionary vanguards on the basis of a clear programme for the seizure

of power. Those vanguards must include some of the leaders of the organs of popular power, together with some sectors of the PCP as well as the revolutionary organisations. In this respect, the formation of the FUR (the Revolutionary United Front) at the end of August seemed to be a crucial advance in the direction indicated by the previous growth of class autonomy: towards greater unity. Even if the FUR was not all that could be desired (it didn't include the UDP, the organisation to the left of the PCP with the biggest following in the working class), it was a move in the right direction which, coinciding with an upsurge in the class struggle, could deny the PCP the political initiative for a time at least.

FUR'S LIMITATIONS

Before we look at the failure of the FUR on 25 November, it would be useful to examine some of the criticisms of its components levelled at it by the IS and the IMG.

For both organisations, the events of 1917 in Russia have always exercised a fatal fascination, as they have for most of the marxist left. Certainly, there is something undeniably impressive about Lenin's conversion of the Bolsheviks to the April Theses, followed later by the Bolsheviks, even though a clear minority among the revolutionaries, winning over of the working class to insurrection. From these events we all draw our own conclusions. For IMG and the Fourth International, there is the clear indication that the way for the Party to win ideological hegemony over the class lies through posing a clear programme, and avoiding compromising alliances. In reality, the Bolsheviks won the masses to their insurrectionary line not merely because they put forward a line which was right at that time, and put it forward in the face of enormous opposition on the left, but also because a long history of involvement in the class struggle had earned them the right to be listened to and to lead, and had helped to create a leadership of proven prestige and capacity.

In Portugal, dare we say it, the situation was quite different. The LCI, the Fourth International's sympathising organisation and a member of the FUR, was crippled by two characteristics. First, it was one of the smallest and least consequential of all the FUR organisations, with no important bases in the working class. Second, it was caught between the traditional Fourth International conception of the United Front, which is how they always described the FUR, and the reality, that is, of a grouping which showed

possibilities of developing as one of the embryos of the Party. To regard the FUR simply as a United Front went directly counter to this possibility, for it implied the necessity to incorporate all the 'workers parties', the PCP and the PS, even if it was precisely these parties who opposed the development of class autonomy, the growth of popular power.

At the root of IS's exhortation to the PRP, its adopted sister organisation, to build the party, lies one of IS' fundamental mistakes and one which underpins its relative sectarianism, the illusion of the linear process of growth of the Party. In his pamphlet on Portugal, Tony Cliff compares the astounding growth of the Bolsheviks in 1917, from a party of a few thousands to one with a strength of many thousands in each of the main cities. Whilst warning the PRP that Portuguese conditions are not so favourable to mass growth, Cliff still wants the PRP to attempt to build itself through intensive recruitment among the working class. Of course, had they followed Cliff's recipe for growth, they would probably have lost strength. Growth can not be reduced to recruitment, especially in a situation where the proletariat rejects any one organisation's sole right to lead. Cliff was proposing a way to strength apartisanship, not the PRP. This is not to say that organisations will grow automatically in a period of upsurge, but that the pre-condition for growth is not merely a line which is correct for the situation, and one which leads to victory, but its acceptance at the mass level as one which deserves to be heard and debated and followed.

In fact, before 25 November, the FUR was advancing several different lines, to say nothing of the solutions put forward by the other left organisations. On what basis was the working class to choose the right one? In practice, the

PCP's influence tended to grow during the tense months leading up to the 25th. Better than the FUR, it could relate the most pressing concerns of the people to the question of governmental power. In effect, its programme declared that the advance of popular power depended on the return of a left government. For the moment, for tactical considerations, the PCP placed its considerable machine behind the workers, tenants and soldiers commissions and the result, in part, was the series of enormous mobilisations of November. For the FUR, the question of the power raised very difficult issues. There was no clear conception of what should be the main objective of that period. Some talked of a shift to the left in the government; others posed the possibility of an insurrection. All of this suggests that the FUR was badly placed to act with any coherence on 25 November. The right wing coup could only have occurred in a situation of utmost confusion. Two questions remain to be answered. Should there have been an insurrection by the left? Should the FUR have striven for a united front with the PCP and the PS?

With the well-known preparations by the right for a coup, it would have been irresponsible to have rejected any discussion about insurrection. Preparations had to be made against a fascist coup, and it is certainly on that basis that agreement could have been reached between the main forces on the left: the FUR, the UDP, the PCP and the leading organs of popular power, plus the left army officers. Note that this is not the same question as the question of an insurrection, nor is it a diversion from the key question, how to strengthen and advance popular power. It is simply the indispensable basis for ensuring that the balance of forces in held in favour of the proletariat. At the same time, we believe that the PRP was correct to raise the question of the insurrection at that time, to begin to discuss the possibility that a military initiative linked to a well-prepared mass mobilisation might well push the balance of forces dramatically to the left.

To talk of a united front with the PS and Soares is sheer nonsense, both now and in the weeks leading up to 25 November. The needs of the class run directly counter to the solutions proposed and implemented by Soares and his Party. Of course, we accept that the proposal of a front with the PS made by the Fourth International was a tactical one, directed at separating the right wing leadership from its worker base. Leaving aside the vexed question of the real extent of the working class base of the PS since the summer, we do not accept that the most effective approach lay in trying to expose the leadership. Instead, the way to win over the worker base of the PS was through involving it in the struggle to advance popular power, a line which, at least in rhetoric, the leadership of the Socialist Party was committed to. The declining proportions of the working class support for PS mobilisations throughout the period of the 6th government in itself shows that this was an approach which was effective.

A united front with the PCP was a different proposition. There was a great deal of unity of interest between the PCP and the revolutionaries which centred around the necessity to prevent a turn to the right. In short, there was the basis for an anti-fascist alliance with the PCP, and certainly with its base. As events turned out on 25 November, it became clear that Cunhal was prepared to sacrifice the revolutionary left to a right wing purge to gain its main objective, a bigger role in the government and in the state institutions. The separation of the interests of the PCP and the revolutionary left was in the interests too of the Antunes group.

In retrospect, it's easy to see that the defeat of the left on 25 November did not necessarily mean the defeat of the working class itself, because of the inadequate implantation of the revolutionary organisations in the masses.

With the definitive defeat of the remnants of the MFA, as well as the purging of the red regiments, it is also clear now that the road to the Portuguese revolution is a much longer one than we would have said only months ago. But with the organs of popular power intact it would not be too optimistic to envisage a renewed attempt to lay the basis for the creation of revolutionary Party in Portugal.

Women's struggles in Portugal 6.

Women in Portugal are in struggle. The whole working class is organising to seize power from capitalism and create in its place a socialist society run by the workers and peasants in their own interests. Women are playing a crucial part in the development of popular power and are organising among themselves to ensure that the revolution brings them concrete gains, ending their economic exploitation and sexual oppression. Their fight is difficult. In the struggle to take control of their own lives and get what they need they are often faced with two battles; against the whole Portuguese state and international capitalism which is desperately trying to re-establish control and smash the revolutionary movement which began to flourish after the downfall of fascism. The two struggles are interwoven. Unless women organise autonomously to make their demands integral to the class struggle against capitalism there will never be a socialist revolution, but until capitalism is overthrown and women and men control their own lives there will never be an end to women's oppression.

Even though there are many women struggling in Portugal the situation is difficult for feminists. The MLM, Portuguese women's liberation movement, is small and based largely in Lisbon, partly in Porto, with little power to challenge the dominant sexist ideology. Many revolutionary groups are unwilling to take up the issue of women's sexual, economic and legal oppression as an immediate necessity, a central aspect of the class struggle. Too many militants dismiss women's issues as irrelevant to the battle for popular power. Too many times are women's demands sidestepped with the answer that they can wait till after the revolution. There is no real encouragement given to women to participate on workers councils or neighbourhood committees. If women do begin to take an active part in the political process they have to confront their fathers or husbands to let them go to meetings; they have to fight the men at work or in the community who either ridicule or make no effort to support their activity and they have to fight for the provision of nurseries or creches to make it easier for them to lead a life of their own outside the home.

So women in Portugal have a whole range of problems to confront. 50 years of fascism, and in the North strong Catholicism, have left a powerful stamp on the attitudes of many men and women who still accept that women's place is in the home, submissive to God, men and the family, and incapable of independent thought or action. The legal oppression of women has hardly changed at all since the coup, but some improvements have been made. Until May 1975 a man could murder his wife if she'd been unfaithful without being held a criminal, so long as he disappeared for 6 months, and could get away with killing his daughter if she had a lover. Abortion is still illegal and punishable by up to 20 years imprisonment.

The general background to women's situation is that Portugal is one of the poorest countries in Europe with a large proportion of women working in industry and agriculture. There is no welfare state. Under Salazar and Caetano's fascist regimes the Portuguese economy relied on the colonies in Africa to provide raw materials and semi-finished products which were imported at artificially

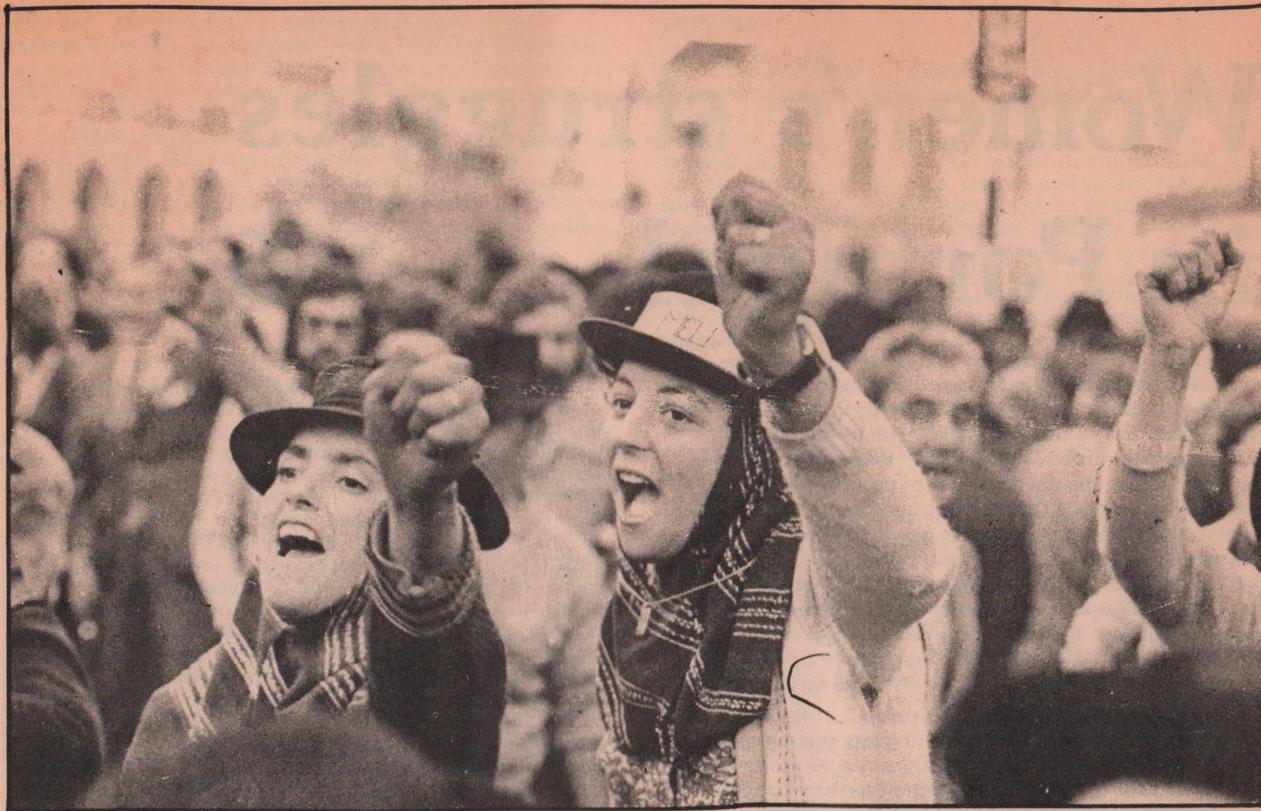
low prices, to be re-exported to Europe at a high rate of profit. Repression at home kept wages low and until the 1960's Portuguese politicians kept the country isolated not allowing much foreign investment. This changes when Portugal joined EFTA in 1960 and many foreign firms, particularly British, invested in Portugal to take advantage of the repressive state which insured cheap and relatively docile labour ... and high profits. Industrial areas rapidly developed, especially around Lisbon. Highly sophisticated, large and technically advanced plants were built, like the two enormous shipyards at Lisnave and Sitnave, as well as the electronics, textile and components plants. There was a large recruitment of women workers into these factories, particularly into the electronics and textile industries. For two reasons: Firstly there was a shortage of labour as over 1.5 million Portuguese men work as immigrant labourers in the more economically advanced European countries, especially in Germany and France, whose economies have developed by drawing on the cheap labour pools in the predominantly agricultural and backward areas of Europe like Portugal, Southern Italy, Greece and Spain. Conscription to fight the colonial wars in Mozambique, Guine-Bissau and Angola involved a total of 250,000 men. Secondly, women's labour is cheaper. In 1972 women's wages ranged from about a half to two-thirds of men's wages. Although there are no official figures available for the percentage of women workers in the whole economy there are figures for specific industries which give some idea of their preponderance. In fish-canning 85% of the workforce is women, in electronics 80%, tobacco 66%, textiles 45%, rubber 35%. Women also form the majority of agricultural and service workers.

Since the Coup

The situation for women workers has improved since the coup, for instance with the introduction of equal pay and a minimum wage. But the introduction of such laws, as with equal pay and opportunity legislation in this country, does not necessarily mean that they are implemented. The minimum wage of £55 a month vastly exceeded the old wage levels for women at the time but when they demanded it off the bosses they were threatened with closure, redundancies or productivity deals. For many foreign companies relying on cheap labour their response was to close, or to threaten to close the factories, thus throwing the Portuguese economy into further chaos. This happened at Sogantal, a French-owned textile factory in Montigo, a town near Lisbon. The history of the women's struggle in this factory, which produces tracksuits, is worth documenting in some detail as it highlights the problems women workers face and the ways in which they are fighting to overcome them in Portugal at present.

Sogantal

In May 1974 the 48 women workers presented a claim for a £20 a month pay rise, 30 days holiday and a Christmas bonus of one month's wage. They were earning £20 a month and getting 2 weeks holiday. In the middle of their negotiations the government introduced the new minimum wage which was more than they were demanding. The French owner said he wouldn't pay any increases, stopped their wages and declared the company closed. The women



went on strike and after two weeks decided to occupy the factory, selling the tracksuits themselves so they could pay their wages. For the first few months the women picketed the factory and kept it well guarded against the possible return of the owner. They then hired a caretaker so they didn't have to stay in the factory 24 hours a day. One afternoon the boss returned with most of the villagers of Montigo at a fiesta. He came with 14 men, alsatians, tear gas and guns. Luckily they were noticed and forced back from dismantling the machinery into the office where they barricaded themselves in. The state police (GNR) and the army finally interveed and took them away.

Although the villagers helped the women on this occasion they have met with a lot of hostility and very little positive support for their actions. Many husbands, fathers and boyfriends have felt threatened by the women's militancy and have tried to discourage them. Some of the women in the factory have been forced to split up from their husbands rather than stop the struggle. The government refuse to support the women by nationalising the factory, which has been their consistant demand since May 1974, and now the women cannot continue production as they have no money to buy raw materials. They can't form a workers co-operative and get money that way because as women they have no legal entitlement to sign the official forms their husbands or fathers must do it on their behalf ...and they have refused!

From the start the occupation has been very well organised by the women. A workers assembly was formed as the supreme decision making body at which general issues such as the role of women in struggle, abortion and contraception etc. were discussed as well as the more practical questions of production and distribution. A workers committee is elected from the assembly to deal with the day to day running of the factory. The committee is directly answerable to the general assembly, and any member of it can be instantly recalled if the majority are dissatisfied with her. The workers committee produced a newsletter about their fight which was distributed to other workers and generally in the area. The women who are still involved in the occupation now, 24 out of the original 48, have organised together to write and produce a play about their struggle which they perform to get support for themselves and to raise political issues about women. They

take it round to different area, to workers councils, tenants associations, womens meetings and the newly-emerged revolutionary councils. Their play shows the history of the struggle over the past year and highlights women's exploitation at home and at work. It shows the difficulties women have organising together but also the tremendous gains in self-confidence and political awareness they get when they do. It also poses very clearly the necessity for women to organise around their own demands and needs, having to fight the boss, the government as well as the sexism and chauvinism of their families and other workers in order to get anywhere in their struggle.

The example of Sogantal is one of many, but in some areas the obstacles to women waging a successful fight have been temporarily insuperable. Although participating in struggles and learning from them begins to build up women self-confidence and power, facing defeat or stern opposition from men is demoralising, and in the rapidly developing situation in Portugal where the balance of class forces is constantly changing, women's defeat and demoralisation is defeat and demoralisation for the whole revolutionary process.

Many factories for example have been on strike for equal pay, but as with similar strikes in this country, some have been successful, others have ended with the women being isolated and scabbed on by the male workers. At Timex, a light engineering factory near Lisbon, the womens demands were supported by the men, but at the Via Langa brewery when all the workers got the newly introduced minimum wage in 1974, the men immediatly demanded an increase to maintain their differentials over the women.

Unemployment

Women factory workers are also facing the prospect of unemployment, and being forced back into the home to work there without a wage. The worsening economic situation which Portugal plunges into will be exacerbated as more and more pull out, unwilling to meet the workers' demands for better pay and conditions, and as Western countries begin to put economic pressure in earnest against the threatening revolution in Europe. Already Wilson has persuaded the EEC to put a 10% import tariff on Portugese textiles under the guise of helping the Lancashire textile

workers, but it will have more effect in increasing unemployment in Portugal. And as the economic recession worsens more and more immigrant workers will be sent home to swell the ranks of the unemployed along with demobbed soldiers and the returning white Angolan settlers. If men start demanding women's jobs the class will be weakened and divided against the real enemy, capitalism. In Portugal issues such as this clearly poses the question of who controls the economy and in whose interest. There has been open economic sabotage by the bosses but as yet there has been no alternative clearly articulated by any government because of the delicate balancing act most of the provisional governments have been forced into.... unwilling to side with the revolutionary movement, incapable of controlling it. In this state of flux and uncertainty it becomes clear that there are only two choicessocialism or fascism.

Agriculture

In some sectors it will be possible to absorb more workers immediately, particularly in agriculture in the South and Alentejo, because there the agricultural workers and peasants have taken over the vast estates formerly owned by a few absentee landlords, and have begun to farm them productively instead of letting them lie fallow, as the previous owners had done. In the South, a handful of landlords used to control enormous estates, worked by landless labourers for a pittance. Women comprise the majority of such workers and their pay averaged less than £1 a day, much lower than the men's wage.

In many areas, older women are taken daily by lorries from their villages to the fields, often a two or three hour drive, while the younger women lived in primitive dormitories attached to the landlord's hacienda. Work was primarily seasonal, when the hours were long and the conditions appalling.

After the coup, many of these farm workers decided that the only way to solve the problems of unemployment and underproduction was to occupy the estates, running them under workers control. In Beja, in the Alentejo, a 15000 strong rally of farm workers demanded immediate expropriation without compensation at a time (spring 1975) when the Government was trying to stop further land seizures as well as controlling the size of the farms already under workers control. The size of the rally acted as a huge morale boost for the people of the area who shortly afterwards went on to occupy another 150 latifundias in open defiance of the Government.

Many of the landlords have fled, others try to resist, and some stay in Portugal waiting for an opportune moment to regain their land. In most areas, the agricultural cooperative cooperatives are prepared and vigilant for an attack, keeping a 24 hour armed guard, for nearly everyone talks of some kind of experience of attempted sabotage...crop burning, fire bombs or poisoned water supplies. The farm workers and small farmers are very politically conscious and see the need to form links with other farm, factory or housing occupations, to develop the structures of popular power.

In Oporto, the cooperatives products are sold directly to tenants at markets run by the tenants and squatter commissions. And a lot of produce is sold to a super-market chain which was formerly owned by a private banking concern, nationalised in the wave of bank workers take-overs after the attempted coup on 11 March, which also gave a boost to the rural mass movement. In effect, food distribution and produce exchange is being taken out of the hands of the middle men who, as many farm workers know well, played a key role in helping to install the Pinochet regime in Chile.

The farmers and farm workers have played an important part in most of the major demonstrations in support of popular power, and for the defence and the consolidation of the revolution. They were present in their thousands outside the air force barracks at Beja in October 1975 when the commander was compelled to reinstate two airmen, suspended as SUV militants. And they were present on 20 August when they took vital time off from harvesting to drive into Lisbon on their tractors and lorries to head the demonstration in support of the COPCON

document. Many of them had come from Aveiras da Cima, 60 miles north east of Lisbon.

Aveiras da Cima

Aveiras da Cima is a small town in a rich agricultural area, with a mixture of small farms and large estates owned by absentee landlords, either worked on by a few tenants with a large proportion of the land unused, or else extensively let and sub-let into uneconomical units. (In other words, a mixture of the main tenure systems of south and north Portugal.)

Many of the local men work at the Ford assembly plant at Azambuja, in the industrial zone alongside the River Tagus. The farming is mixed with cork, maize, tomatoes, rice, vineyards and cattle. It's a very militant area with a long tradition of struggle under fascism. It was in this area, in 1954 at the height of the struggle for the eight hour day, that Catarina Eufemia was shot and killed by the National Republican Guard. Her death and the resistance of many others have helped to give the anti-capitalist struggle in this area particular bite and power.

Many of the land take overs have brought about much more than just a change in control of the land. Often, the mansions of the absentee landlords have been seized and converted into much needed community facilities — schools, creches, nurseries, social centres and political meeting places. In Almerim, the Institute of the Count of Sobral, formerly a school for the children of the rich of the locality, is now a creche and school for the farm workers kids. In Aveiras itself a large house has been set up as creche, clinic and community centre, and is a good example of the way these things are run.

The occupied house is an old villa with extensive farm buildings that had been empty for years. The owner was dead and nobody was using the property. There was not much doubt about how the building should be used since in Portugal, where there is no welfare state, health and child care provision is particularly appalling. There is the highest infant mortality rate in Europe (58/1000 for kids up to one year old). Most of the few doctors prefer to work in private practice than for the state. Although a law made since 25 April requires doctors to work a minimum of two hours a day for the state, this hardly applies to those practising in the countryside where there are hardly any state clinics anyway. Some towns of 30,000 people have no hospital or doctor, hardly surprising when only 10% of doctors work in rural areas. In 1971, 8% of state spending went on health compared with 50% on defence! The medical profession is generally reactionary and more concerned with maintaining its privileges than in looking after the health of the people. So the need for an extensive and free health service is obvious.

Leading the fight for health provision are the women who bear the brunt of the burden of inadequate facilities and who have been most militant in the struggles over health and housing. A high proportion of women die in childbirth and 21% of births take place without medical assistance. Only 20% of houses have a kitchen, lavatory and bathroom, and only 40% have running water. 82% have no sewers and over 60% have no refuse collection. These are national averages and conditions in the countryside tend to be far worse. This means health risks for women and children, terrible living conditions and a greater burden of housework. Women often have to do their washing in rivers and carry water to the houses for miles. All this housework usually comes on top of long hours of work in the fields or factories. So it's not surprising that women have been seizing the opportunities opened up since 25 April to create a society that begins to serve their and their children's needs.

The kids who come to the creche at Aveiras da Cima turn up at about 8am, go home at lunchtime and return until 8 or 9pm. Before the playscheme, the kids would have stayed at home or gone to work with their parents in the fields. In many places this still happens, or else one of the women will stay home to mind the kids until they start school at 6 years. In practice, most of the kids who attend the creche come from militant families, but both the playscheme and the clinic have provided many women

with a focus for discussion and a concrete experience of how collective action can improve their lives, and this is winning over many who were initially doubtful or hostile.

The facilities are ample. An old swimming pool is being renovated and in the house there are two classrooms and a playroom equipped with games and toys. Down the corridor is a well-stocked library for everyone's use. Two rooms downstairs house the clinic where there is a supply of free drugs, bought from money collected locally or donated by workers' commissions in drug companies. A small supply comes from the workers in the state-run clinics. The clinic buildings also provide the headquarter headquarters for the farm workers union and a point at which the agricultural cooperatives exchange produce and equipment. The committee which runs the centre is elected by and answerable to a general assembly of all those involved in the various activities. This is the organisational basis of popular power. In an area where the land tenure is mixed, with many small farmers and PPD and PS supporters, the occupations have raised sharp divisions.



Urban Struggles

Housing

A spontaneous wave of housing struggles began in June 1974 when tenants in the big cities occupied empty properties to help solve the problems of homelessness. At that time, in Lisbon alone, there were about 6,000 5/6 bedroomed houses standing vacant, while, according to the newspaper *Expresso*, using out of date figures which underplayed the real extent of the problem, there were 330,000 families living in overcrowded conditions, with 60,000 of them in Lisbon, over 11,000 in Oporto and 34,000 in shanty towns.

Fascism gave almost no state aid to public housing, preferring to encourage private speculation. The state provided 10% of the total housing. Working class city centre tenants were compelled to move to the outskirts under a plan to form 'social neighbourhoods', a euphemism for slums. So the centres were set aside for speculative office blocks or private apartments, but since the social neighbourhoods were too small, thousands of homeless began building shanty towns on waste land.

The housing struggles began before the overthrow of fascism. In Bairro das Fonecas, a shanty town in the Lisbon area with 1,500 people living in 250 shacks, the inhabitants went on rent strike because of the level of the rents, the lack of drainage and electricity and because the women had to walk a kilometer to draw water. Since April 74, tenants committees (comissoes dos moradores) have mushroomed, the organised expression of tenants power dominating the political scene in Oporto where there are about 120 of them.

The committees cover anything from 1000 to 40,000 people and organise squatting, the allocation of housing, repairs and maintenance and provision of water and electricity. In many areas, the committees are involved in almost every aspect of urban existence, including health care, price control and adult literacy classes.

In Campo da Ourique, a residential area of Lisbon, the tenants committee was elected from a general assembly of about 1400 and has sub-committees dealing with education, literacy (40% of the population of Portugal is illiterate or semi-literate), pre-school children, health and youth, which is mainly sports provision. There is a contrast between the composition of the committees, which usually include few women, and the day to day leadership of the social struggles where women provide the impetus, the initiative and the basic strength. When the police decided to end a squat in Oporto they purposefully chose the time when they knew the men of the locality would be at work, but they faced such determined resistance from the women that they had to abandon the attempt.

Involvement in community struggles has provided an opportunity for women to challenge their traditional role as mother and housewife, isolated at home from other women. There are more and more examples of working class women collectivising housework to develop the strength and provide the time to break down the capitalist organisation of privatised childcare and work at home. Housework is being recognised as a problem common to all women. Women workers who have taken over a laundry in Lisbon plan to develop a free service to liberate women from the chore and to save foreign currency spent on importing washing machines. In Oporto, women who used to work as maids for the rich have occupied a house and turned it into a cooperative for housework with a creche and a canteen. They say that they will no longer do useless work in the houses of the bourgeoisie because they want to be of service to other workers and not 'parasites'.

Women have frequently had to fight their husbands and fathers for the right to attend meetings, often facing charges of using political activity as a pretext for meeting other men or for having a good time (no crime in itself!) Confronting and collectively overcoming these constraints has given women's militancy an added strength at the same time as consolidating the struggles for better housing and child care.



Health Care

The fights over health facilities are closely connected with the other social struggles. In addition, state health workers are fighting alongside to transform health care from a privilege for the rich to a right for the mass of the people. The Santa Maria hospital in Lisbon is being reorganised to achieve this aim and one of the most lavishly equipped private clinics in Portugal — it has its own heliport — the Santa Cruz, is being reorganised by its workers commission as a general hospital for the locality. A member of the commission explains: *We are near ten shanty towns with a population of over 50,000. We are fighting to have them replaced by decent housing. The most common illnesses in this area are heart, lung and intestinal diseases which come from poor diets and malnutrition. At present, people who want free treatment have to go to the public hospitals of Lisbon or Cascais which are twelve miles away. These state hospitals are very old. Santa Cruz is the only hospital with helicopter landing space which could be used for emergency cases from all over the country.*

With medical facilities so limited, services clearly have to be prioritised. Abortion and contraception services are

NOT being given priority although it would be fairly simple to do this.

Abortion and Contraception

There are a known 150,000 backstreet illegal abortions every year, but no doubt there must be many more. The situation was outlined by a member of the Portuguese women's movement (MLM) — *Country women, working women, lower middle class women — most of them have been to hospital in a critical state at least once. Most abort themselves, with a knitting needle, duck feathers, pointed sticks. A woman of 44 told us, "I work in the fields. I've done thirty abortions all alone". A midwife who told us that "Sometimes I do as many as ten, thirteen abortions a day" was speechless when we worked out that made an average of 200 a month. The Portuguese population doesn't know, or pretends not to know, about these things. In fact, abortion is a huge problem of the less privileged women in our society. But the political parties won't approach the subject directly.*

Most men prevent their women using contraceptives because they say it could make them impotent. Women have to take the pill in secret. We women must have the right to decide what we do with our own bodies.

The fascist laws on abortion are still in force. Anyone involved in any way with performing or procuring an abortion is liable to up to 20 years imprisonment. While these laws are not being vigorously enforced by the state, they effectively prevent abortion from being widely available — and those that do take place are dangerous, dehumanising experiences for the women who have to undergo them. Contraception is slightly easier — there are now about 40 family planning clinics — but Portugal still has the second highest birthrate of any European country, and there are a lot of pressures on women not to talk about or seek advice.

Most of the political parties are wary of taking up the question of abortion and contraception and although some revolutionary organisations do take the problems seriously, it is principally the MLM which has been active on the issue. In July, they organised an international Women's Week of Action round the slogan 'free abortion on demand', assisted by many women from the European women's movements. The MLM is recently formed and without much influence in the revolutionary movement. But the issues they raise about abortion and contraception and the necessity for women to control their own bodies are a vital aspect of the struggle for socialism.

The development of an autonomous women's movement capable of developing the power of women in struggle and taking women's demands and a feminist perspective into the revolutionary movement is a vital aspect of the class struggle. This is a tendency which as yet is weak and fragmented in Portugal. The gains of the anti-capitalist offensive are impressive, but there's no ignoring the problems women face in getting recognition for their problems and contributions as being relevant to that process.

The struggle in Portugal is about control of the economy and the state by the working class, but it is also about how to transform the whole social fabric to create a socialist society. But this demands the full participation of everyone, women and men. Because without women's liberation there can be no socialist revolution: without socialist revolution there can be no women's liberation.

As socialists in this country, we must support the Portuguese struggle, for their struggle is our struggle, their victory will be victory for us all. In particular, we must support women's struggle in Portugal and give our sisters there all the encouragement and assistance we can.

Portugal will not become another Chile. Support the struggle of Portuguese women. Support the Solidarity Campaign with the Portuguese Working Class.



1 (Lotta Continua)	3 (LC)
2 (Poder Popular - MES)	4 (LC)

The roots of popular power

1. Soldiers of the 'red regiment' RALIS (now disbanded) – nowhere had the democratisation of the armed forces gone further. Only days before the right's coup on 25 November, new recruits had sworn an oath of allegiance – to the revolution – with clenched fists.
2. 'On this land we're going to build a new estate – the shanty-town dwellers'.
3. Shipyard workers demonstrating against unemployment and NATO, early '75.
4. Kids, attending a school set up by a tenants commission in an occupied house, on an 'educational' visit to (what was until 25 November) the workers-controlled radio station, Radio Renascença, in Lisbon.



7 Solidarity campaign

Let's draw up a balance sheet for the Portuguese Solidarity Campaign (PSC) to date. Then we can begin to draw some conclusions about the future directions of its work in this country.

On the positive side, we can point to three factors:

- 1 the clarity of political line laid down by the Portuguese Workers Coordinating Committee (PWCC) in their bulletin, *Our Common Struggle*, which has been based on the fights of the working class for autonomy, and which has disregarded diplomatic considerations for the Labour Party and the Communist Party whose Portuguese sister organisations are regularly criticised.
- 2 the support, nevertheless, of the CP which has been thrown into internal turmoil by the course of events in Portugal. This support was crucial for the national solidarity demonstration last September and it will be on test again in the weeks leading up to the Campaign's national labour movement conference sometime in March. However patchy and unenthusiastic the Party's backing may often be, it does point to the possibility that there are sections of the British CP which take the Campaign seriously.
- 3 despite the sabre-rattling of the right-wing press, it is very clear that this is not the hey-day of imperialist interventions, coming in the wake of the revelations about US policy in Chile, Cyprus, Greece and Cuba and after the defeats in S E Asia. This is not to say that the dangers of intervention are passed, this is not the case in either Angola or Portugal, but that the political climate internationally in which they might take place is far from favourable.

On the negative side, we must take account of,

- 1 the limited support for the campaign in the British working class and generally a profound lack of interest in and knowledge of what has been happening in Portugal. This has highlighted a native political weakness, the inability to relate to a situation where the working class is fighting for direct democracy rather than, as in Chile, trying to use the existing institutions of bourgeois democracy to carry through a socialist transformation. A further problem, ironically, is that the Portuguese working class does not draw sympathy because, unlike the Chilean, it has not suffered a terrible defeat.
- 2 the enormous support Soares and the Socialist Party has received in Britain, from the mass media and also inside the Labour Party. This reflection at home of political divisions in Portugal has, of course, limited severely the catchment area of the PSC: there will be no massive support from the Labour Party or the trade unions as there was for the Chile Solidarity Campaign.
- 3 the undermining of the campaign as a result of IS's decision to throw its resources into its own, which is really a campaign of support for the working class and the PRP.

It's pointless to pretend that revolutionary organisations — especially large and influential ones — do not have the right to impose their own conditions on membership of a united front. In fact, they have the necessity to do so, in so far as they can claim to act in the interests of sections of the working class. But what is far from clear in the case of IS's relationship to the PSC is whether they have acted with any motive other than self-aggrandisement.

We say this because there is no evidence that IS has any important political disagreements with the PWCC's direction of the Solidarity Campaign. Certainly, none has been publicly exposed by IS. (The conflicts which occurred at the end of the national demonstration in September were symptomatic of the tensions between IS and the PSC, and not the source of those tensions.) Perhaps, IS would like to make the case for a clearer position towards the revolutionary organisations in Portugal. It is obvious, though, that the PSC could not continue to exist if it were to do this, any more than the Troops Out Movement could if it were compelled to choose between republican organisations.

Self-aggrandisement might be an acceptable basis for the IS Portugal campaign *were there to be evidence that the campaign was producing successes*. Even this is doubtful. In the first place, the campaign has gone on by fits and starts, with a rhythm which often seems to have more to do with the internal needs (and disputes) of the organisation than with the situation in Portugal. Second, the decision in practice to withdraw from the PSC has made it much easier for the CP to ignore Portugal and all the problems it poses for world communism. Third, inside Portugal, the IS's impact has not been all that it could have wished for. Apart from a growing resistance to the barrage of advice from London on the part of the PRP, IS activity in Portugal has produced a certain suspicion which can only have reinforced the existing wariness of the revolutionary organisations. After the negotiations between IS and the Republica workers commission about the production of the English edition of the newspaper, the latter stated:

The workers of Republica do not want to be misinterpreted. They have, thus, decided not to make any more issues of their paper to be published abroad by any political organisation. Therefore, they repudiate any attempt by political organisations to use their struggle opportunistically.

The workers of Republica restate their determination to carry forward their struggle and their right to publicise it. Nevertheless, they want to point out that international solidarity has to comply to very strict rules. It has to be given but not begged. And it should never imply any sort of compromise.

Finally, for us there is one important reason why revolutionary organisations should participate in united fronts in the cause of internationalism, unless they have very profound political differences with the programme of the front. The working class, especially in Britain where the spirit of internationalism has been weak traditionally, is all the less likely to take seriously questions of solidarity when its own left is incapable of unity on a minimum programme. The sectarianism of the IS on these issues may — does — advance the short term interests of the IS but it does nothing for the unity of the working class.

Now the Solidarity Campaign has reached a critical point in its existence with the approach of the first national conference. The balance sheet we've just drawn up points to certain dangers at this stage. There is a temptation, especially in the light of the IMG's position towards the Labour Party, to orientate the campaign towards the Labour Party and trade unions almost exclusively. There's no doubt that an approach has to be made in this direction, aimed at driving a wedge between Portuguese and British social democracy, but there is limited room for manoeuvre in this direction, except in exceptional cases, for example, where the Party is on the far left or where the revolutionary left has a great deal of influence. And even then it is important that the approach should be concentrated towards the rank and file. Otherwise, we are faced with the recurrent defect of British solidarity work, the token approach to the working class carried on through a series of petitions and resolutions which change nothing and affect nobody. We need to win the public support of the eminences of the labour movement, but we also need to begin a long and arduous campaign at the grass roots which will be far less dramatic in the short term but might have important consequences for the working class and the revolution in the long run.

Fortunately, the very name of the campaign points in the right direction — it is a campaign of solidarity with the Portuguese working class. That is the centre of our orientation for this country: to win the British working class to solidarity with popular power as it confronts the attempts of big business, imperialism and the CIA to turn the clock back. So, we give priority to a campaign based

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The Capitalist Crisis



& the Working Class

The last five years have seen the end of the period of 'social peace' which typified the twenty years following the Second World War. In every capitalist country social conflict has increased; strikes have increased, and there has been an upsurge of struggles in the community. At the same time, the policies which were thought to guarantee perpetual economic growth and full employment have begun to fail. We are now in the deepest economic recession since the 1930s — and with the prospects for a new boom based on hopes rather than certainties.

This breakdown of the success and relative stability of capitalism has been labelled a 'crisis' by almost everyone. Often to the extent that this process hasn't been taken seriously. For some sections of the revolutionary left — including Big Flame — capitalism has been seen as *permanently* inflicting some kind of crisis on the working class. Our criticism of the system has not been whether earnings are two percent up or down, but that the conditions of capitalist life and work are *always* exploitative and destructive, and that these conditions could only be partially compensated for by high wages. Life was seen as a permanent crisis, which was not the same as the economic crisis.

This wasn't just a moral objection by a group of high-minded socialists. The working class gave the lead itself — by struggling not only for higher wages, but for better conditions and against work itself. Inside the struggles of the working class the rejection of the idea of 'a fair day's work for a fair day's pay' could be seen. In some countries this increasing rejection of capitalism itself exploded to produce deep social and political crisis — such as May 1968 in France

or the Hot Autumn of 1969 in Italy. Instead of arguing over *how much* the workers were entitled to, new questions were raised which made it clear that workers were beginning to separate their ideas of what they wanted from what capitalism was prepared to offer. Instead of a 'fair day's work', people asked: 'What is the point of working? Who are we working for?'. Instead of accepting that owning things made you happy, people began to ask, 'What is the point of owning a TV if all the programmes are stupid?' Instead of accepting their 'fair share', people began to write on their banners, 'We want everything!'

What was special about these kind of struggles was their deeply subversive nature — they literally undermined capitalism. Higher wages in themselves were no great threat to the capitalists — if they could push up the pace of work and increase workers' productivity. But struggles against work itself, or for the maintenance of 'restrictive practices' meant that disputes over wages took on more serious overtones for the employers — they presented a direct threat to profits.

But in a more general sense, struggles which had the power to undermine the system made it possible to look at the role which workers played in how capitalism functioned — not simply consumers of its products or suppliers of its labour, but active — if not always conscious — participants in determining the forms of production and the institutions of political power. Instead of the working class being the 'victims' of capitalism, ground down by the huge monopolies; living in the shadow of the H-bomb, working class struggle could be seen as an active and creative force — a menace to the stability of capitalism.

Despite this, few political groups have tried to systematically develop the connection between the struggle against the crisis which capitalism makes for the working class, with the crisis which the working class makes for capitalism. Later in this article, we suggest one or two reasons why revolutionaries have wanted to run away from this thorny problem.

Big Flame considers this struggle as one of the central features of the revolutionary process, and the idea of this article is to sketch out and explain a view of the current crisis which begins to deal with this aspect. This is not intended as a complete analysis — but hopes to provide a basis for discussions and questions from one perspective which is emphasised here to the detriment and exclusion of many other important factors.

THE STRUGGLE AGAINST WORK

Why is the struggle against work important? Capitalism is a system based on the exploitation of workers. To exploit workers to the full the capitalists try to exercise unlimited power over their workers. They want to treat labour like any other productive force — to use it as it best suits them, where and when they want it. The aim of this is to make profits. Capitalists do this by trying to increase the amount of *surplus labour* which the worker carried out. That is, making the worker work more than is necessary for the workers' subsistence — the wage. The worker is made to carry out labour for which he or she is not paid — labour which is stolen by the capitalists. Surplus labour can be increased in several ways: the workers can be made to work longer hours (longer than they would need to work to earn the wages they're paid), or work can be made more intensive, so more products are produced in a shorter time.

But the ability to work, *labour power*, is a power which belongs to real living people — people who can organise to resist the theft of their labour and who can fight back against their reduction to mere suppliers of labour. Workers can organise to resist, sabotage or bend the system to build some power in the work place, which makes it impossible for the employer to use them as if they were machines. And outside the work place there is resistance against the bosses' or the state's attempts to make them 'fit in' — be good consumers, recognise their place in society. In short, the working class, by asserting its *autonomy* from the system of profit making, can make it difficult for the capitalists to exploit them.

In fact, workers can reduce the amount by which they're exploited. If the miners turn down a productivity deal, but

press on with a high wage demand; if hospital workers refuse to accept a bonus scheme, but press on for decent basic wages; if car workers refuse to accept manning cuts. All these struggles hit at the basic calculation of the capitalists in which there is a relation between work and the wage received, with a surplus going to the employer.

However, the exploitation of labour is the basis of capitalism itself. And so a reduction in exploitation cannot occur without this setting into motion an intense struggle between capitalists and workers. This struggle is not always spectacular, but it is the area in which the level of exploitation, the basis of the capitalist system, is decided. The struggle around the level of exploitation and the power of the bosses to make workers work on strictly capitalist terms is central to how the economy runs.

How does this fit in with the economic crisis?

WHAT IS A 'CRISIS'?

People often think that 'crisis' means the same as 'recession' or 'slump'. Of course, it's true that a slump *means* a crisis in a lot of people's lives. But the two are not the same thing. Capitalism has always had a cycle of booms and slumps, but slumps have not always meant that the system was in a crisis. A recession means a fall in the output of the economy or a slow-down in the rate of economic growth. At some point in the development of an economic crisis a slump may well occur, and it may be a massive one — a world slump with mass unemployment. But crisis and recession are not identical. A crisis is a *qualitative* thing, which means it cannot be simply measured by statistics. It not only affects production but the whole structure of the economy and society.

A recession can indicate a crisis if there is no way by which full production and full employment can be obtained. Recessions of this sort occurred before the Second World War because capitalists did not understand how they could control the *trade cycle*. Full employment was not achieved by design but by the unco-ordinated actions of individual firms. That is, the system was *anarchic*, had no plan, and so contained the permanent possibility of slumps and recession. Why? Under capitalism goods are not produced for their usefulness but for profit. Production isn't regulated according to a plan but goes ahead on the basis of individual firms making decisions after individually working out the possible profits to be made. If it looks as if production will be profitable, firms will try to produce as much as possible. But if *all* firms try to do this there will be a *glut* of products. Profits on each article made will fall; firms will

reduce production and sack workers. Factories will lie empty and unused since too much, relative to demand, was spent on investment. In the big slump of the 1930s the capitalists had not worked out a way to deal with this situation. Their first response was to cut wages; to reduce their costs. But this made the situation even worse. Workers, as a whole, had even less money to spend and so the demand for goods fell even more and made the recession even more severe. The capitalists were put in their perpetual dilemma: they wanted wages in their own factory to be low but other workers' wages to be high! But the slump also produced some effects which tended to restore profitability. Small firms were driven out of business, or absorbed by powerful competitors. Production could be centralised and cut back to the level of demand, so ending overproduction. Capitalists also gave up old, unprofitable areas of production and were forced to look for new fields. This happened in the 1930s when there was mass unemployment in ship-building but a lot of investment in the South and Midlands in cars and aircraft.

But today's situation is different to this. Certain changes took place in capitalism which have meant that present day crises will not simply appear as slumps. Before looking at these changes, though, it is necessary to attempt to define more exactly what 'crisis' actually means if it is not simply recession.

A crisis is a situation in which the *reproduction* of the economy — its continuation and growth — is either interrupted or seriously threatened. Why? Because capitalism requires that the various elements and sections in the economy remain in a certain relationship to one another. If these are disturbed — if they get out of balance — then the economy cannot proceed as before. Sometimes this can threaten the existence of the capitalist system itself. What are these main elements in the economy? Firstly, there are the different sectors of the economy — those producing consumer goods; those making machines to make other goods; the service sector, and the state. Then there are the various ways in which production is distributed between wages, profits and interest. Then there are other key variables such as prices, foreign trade and the level of currency reserves.

Under capitalism, the reproduction of the economy is dependent on the search for a profit. Unless profits are to be made, capitalists will not advance their capital to get production going or continuing. If they cannot obtain profits they will effectively go on an *investment strike* — either in one particular area of production or throughout the whole economy. They will either hoard their money, or not take out credit, or export their capital abroad. Such an investment strike has been going on in Britain for years. This is the source of the underinvestment in such industries as motorcycles, or in British Leyland. So the rate of profit lies at the centre of the crisis in capitalism.

What actually happens if the balance of the economy gets disturbed? To get back to profits: if firms cannot make profits they can neither borrow money to invest it (because they are a poor risk) nor can they generate enough money of their own for *self-financed* investment. Or they may even use their funds for speculation if this is more profitable than investing in machinery. If this happens, investment dries up and so the *accumulation of capital* stops or slows down. This means that the capitalist economy will stop growing. The immediate effects are to produce a reduction in the production of capital goods — equipment and machinery. Since the workers in these industries have less to spend due to short-time and unemployment, the demand for consumer goods tails off. This sets a vicious circle into operation since the firms making consumer goods first of all stockpile, then lay-off or sack workers, and then cancel investment projects. This may occur over a number of years, producing stagnation rather than a violent slump.

If this investment strike takes place in one country, it becomes less competitive internationally. For example, if British Leyland do not invest in new models, they get overtaken by VW or Citroen. This produces a further effect. Namely, that the country falls into a *balance of payments* crisis. In addition, the contraction of overseas markets deters further new investment in industries producing for export. If the deficit in the balance of payments is combined with a massive rise in the price of imports, such as oil, the deficit reaches enormous proportions. The country has to run up a big debt internationally, and at the same time squeeze the



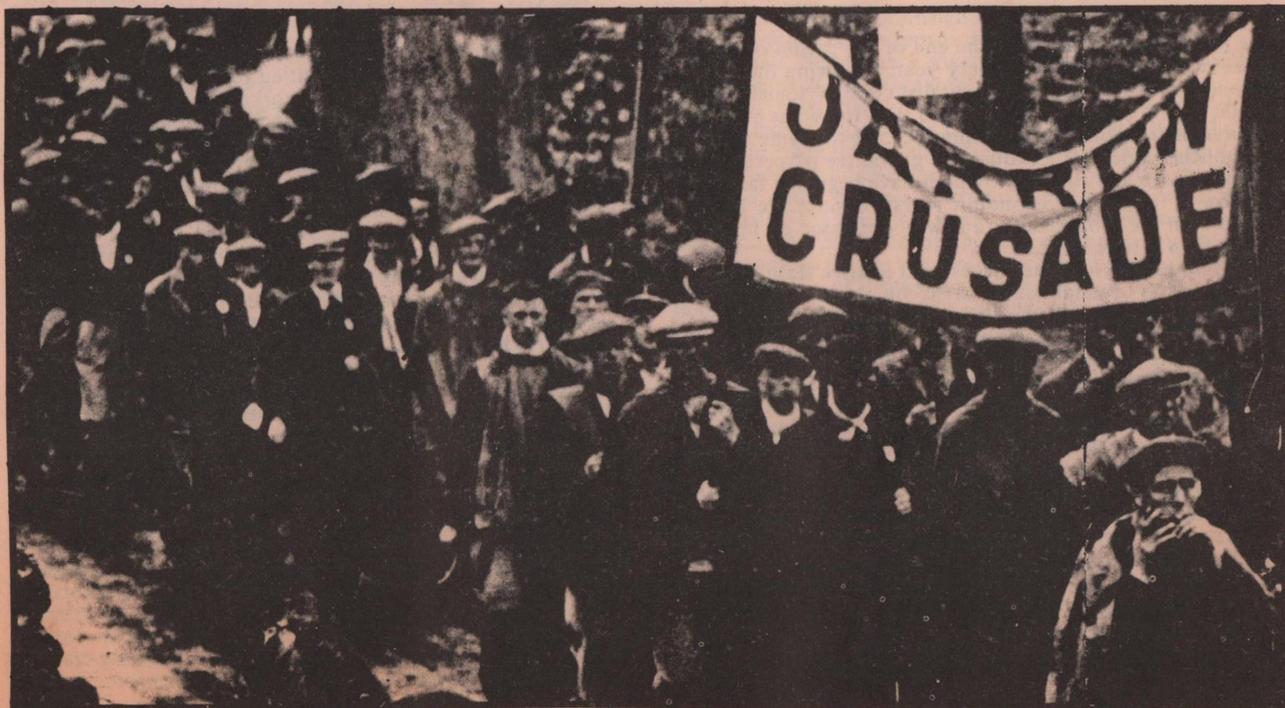
home economy to reduce imports. In Great Britain a balance of payments surplus only seems to be possible when there is high unemployment, like now for example.

Foreign bankers will only give credit if they can be sure profits will be restored. Their conditions are that the government and employers take on the working class. In Italy recently, £200m was lent by Germany on the condition that wages were cut and public services reduced. The same is now happening in Britain with the '£6 limit' pay policy. If the capitalists cannot defeat the working class, the economy may swing into even greater crisis.

One very important aspect of crisis is the level of *state spending*. In all capitalist countries state spending has risen steadily since the war. Up to a point, this suits the interests of private business: state spending gives a boost to the economy, provides lucrative contracts for government orders, and means that governments will always need to borrow money — which the capitalists are happy to lend them at secure rates of return. In addition, the support of the state is vital to help industry restructure itself and to provide the *infrastructure* for business, such as roads, drainage, etc. But there comes a point where the state sector starts to be a drain on the private sector, which in the last analysis is where profits are made. This is a contradiction for the capitalists: they need the state but cannot afford to fuel its expansion indefinitely. So if state spending gets out of control, this can have disturbing effects for the capitalist economy.

In the UK the state sector has always provided cheap services and inputs to private industry through subsidised prices and cheap labour in the nationalised industries and public service. This state of affairs is no longer the case: although public sector workers are *still* relatively badly paid, they have taken up the fight for a decent standard of living and have led the way in pay settlements for the past couple of years. This applies to miners, teachers, power workers, local authority workers and hospital workers. At the same time, the state has been under pressure to provide more direct assistance to industry. These demands on the state increase as the private sector becomes less able to generate its own capital. One effect is an increase in the taxes on workers' incomes. But this simply makes workers more militant.

These factors combined have led to a big deficit on state spending. This deficit has to be financed by borrowing huge amounts: in 1972/73 the amount borrowed was £2.5 billion. The estimate for 1975/76 is at least £9 billion. This underlies the attempts to cut public expenditure, especially important capital projects such as hospitals. This huge deficit has its origins in the inability of the state to control wages in the public sector and to their fears of making cuts which lead to unemployment because of the political conflicts this might unleash. In the past both Labour and Tory governments have tried to buy time with state expenditure. But under the capitalist system this could not continue, and the present cuts are intended to restore state spending to



the level which fits in with capital's needs — regardless of the social consequences.

The size of the government deficit, and how it is financed, can be very threatening to the basic stability of the system. Financing the deficit distorts the credit system: there is competition for money to borrow, which causes interest rates to rise. Also in a time where there is great need for *liquid capital* by firms in trouble, large amounts of funds are being mopped up by the state. Where prices are rising rapidly, it is natural for people to borrow today and pay back the loan with devalued money tomorrow. Firms will do this on a large scale, and so increase the pressure on funds which are available for borrowing. So a situation arises where *despite* high inflation, there is actually a shortage of money! Interest rates rise and stimulate inflation even more. At the same time, it gets more and more difficult to get the creation of credit under control: cutting back on lending very sharply would simply wipe out shaky firms who are being propped up by banks.

The credit system is central to the functioning of capitalism and also central to the production of crises. The credit system has several important functions for capital. First, it has to make sure that capital flows in the right — i.e. most profitable — directions. But not simply profitable, it *should* ensure that each sector of the economy is properly financed. Second, it has to provide 'consumer credit' to make sure that people are able to buy the volume of goods produced. If it falls down on either of these jobs, or if they are impossible to fulfil, then capitalism cannot produce or arrange for the consumption of the goods which have been made. That is, the reproduction of the system is threatened.

We have already said that government spending is both *inflationary* and distorts the credit system by helping to push up interest rates and draw funds from the private sector which is where profits are made. But inflation itself disturbs the pattern of lending and investment. First, it produces a *transfer* of wealth from lenders to borrowers. The higher the rate of inflation, the more extreme this *redistribution* becomes. This creates *political* tensions since it



changes the relative wealth of social groups. Stopping this transfer is one main object of government policy — and why they want to pull down the rate of inflation.

In addition, capitalists with money to lend may go in for speculation in commodities or property if *real rates* of interest are reduced by the devaluation of their debt assets. This leads to a boom in the price of these commodities, or of land, which makes inflation worse. Or, alternatively, money 'flees' from productive activity altogether and is used to buy oil-paintings, etc.

Speculative booms attract money like honey attracts bears. However since they result in the creation of no new

surplus value, no new production, but simply redistribute what was already squeezed out of the workers, they eventually come to an end. People with their fingers too deep in the jar are caught red-handed and end up bankrupt. This has happened with the so-called 'fringe banks' which grew up on the basis of the expansion of speculative credit. Some of these banks, such as the Herstatt Bank in Germany, collapsed and had to be rescued by other banks. But bank failures lead to a crisis of confidence in the system and so make the tendencies to crisis and breakdown worse.

So inflation undermines the stability of credit and distorts investment. It also has other effects which threaten the viability of the system. It puts great pressure on the political institutions of capitalism since it changes the relative power and wealth of different social classes and wipes out traditional expectations of wages, etc. People see their wage increase become worthless inside six months and so are forced to become more militant and have more confrontations just to maintain their living standard. High inflation in one country makes the balance of payments situation even more critical since the prices of goods for export rise and become uncompetitive. This leads to great pressure for the currency, i.e. the pound sterling, to be *devalued* so that foreigners need less of their currency to buy ours. The government has various ways of dealing with this. On the one hand it can support the pound by spending the national reserves of foreign currency. But this cannot go on forever. On the other hand, it can simply allow the currency to depreciate (like now). In the short run, this means a cut in the standard of living of British workers as the price of imports rises. In the longer term, it can make inflation worse if workers resist these price increases by getting higher wages.

In a country like Britain the depreciation of the currency has further effects. Many foreign capitalists hold their money in *sterling* (£s) in the City of London since British financiers are shrewd at making money for them. But if the value of the pound falls, these capitalists will want to take their money out of Britain and convert it back into their own currency. This would produce a national financial breakdown since the reserves of foreign currency do not cover possible withdrawals. So the existence of these 'sterling balances' is like a loaded gun which may go off if foreign capitalists consider that Britain is too risky for them to hold their assets there.

Political Power

What is constantly raised during a period of crisis is the issue of *political power*. The capitalist economy is based on the power of the capitalists to order society in their interests and to maintain their control over their property. Profits and power are not two separate aspects, they tie in with each other directly. To maintain and restore profits, capital has to assert its power. Not only in industry but in all aspects of life. If capitalist ideas are the ruling ideas in society, it means they can order all social relationships (even personal ones) to suit their interests. So the capitalist crisis is very much a crisis of power.

The crisis then means that the bosses are forced to experiment with new ways of not only *exploiting* workers economically, but also of *dominating* them. If workers have built up power for themselves, capitalists have to find ways of either *subverting* it, *incorporating* it, or simply *smashing* it. These changes can be seen clearly in the present situation in Britain. *Chrysler*, for example, is trying to undermine the real power of the shopfloor by involving workers in a sham 'workers' participation'. This is a clear attempt to incorporate the workers' strength into the management of the firm. The last four years has also brought many open conflicts over power at a political level — the spectacular confrontations of the state and the miners or the dockers. But capital tries other, often less obvious, ways to rebuild its power. They *transform* production in order to *subvert* the existing power of the working class. This means they try to change the ways in which workers are used in production; what commodities are to be produced and how the process of production is to be managed. These changes can be very far-reaching, changing the whole pattern of work and leisure. For example, we have the tremendous change which the mass production of cars has involved — affecting not only

the types of jobs; the pattern of industry, etc., but also the shape of towns and cities.

The changes in the form of production have a profound effect on the structure of the working class and how it is organised. The capitalists want — are forced — to undermine the power of traditionally strong groups of workers or forms of organisation at work. They want to make production 'safe' from strikes, go-slows, sabotage. And so capital tries to *decompose* the working class — for example, by making traditional skills redundant or by reorganising production so that workers can no longer use the system to their benefit. This process goes on the whole time in capitalist society, but the necessity to carry out these changes is more pressing when workers have substantially hindered capital's ability to make profits by preventing the most 'productive' use of machines.

The process of change can be seen in many industries. Probably the clearest examples are in the docks and in the motor industry — areas where the working class has built up a lot of power. On the docks the process of containerisation reduces the total number of dockers needed and is used to transfer the work away from the strongly organised docks to inland depots. But the destruction of traditional areas of work is only one side of the coin. On the other side we see the development of new industries and new forms of work organisation. Or the shift of production to different geographical areas where the work-force is more easily controlled. Precisely how the process of the transformation of production takes place in each industry varies, and there still needs to be a great deal of research on how this occurs and how it is connected with workers' struggles, but some common features can be seen:

1. *Speed-up*: Capitalists use the threat of the crisis to introduce faster work, but this is no idle threat. They are forced to increase exploitation if they want to survive. There is a general tendency towards faster work in many sectors, especially assembly-line jobs. But all jobs can be picked on for speed-up and retimed on the basis of spurious work steady methods. Speed-up is naturally bad for workers: not only do they have to work much harder, but fast work can be extremely dangerous for health. Women especially have suffered from fast and detailed work in the electronics industry — a profitable sector. A report from Germany stated that if a woman begins work on an assembly line at seventeen, she will be forced into early retirement at forty due to nervous disorders, backaches, eye-strain, etc. Speed-up can be introduced by partially automating certain parts of production but leaving 'gaps' which have to be filled in by workers, racing to keep up with the pace of the machine. Workers have no time or are too exhausted to discuss and organise at work.

2. *Dividing up jobs — mobility of labour*: Capitalists try to reduce workers to 'pure labouring capacity', performing minutely divided tasks over and over again. This is also achieved by increasing the mobility of labour between jobs and by making jobs more interchangeable. The workers' lives in the plant are to be spent like interchangeable machines, with the only contact and co-ordination being decided by the employers' production needs. Mobility of labour is an important attack on the workers' attempts to develop their own organisations against this system — and a key part of the present capitalist strategy.

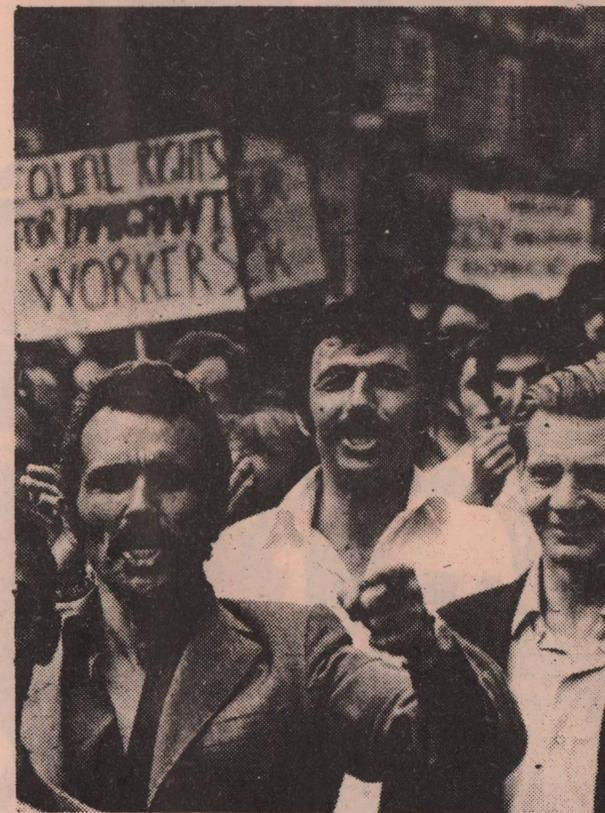
3. *De-skilling*: The reduction of jobs into smaller and smaller units makes traditional skills redundant — and so undermines the power which particular groups of workers have built up around their own scarcity value or special role in production. Where possible, labour is replaced by machines which are easy to operate and require no special training. Often direct labour is eliminated from production altogether if the benefits of smooth production outweigh the costs of new machinery. These processes do not only apply to industrial workers — white collar jobs are also speeded-up and divided inside 'efficient' office systems.

The intention behind all this is to increase exploitation and decrease the power of workers. But this does not only mean the exploitation of workers who work for a wage. The overall exploitation of the working class can also be stepped up by increasing the work which women have to do outside the factory, in the home. For example, cuts in the social services mean that more of these functions are done for nothing in the home. Necessary social labour is taken out of the waged area altogether and the capitalists get these jobs done free of charge. So the costs of reproducing the

work-force (i.e. feeding, some health care) are reduced, mostly at the expense of women. Of course, if women are also still working in factories making profits directly for the capitalists, then the overall exploitation is even higher.

This process of decomposition can also take place by the use of immigrant workers to carry out jobs at lower than the rate which would be acceptable to the home population. Exploitation is higher because a lower wage can be paid and because the initial weakness of these immigrant groups can be used to introduce fast work under bad conditions. But the process only succeeds if immigrants can be kept weak — by repressive legislation for example. In Ford, Cologne, the firm replaced each immigrant group by a new one when signs of militancy appeared. So in fifteen years the lines have been manned by Italians, Spaniards and Turks in fairly rapid succession as each group began to fight back.

These tendencies are often difficult to evaluate since they contain contradictions. On the one hand, they are forced onto the capitalists — who introduce them to restore their power and profits. If workers resist these moves, they cut off the 'escape routes' for the capitalists and intensify the crisis in the system. On the other hand, these develop-



ments often create a situation which leads to the possibility of more explosive crises in the future, and even great challenges to the power of the state and employers. This can be seen with the history of payments systems in the motor industry for example. Piecework was originally introduced into car plants to do away with the 'day-wage' which did not tie the worker tightly to a given output. But piecework meant continual assessment of the job to be done by a rate-fixer, and therefore to the possibility of continual confrontation over wages. The power of stewards was based on this need by the workers to engage in continual local bargaining at the plant. Workers were able to use their local strength to extract considerably more than the nationally agreed minimum which led to 'wage-drift'. Employers tried to end their loss of control over wages, and the power which had built up around this structure, by turning to Measured Day Work (MDW) to by-pass the stewards' structure and establish fewer and more controllable grades of payment based on 'scientifically measured' output. The object was to end local bargaining over money, but at the same time this created the objective basis for national, and more unified, struggles around wages. So, on the one side, there is the destruction



of the present power of the working class; on the other, the drive towards its unification around its basic condition — as exploited sellers of labour power. The working class is *decomposed* by capital but can *recompose* itself at a level more threatening to capital. So the expression, 'the ruling class forges the weapons which bring about its own destruction' is not just rhetoric. It is the dilemma which the capitalists are actually placed in when they are forced to restructure the forms of production.

But the crisis is not narrowly economic. The crisis both 'confuses' and 'clears the mind' of the ruling class as it searches for a strategy to get out of the crisis. This often leads to conflicts within the ruling class as to how best run the system. For example, whether firms should be state-aided or allowed to go bankrupt; whether the best way to deal with workers' militancy is to encourage 'participation' or to go for a head-on clash, or whether the state sector should be small or large. Often old values have to be ditched and new ones developed to adjust to the new situation. For example, the switch from outright nationalism to a new sham-internationalism based on the Common Market.

At the same time, the crisis produces a wave of argument and conflict over basic ideas — such as the role of the family, equality of women and abortion. Since the crisis changes the balance of social power, it is natural that threatened groups will fight not only over their economic position but also over the ideas which they have used to bolster this position and defend their privileges.

During the crisis the ruling class is faced with the need to develop a new strategy — and the actual existence of the crisis often reveals how the system really operates; what its contradictions are. What were previously *quantitative* questions — how much profit — now become *qualitative* questions — how to restructure production to make profits at all. This requires not simply piecemeal tampering but a complete rethink. However, the capitalists do not make up a conspiracy. They cannot work out a clear 'plan' which they can use to solve their problems. The capitalists are divided into different firms, sectors, etc., with different local interests — many capitalists are in competition with one another. The state may attempt to take on this function of overall planning, but even if the right strategy for capital could develop, there is no guarantee that it could be carried out. So the process of change and transformation takes place haltingly, and not in any pure form.

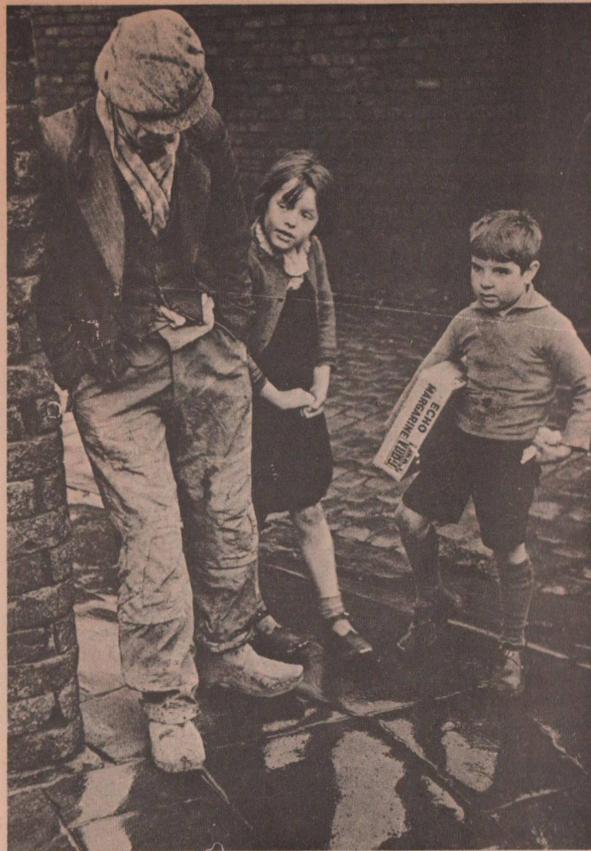
THE WORKING CLASS

How does the crisis affect the working class and its organisations? Marxists have traditionally stressed the role of the crisis in showing that capitalism is not an eternal or a 'natural' system of production. The existence of crises indicates that the system has limits — limits which prevent the system from growing, which result in falling living standards for the working class.

But how the crisis develops, and to whose benefit it is resolved, depends on the strength of the different social classes. In a situation of serious crisis a victory for the bosses can involve a long period of repression and increased exploitation for the working class. The experience of the working class in Germany in the 1930s and in Chile today make it clear that victory for the capitalists can take on violent and brutal forms — reflecting the need for capital to smash a militant workers' movement.

The crisis of capitalism is also a crisis of the working class in many ways. In workers' individual lives it can mean hardship and unemployment and pressure on personal relationships. For working class women it can mean an increase in housework and having to cope with bringing up the family on a smaller income. At the political level of parties and unions, the crisis of capitalism is a crisis of reformism: the idea that capitalism can be slowly improved to provide for the needs of the working class without the need for a change in the system as a whole. The crisis undermines the strategy of reformism since the link between the well-being of the capitalist system and the welfare of the working is shattered.

The plans of 'progressive' reformists who want to make the economic structure more 'modern' take on the form of simple plans for the re-organisation of capitalism. Instead of bringing economic growth, they simply produce unemployment through mergers, or provide a means for the capitalists to get out of unprofitable areas of production. This



means a crisis for the trade unions, who are deeply committed to integrating themselves into the institutions by which capitalism is managed. But the price of this integration during a crisis is to negotiate the defeat of the working class. This poses the need for workers to represent their interests much more directly — and sets up conflicts within unions.

But this crisis inside organisations of the working class is not restricted to a period of possible economic breakdown. The assertion of autonomy by workers at any time is in conflict with the policies of reformist parties such as the Labour Party and trade unions. And this process is part of the development of the political crisis which accompanies and is part of the development of the overall crisis of capitalism. But the achievement of autonomous organisations by workers is a more complex process than the carrying out of militant struggles with an autonomous content. The political struggle often at first takes the form of the strategic use of unions by workers, which is a move away from regarding them as the organisation which is the permanent means of representing the workers' interests.

On top of this, the break-up of reformist ideas under the pressure of events does not guarantee a direct road to some kind of socialist political consciousness. The crisis can unleash conflicts within the working class — for example the failure of reformism to seriously deal with immigrant workers and its traditional base among white male workers can mean that the disintegration of reformism can lead to a naked expression of racist ideas and the defence of sectional privilege inside the working class. Also, workers are forced to make decisions on their immediate needs: are forced to compromise or take time to regroup and prepare for conflicts. This means that the development of the crisis takes on an uneven pattern. At times reformist organisations can muster support for a time since they might still hold out the prospect for a better deal. This unevenness throws up different sections who take on a role of leading the way for the rest of the working class. This was shown in 1974 when the support for the Labour Party to dislodge the Tories led into the wave of struggles in Scotland against the provisions of the 'Social Contract'.

In addition, the restructuring of production and the recomposition of the working class affects the actual structure of the working class. In some instances this is very visible — for example, the use of immigrant labour, or the

geographical movement of workers leaving behind depressed and run-down areas. But the recomposition also changes the structure of skills and weakens some traditional sectors while leading to growth in the numbers, if not yet the strength, of others.

This can lead to a political crisis since traditional 'vanguard' sections become wiped out — or defend themselves in a rearguard and reactionary way. At the same time, new groups assume a greater objective importance in the class structure but are denied the means of expression their interests (not only by unions, etc., but also by left groups who fail to grasp the fact that the working class is not static).

Major crises in capitalism have always been accompanied by major upheavals in the political organs of the working class. The most tragic examples of such 'upheavals' have been when the parties of the working class have not taken the existence of the crisis seriously — or have failed to recognise what the capitalists would have to do to preserve their system. That is, the parties have failed to work out a strategy for the working class which could defend its interests in a crisis situation. This is why it is vital in any crisis situation to explain the nature of the crisis and to work out clear perspectives on what the crisis means for the working class itself in terms of changes in organisations, structure and possible strategies.

The present Crisis

Many people are rightly suspicious of 'crisis-mongering'. Playing on fears of unemployment and economic disaster is a traditional ruling class method of blackmailing workers into accepting wage cuts or a worsening of conditions. In Italy, the Christian Democratic Government (conservative) have played on the fears of political instability to bolster up the collapsing political system. Many socialists have refused to accept the existence of a real crisis for just this reason.

There are also socialists who admit that there is a crisis in the system but who deny that this has anything to do with the working class — that the workers aren't to blame. They think that it would be playing into the bosses' hands to concede that the working class may play a role in creating the crisis. Their answer to the accusation that the crisis is caused by workers' militancy is that the crisis is the 'bosses' crisis' — a result of the contradictions of capitalism, of speculation and the greed of the capitalists.

We think this is the wrong approach to begin with. Firstly, the task of socialists is not to 'blame' anyone but to look at what is happening and examine the effects of workers' struggles. If capitalism goes into a crisis when the working class begins to fight for what it needs, this shows simply that capitalism will never be able to fulfil these needs; it shows that the working class needs another kind of society. This is hardly surprising since capitalism is based on the exploitation of workers. Second, the crisis is a crisis for the working class, and in a period of crisis the working class needs new strategies and perspectives — recognising that capital will fight most bitterly when its survival is at stake. Working class struggle has to be expanded to fight on all fronts and in all sections of the class.

Therefore the form of the present crisis and its origins are crucial questions for the working class — and revolutionaries have to be able to do more than 'blame the bosses'.

The most obvious sign of the present crisis is the world recession, rising unemployment and falling living standards. But, as said before, crisis is more than the recession. The present recession has to be seen in the context of a general crisis — and as such the recession shows some new features. Unlike previous recessions, the present one combines falling output with rising prices, 'slumpflation' as it has been called. In the past, recession has meant falling prices. The actual rate of price increase varies from country to country. In Germany it is seven to eight percent, in Britain it is around twenty-five percent. Although the slump has begun to reduce inflation a little, it is still high in comparison with the past. And drastic measures have had to be taken even to arrive at these small reductions. Why? To get some answer we have to return again to the depression of the 1930s. This was the most severe slump ever — and provoked a great change in how capitalism was to be run. Up until the 1920s economists believed that capitalism would return to full employment after a recession. But the depth of the slump in the 1930s made this seem hard to believe. In fact it

looked as if mass unemployment and stagnation was the natural state of capitalism. Most attempts to get out of the recession — such as wage-cutting — simply made things worse. If anything was to stimulate the economy it would have to come from outside the sphere of privately owned business. What changed things was the intervention of the state. In Nazi Germany arms expenditure and road building seemed to be pulling the economy out of the depression. In Soviet Russia the state directed Five Year Plans seemed to be able to prevent a slump altogether. Keynes, a British economist, worked out the relation between investment and unemployment and laid the basis for a policy of full employment to be achieved by means of state intervention in the economy. But this was not inspired by socialist beliefs. The intention was to preserve capitalism, but to do this certain cherished ideals, such as complete free enterprise, had to be dropped. The basis of the strategy was that the state would artificially boost demand by spending more than it took in taxes. This extra spending would either be by direct grants to industry, by public works, or by cutting taxes to private businesses. The extra spending power in society would encourage production and investment to meet the demand. Investment would create employment and increase productive capacity. At the same time, the mild inflation which this would create would undermine the real wages of workers — and so further boost profits. The political and industrial defeat of workers by the recession would ensure that workers would not be able to mount too much of a fight against capital's restructuring.

The creation of mild inflation, the steady expansion of credit with low interest, and state spending underlay the economic expansion since the war. The maintenance and increase in total demand could also be used to foster the modernisation of production through the *changed role of the wage*. A 'high wage' economy would stimulate demand for consumer goods, at the same time capitalism would have to rationalise and streamline production to be able to pay higher wages and still make profits. For capital, this process was best achieved where wage negotiations were highly centralised, determined on a percentage basis and where capitalists were free to organise production as they wanted. That is, where workers were heavily controlled. Such conditions existed, for example, in Germany where, under US help, capitalism was able to reshape its institutions to suit its own needs. It's no accident that Germany has been such a good example of 'capitalist success'.

During the fifties and sixties profits remained high in most countries and various factors encouraged growth. A little bit of mildly inflationary spending was sufficient to maintain full employment for a number of years. Throughout the world there was a steady increase in international trade — under the overall dominance of the USA — which had reduced the rivalry between other capitalist countries which had led to the *protectionism* of the 1930s. This made general growth easier. Furthermore, the modernisation of agriculture in countries like France, Germany, Italy and Japan transferred workers from the land into jobs where they were more productive. This further promoted the expansion of capitalist economies after the war. Finally, imperialist exploitation kept down the prices of raw materials, which led to high profits and increasing real wages in the highly industrialised countries. The issue was not so much how to prevent stagnation but how to have *planned* expansion. Capital needed policies to prevent the working class from using full employment to push for large wage increases. In most European countries, incomes policies of various sorts were introduced to keep wages in line with productivity and to hold down the rate of inflation.

By the end of the 1960s this stable picture was beginning to change. In 1968 the May Events in France signalled a new period of class struggle. In Britain the incomes policy of the Labour Government simply resulted in a 'wages explosion' after controls were lifted. This all-round increase in wages, and threat to capitalist power took place all over Europe and prompted a round of price increases as capitalists tried to restore profits. What was especially important at this time was the ability of workers to push wage increases beyond increases in productivity — i.e. to eat directly into profits.

Furthermore, these struggles took place independently of, and often in opposition to, the official trade unions.

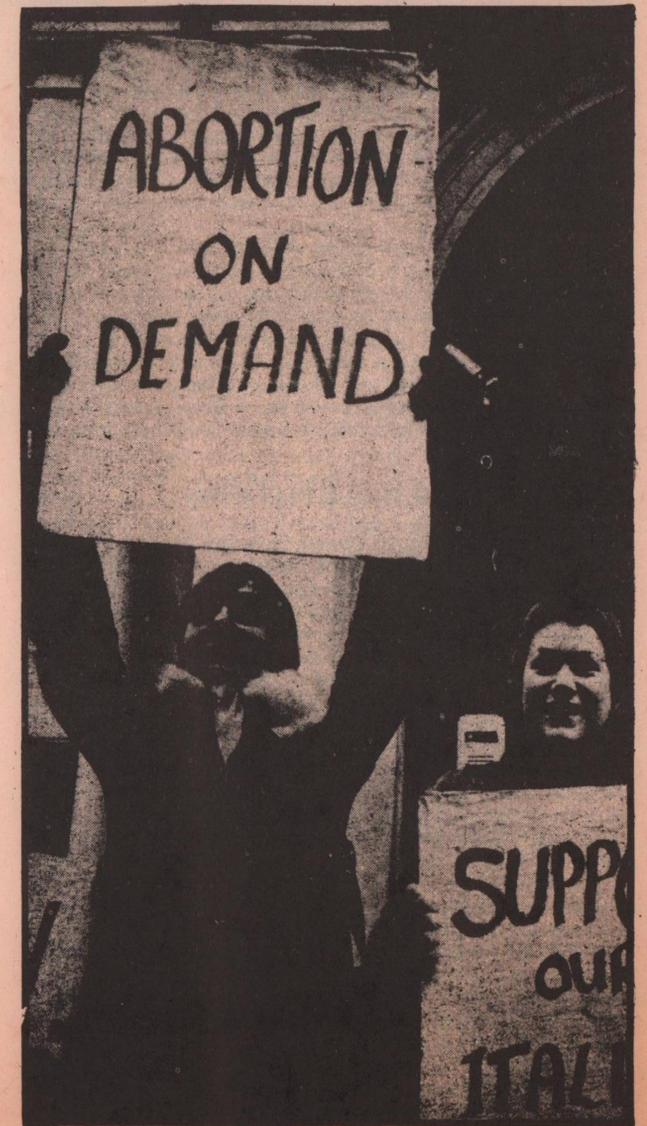
In the exploited countries of Asia, Africa and South America, national liberation and socialist movements were

beginning to undermine the stability of the US world system. The war in Vietnam was beginning to be a serious drain on the US economy and to bring about mass political opposition. At the same time, the other capitalism countries, especially Germany and Japan, were no longer simply junior partners to the USA: competition between capitalist countries began to increase and become more severe.

Finally, the forces which made growth easier after the war began to run down. Expansion was less rapid and profits grew less fast (or, as in Britain, actually declined). Increased state spending and credit creation began to lead to increases in price without boosting growth.

Instead of being a stimulus to expansion, inflation began to turn into a limit. On top of the mild inflation created by the growth of credit, firms began to push up prices to recover falling profits. But although putting up prices benefited individual firms, for the capitalist economies as a whole it brought growing disadvantages, as described previously. The capitalist countries began to try to reduce inflation by deliberate *deflation* (that is, increasing taxes, putting on hire purchase restrictions, etc.). In the fifties and sixties most countries had done this at various times to prevent prices from rising too fast. In Britain this was the 'stop-go' policies of the Tories between 1953-64, or Labour's economic squeezes. But there had never been a situation where all the capitalist economies had done it *at the same time*. Previously, countries in difficulty could create unemployment or boost exports without this having world wide consequences. But in 1970-71 they acted simultaneously.

However, the usual relationship between deflation, unemployment and the growth of wages and prices was break-



ing down. In the past a bit of unemployment had usually produced a fall in the level of wage demands. But the increase in militancy after 1968 led to a situation where workers fought even harder during period of unemployment – the amount of unemployment needed to discipline the working class was actually becoming harmful to the capitalists themselves. Deflationary policies hit sales and profits, and eventually led to a fall off in investment as productive capacity became too large in relation to demand.

Other signs of crisis were beginning to show themselves. For example, the volume of credit (hire purchase, bank loans, etc.) which had made the growth in consumer demand possible was now turning into a massive volume of debt which was a growing burden on workers. So much income was needed to pay off past debts that, together with interest payments, consumers and firms who had borrowed deeply could not afford new expenditure. The expansion of credit has its limits, *disposable income* eventually falls to a level which is not much higher than if there had been no credit in the first place.

Capitalists were placed in a series of dilemmas at the beginning of the 1970s. Dilemmas and contradictions which added up to a developing crisis. On the one hand the capitalists had to grab back from the working class some of the surplus which the workers had won for themselves in the form of higher wages. This meant deflation and political confrontation with the working class. But, on the other hand, it was becoming clear that stagnation (a slowing down of the rate of growth) was becoming a real possibility. Investment had been slowing down for ten years – in Britain it was collapsing fast, apart from the export of capital for investment abroad. During the 1950s investment grew at 7.5% a year in the main industrial countries; between 1964-70 it fell to 5%. In the period from 1970-73 it had fallen to 4%. Deflation to reduce inflation would make this decline even quicker.

Between 1970-72 most capitalist countries attempted deflationary policies and tried to exercise restraint on wages. In Britain, the Heath Government went for a policy of direct confrontation with the working class, by cutting social services, increasing unemployment and driving weak firms into bankruptcy as well as bringing in anti-strike laws in an effort to defeat the growing militancy of workers and make British industry profitable.

However, the struggle of the working class, their resistance to these attacks, prevented the capitalists from achieving a quick solution to their problems. At the same time, the struggles of the working class intensified the crisis and increasingly revealed its political and class aspects. In Britain, the victory of the miners in 1972 and the support which they got from the rest of the working class forcefully showed that direct confrontation was a risky tactic for capital; that the struggles which it produced could take on a very menacing form.

CRISIS, BOOM AND WORLD RECESSION

Capitalists were forced to change their tactics. This not only occurred in Britain but in other industrial countries where the price of reducing inflation was getting to be too high in terms of workers' resistance and falling profits. The capitalist countries hoped that they could 'grow themselves out of trouble'. They wanted to bring about a quick boom: in Britain, on the basis of an incomes policy which they hoped would restore profits and pacify workers. But the fact that the world trade cycle had become synchronised – that all countries were now acting in unison – meant that this policy would bring about its own problems and contradictions. So the crisis did not disappear during the boom. In fact, the boom was a product of the growing crisis and was an attempt by the capitalists to cope with the deep structural problems of their system.

The high rates of growth during the first months of 1973 created a massive demand for raw materials. But the production of these raw materials had become adjusted to a much smaller demand and could not be quickly expanded. The result was an explosion in the price of raw materials – in fact, they almost trebled in price. The objective shortages also made speculation possible – which further boosted prices. This movement of prices had both *inflationary* and *recessionary* effects. Inflationary because firms simply passed on higher raw material prices as higher prices for finished goods. Increasing monopolisation meant that there was less

competition over prices. The effect was also recessionary because each individual country had to deal with the effects of an increased bill for the imports of raw materials. The 'oil crisis' served to make this problem even more severe by quadrupling the price of the most basic and important raw material. The failure of the capitalists to agree on a common policy meant that each country had to go about solving its own balance of payments problem by squeezing the home economy to free goods for exports to pay off the import bill. But if all countries try to do this at the same time the effect will be a world recession.

On top of this, the boom did not take place on the basis of a politically and economically defeated working class. Labour shortages during the boom gave some sections a strong position to fight for high real wage increases, and inflation, which began to accelerate, made workers determined to fight against the officially encouraged low settlements. There were also struggles against the increased intensity of work during the boom – which drew new sections of the working, such as immigrants, into militant action. Because profits only recovered to less than the levels of previous booms, capitalists were wary of adding too much to their capacity. Plants would simply be worked flat out – which led to cost reductions at first but which eventually led to bottlenecks and rising costs. And the higher profits to be made in speculation and property dealing made industrial investment less attractive.

By the end of 1973 growth was slowing down. The oil price rise at the end of 1973 was the final nail in the coffin and began to hit the car industry, the leading sector in most countries. The chaos in international trade heightened the differences between the capitalist countries. The need to export more sharpened international competition (countries accused each other of 'dumping' goods at artificially low prices; there was talk of protectionism – high customs duties or import restrictions). The growing recession in the USA meant that the world's largest market could no longer be relied to buy up other countries' goods. The countries which began to dominate the world wide policy of the capitalist countries were those with large balance of payments' surpluses such as the USA and Germany.

The oil crisis certainly helped to make the current economic recession worse, but the forms which the recession has taken and the possibilities for a renewal of economic growth have to be seen in the light of the overall crisis of the system.

It is clear that the present recession will only end if capitalists consider that future production will be profitable. And governments will only encourage economic growth if this can be achieved without a new burst of inflation – they want to avoid another year like 1973. Both private capitalists and governments in the capitalist countries want above all to make sure that it is profits, and not wages, which will rise in a new period of growth. But even before this can take place, there has to be a boost to profits *now*, and a decisive weakening of the working class.

The needs of Capital

If capitalism is to return to the pattern of growth and expansion which it had in the 1950s and 1960s, the capitalists have to achieve certain objectives. What is different to the period of post-war growth is that the working class stands to gain much less now than previously.

What are the needs of capital at the moment?

- 1 To end the current recession *but* only on the condition that any coming boom does not lead to a new wages explosion or more inflation. This explains why Friderichs, the German Economic Minister, is so wary of allowing or encouraging a new boom. A new basis for expansion – wage-cuts and restructuring – has to be created before the leading capitalist powers will feel safe in creating a new boom.
- 2 To achieve a substantial increase in the rate of exploitation of the working class. Advanced capitalism needs rising exploitation since investment is more costly and capitalism generates a larger 'service' sector (to sell the products, work in administration, etc.). On top of this, the capitalists have to reverse the trend of recent years which has seen profits being eroded. The power of the capitalists depends on the wealth they control.



3 To try and achieve some co-ordination between countries over economic policy, especially over international monetary affairs. Signs of this can be seen in the increasing number of meetings between Economics Ministers to discuss the world economy and how it can be reflat and when.

4. To bolster up the world capitalist order after the victory of the Vietnamese and the collapse of fascist regimes in Portugal and Greece.

Whether the capitalists can achieve these ends is dependent on two main factors. The first, whether the different interests of the capitalists can be reconciled; the second, whether the working class can be defeated economically and politically and made to adjust to the capitalists' plans. So the future prospects for capitalism depend very much on the intensity of class struggle and workers' resistance to this process.

THE CRISIS IN BRITAIN

Britain has been acutely affected by the capitalist crisis and the recession. But the effects have been masked because the full impact of the recession has come later to Britain. For this reason, unemployment will probably be higher here than in other capitalist countries. But the relative late arrival of mass unemployment does not mean that Britain has been immune from the crisis. On the contrary, it is an indicator of the depth of the crisis since if capitalists in Britain had been stronger they would have been able to try and confront the working class much earlier.

British capitalists have been especially affected by the world wide pressure on profits. Between 1964-70, the share of profits in national income was almost halved. By 1971, profits had been completely wiped out in certain crucial areas of production such as shipbuilding and in the weaker car firms such as Chrysler and Vauxhall. Profits recovered a little during the boom of 1973, but since the beginning of the recession in 1974 there has been a further slump. In fact, the company sector actually worked at a deficit at the beginning of 1974. Although the *personal* incomes of the capitalists and their personal wealth still remains high, this does not alter the basic facts of the profits' crisis. In fact, capitalists have tended to maintain their own personal income at the expense of investment: in the case of British Leyland, dividends distributed to shareholders took a massive share of profits, leaving little for new investment.

The crisis of profitability does not mean that workers are no longer exploited. What it means is that they are not being

exploited *enough* to provide sufficiently large profits for the capitalists. Although money wages have risen over the last ten years, and wages have increased, before tax and in relation to profits real wages have in fact stagnated. Wages, before tax, have actually risen less than increases in productivity in many areas. The problem for the capitalists is that this increase in labour productivity has been *insufficient* – i.e. insufficient to meet the rising demands on what the working class produces from its surplus labour. These two main demands have been the rising cost of investment and the demands of the state. Increases in real wages have disappeared in increases taxes to finance the massive expansion of state expenditure. Much of this expenditure has been on providing more services and paying the wages of people who work in the state sector, but a large and rising proportion of state expenditure has been on assistance to industry.

Why has this occurred? Why is Britain especially weak economically? One explanation which has been offered is that British capitalists are weak on two fronts. In relation to the capitalists of other countries, and in relation to British workers. British capitalists are caught in a pincer between British workers demanding higher wages and international competition from foreign capitalists. Higher wages could not be passed on as higher prices since this would make British goods less competitive on the world market. If British firms still wanted to export – which they are forced to do to stay in business – they were forced to accept lower profits.

This explanation sees the wages' struggle by the working class as being one of the main elements in the profits' crisis. There is a struggle at the level of the *distribution* of income between wages and profits, and workers have taken an increasing share. Such an explanation would give a useful insight into all the attempts to control wages and to attack workers' bargaining power by anti-strike laws and unemployment. But the struggle between workers and capitalists can be looked at at a much deeper level than that of distribution. The class struggle is not only over how much each class takes but also over how the product is made. The production of profits requires not only that workers do not take too much in wages, but that they *co-operate*, or are made to, in the process of production. The productivity of labour is directly related to the control and discipline which employers can exercise over their workforce. This involves a daily struggle around work-organisation; the speed of work; manning levels and mobility. Compared to capitalists, say in Germany or Japan, British capitalists have found it difficult to run their plants as they want – to defeat the insubordi-

nation of the working class. It is no accident that labour productivity, even with identical machines, is much higher in many other capitalist countries than in the UK. In Germany and Japan fascism inflicted a big defeat on the working class, and when these countries rebuilt their economies along capitalist lines under American occupation, they could start off with completely new methods of production and new institutions which made it easier for employers to exercise control over the production process.

In Britain there is a structure of 'custom and practice'; of lines of demarcation between jobs, and a trade union structure which has produced a situation in which workers can exercise effective defensive actions against the attempts by the capitalists to rationalise production. This naturally varies from one branch of industry to another: in certain industries, such as printing, shipbuilding and parts of the car industry, the amount of resistance to rationalisation has been very great. Practices had to be bought out at great expense to managements. The struggle against work has therefore not always meant a violent rejection, or sabotage of the process (as on car assembly-lines, for example). It also took place as a degree of resistance against management's attempts to introduce speed-ups or reorganise production.

In the long run, this resistance leads to a fall off in new investment. This naturally makes the productivity of labour lower in the long run and would explain, say, the difference between productivity in Japanese and British car plants. The Japanese workers could be made to work fast enough, and could be forced to work with new equipment, strictly on management's terms. This, in turn, intensifies the profits' crisis and makes the struggle between wages and profits all the more sharply fought. If real wages are stagnating, it is hardly surprising that the wages' struggle is fought very militantly. Capitalists in Britain might have liked to use the wage as the 'driving force' of the economy and the 'motor of development' but they couldn't do it as effectively as, for example, Germany.

This is a view of the long term crisis in British capitalism which tries to take as one of its central points the struggle between workers and bosses at the point of production. Its main argument is that this struggle *must* have an impact on the system as a whole. This is not to deny that other things play a role in the crisis but it is meant to emphasise the active role of the working class in the process. It also does not mean that this struggle is always consciously fought as an anti-capitalist struggle. This is precisely why it is important to bring out the political nature of this struggle — and why it is so crucial for the capitalists to be able to take advantage of the present crisis to force through large scale changes in working practices and the organisation of production. It explains the preoccupation of employers and the state with overmanning and the mobility of labour — whether this is between jobs, between factories, or between different parts of the country. Keith Joseph, for one, has argued that council housing prevents the 'efficient' use of labour since workers stay put and expect jobs to come to them. For the capitalists, it is vital to destroy the 'rigidity' of the workforce — to reduce labour to a flexible force of production which can be used anywhere, anytime.

Struggles around these issues are central to the present crisis. And the ability of workers to win them is crucial in making the crisis *irreversible* for the capitalists. To cover up this fact, or to 'explain away' the struggles of the working class' is therefore dangerous and demoralising. It is dangerous because it leaves workers unprepared for the consequences of their own struggle. It is demoralising because it denies the power of the working class to bring down the present system and to demand a better system.

Reassertion of their power is one immediate necessity for the capitalists. The other is to bring about a sudden drop in the living standards of the working class. This naturally has contradictions for the capitalists. Cuts in spending power will intensify the recession since workers will have less to spend on consumer goods, food, etc. In previous slumps the government has intervened at some point to boost demand and act in the way that Keynes advised. But this only works if inflation is under reasonable control and if profits simply need a boost. In Britain now the situation is different. Profits need more than a boost. There has to be a decisive shift of income away from the working class — probably spread over a number of years. Fighting inflation is a useful cover for the accomplishment of this task. But this transfer back to capital does not only occur through

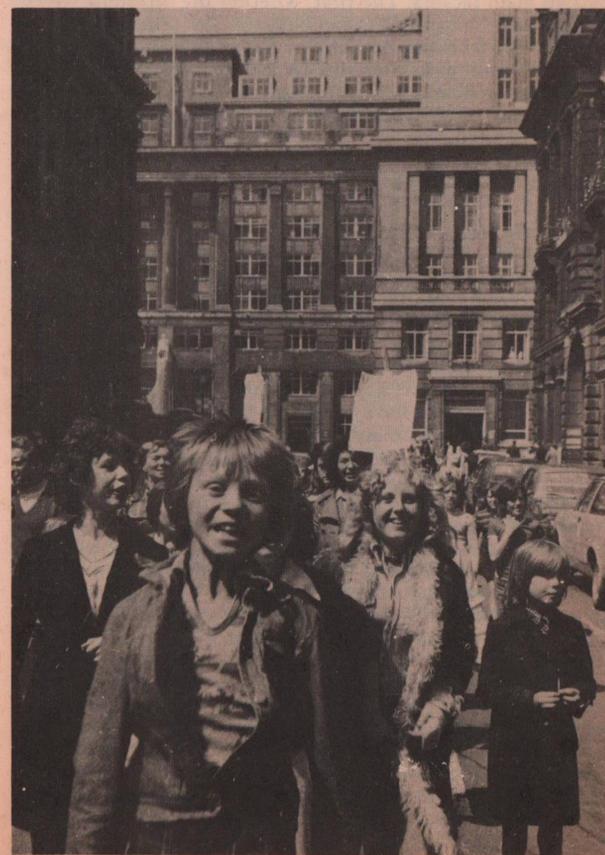
restrictions on wages and pay policies. It also takes place by making the working class pay more for many basic necessities, such as housing, gas and electricity. Capital will try to seek out the weak spots of the working class — and fighting rising prices directly is not as yet a developed tactic in Britain, with the exception of rent strikes or the individual refusal to pay bills. This does not mean that this always has to be so: in Italy there have been a number of well organised struggles around fare increases and the high price of food. Such struggles contribute further to making the crisis irreversible.

SOCIALISM

The crisis raises the question of socialism because it shows very clearly that capitalists will only produce what people need when it is profitable to do so. That urgent needs are neglected because workers are fighting against their exploitation. There are thousands of unemployed building workers, millions of stockpiled bricks and millions of homeless and ill-housed people. Capitalism's reaction to the crisis proves that peoples' needs are only secondary to the business of making profits by preventing the use of valuable resources. The crisis presses workers to define their needs *autonomously* of capital, and of the trade cycle. The alternative is more sacrifice to preserve a system which offers less and less for more and more effort.

But this does not occur automatically nor smoothly. Struggles are fragmented and only come together into a generalised challenge sporadically, despite tendencies which are at work to 'massify' struggles. It is also clear that workers do not always realise their power — or the effects of their struggles on capitalism. Or, more often, the ruling class is left with the role of presenting the workers' contribution to the crisis in the form of propaganda aiming to divide sections of workers, blame the 'excessive power of the unions' and find scapegoats.

The job of socialists and revolutionaries is to work and organise to pose the power of the working class in a way which brings out the building of an alternative society, and to show how the struggles of workers already point to the possibility and necessity of this. To show that the crisis is not a dirty trick by the capitalists, or the result of their mismanagement, but is the consequence of workers fighting their exploitation and for a better life.



Hospitals: Our health is not for sale

There are more than one million hospital workers throughout the country. The majority of them are women. We work in a low paid service job, under conditions of bad shiftwork, long overtime, and in an oppressive hierarchical situation.

Workers in hospitals know their job is useful, yet they get penalised for doing it, even though some could get a higher paid job in a factory or office (if they have the choice, which many don't, especially immigrant workers on a fixed work contract). In fact, work in a hospital is more and more the same as work anywhere else, with bonus schemes, more supervisors, union negotiating, etc. For women, it's even harder. After one job in the hospital — cleaning, serving meals, washing up, looking after people — we go back to the same thing all over again at home: a second shift.

The following article is a look at the reasons why many hospital workers are getting more militant; how the crisis is affecting us, and how we are trying to fight it.

'I work on an orthopaedic ward (bones). I've only been here six months. During that time there have been six nurses in here with back trouble. I talked to all of them and every single one of them did their backs in from lifting patients. When I asked why they hadn't called for a porter to help, some said they were too busy to wait. But generally they said that lifting patients was part of the job. Many nurses try and lift someone on their own because everyone

else is so busy.'

In May 1975 Harold Wilson admitted publicly in an interview on BBC Television that what was needed to make up the profit margins of those 'poor, unfortunate' bosses in this time of crisis was to attack *public sector wage claims*. In other words, the wages of workers in hospitals, local authorities, nationalised industries, teachers, etc.

For the first time since the Second World War, wages in the public sector have actually been setting the pace for wage demands in private industry. Now this is not to say that hospital workers, bin-men, power workers, or even miners are suddenly getting basic wages of, say, £60 or £70 a week. Far from it! Hospital ancillary workers (domestics, porters, kitchen staff), nurses, council workers are still among the *lowest paid workers in the country* with a basic wage of only £30 a week. But since 1972 public sector workers (including workers in the nationalised industries and public corporations (gas, electricity) have been fighting against low wages and poor conditions and the run-down of services like the National Health Service, transport and schools.

Last year wages in the public sector went up by about 28-34%, *breaking right through the Social Contract* (although no-one made much of a song and dance about it at the time and the bosses pretended not to notice). Meanwhile, wages in the private sector went up by an average of only 15-20% (figures taken from *The Financial Times*, 24.3.75).

You can't put dedication in the bank . . .

In 1972 the miners organised the most powerful and united working class strike that there has been in recent years and which eventually led to the downfall of Heath. This helped to knock a huge hole in the idea that public sector workers have no power. After that, in Spring 1973, hospital ancillary workers had their *first ever* national strike, and the nurses, technicians and clerical workers were not far behind with their strikes last year.

Since then the fight of hospital workers has spread. Hardly a week goes by without there being reports in the papers about the struggles of hospital workers. This was particularly true in the first six months of 1975. The pay claim settled in December for a £30 basic did nothing to stop all sorts of local disputes continuing unabated.

For instance, if we take just one month – February – we get the following:

February 1

Hospital workers and militants marched through Islington to protest the closing down of *Liverpool Road and Elizabeth Garrett Anderson Women's Hospital*.

February 6

200 ancillary workers at *Newsham Hospital in Liverpool*, who were on strike for a week demanding the reinstatement of two sacked stewards went back to work pending the outcome of arbitration talks. (The stewards had been sacked for organising a meeting during work time for both ancillaries and nurses over a nursing steward who had been victimised.)

February 7

120,000 women hospital ancillary workers got equal pay £30 basic from today. This follows 600,000 local authority women workers who got equal pay in January. (Note: the majority of women hospital workers are on the bottom two grades; the majority of men start on the third grade.)

February 12

Nurses and ancillary staff (about 400 altogether) came out on strike at *Morrison Hospital, Swansea*. They were demanding the abolition of private beds in the hospital. Other workers from at least four other hospitals struck in support. (100 ancillaries at *Mount Pleasant*; 300 ancillaries at *Singleton*, and workers from *Neath* hospitals). They claimed the consultants were blatantly provoking the staff by allowing a private patient in. The workers returned to work only when the private patient had been discharged and they warned against future use of the private bed.

February 13

Domestic staff in the psychiatric wing of *Basingstoke District General Hospital*, Hampshire, went on strike yesterday for higher bonus and more staff.

February 22

Hospital workers and militants marched to the Royal College of Surgeons to protest against the consultants' 'work to rule' for more pay and privileges. The march was organised by MCAPP (the Medical Committee Against Private Practice).

At the same time a ban on private patients was continuing in the following hospitals: London Hospital, Sutton General, Whittingdon, Royal Northern, Hammersmith, Westminster, St Georges, Atkinson Morley, Tooting (all in London), the United Liverpool Group, St Helens Group, United Manchester Group, Mansfield Group, and all hospitals in the following towns: Basingstoke, Winchester, Southampton, Portsmouth. The North East Region which operated a ban on private patients during the nurses' dispute has never let them back in. (Information from *Women's Struggle Notes No. 3* by Big Flame Women)

These struggles, although localised and often isolated, reflect a growing agitation among hospital workers who are not prepared to be low-waged and shoved into a corner any more. Nor have hospital workers been coned by the threats to public sector wages and by the cuts in public spending. The nurses were sure enough about what they were fighting for when they said: 'You can't put dedication in the bank', and 'Gratitude won't pay the rent'.

The effect of the crisis in the NHS on us

The crisis in the NHS is another aspect of the general crisis the bosses and the working class are faced with. It is a crisis of productivity for the bosses. They are not making the profits they want because the working class has been too powerful. For us, our lives and health and sanity come before anything else.

When we talk about the crisis in the NHS it sounds abstract. But when you ask hospital workers about it, it's very clear what it means:

A domestic: 'Last week the supervisor asked me to do the floor extra well because there was no floorman. So I got real mad and I said, 'It's not my job, it's not my problem. I don't have to do that – it's you. You're lazy in your skin, you do nothing except drink cups of tea'. . . . 'Another thing you notice is the amount of sickness there is among hospital workers. On nearly every ward there's a member of the staff that's sick too. At the moment, half of the people that work on Geriatric have got diarrhoea and sickness in the stomach. And there's a girl on my ward now who caught thrush after she came into hospital.'

A technician: 'Things happen, like you send for a patient to do a test but they don't arrive because there's not enough porters. So the patient is one or two hours late for the test, so then they're late for the operation.'

What has caused the breakdown of the NHS?

The NHS (National Health Service) was set up in 1948 with the aim of providing a free health service for everybody. It was implemented by the Labour Government as a result of great working class pressure. But in the negotiating with doctors and the boss class, the government made concessions that have made it impossible to carry out all the aims of the NHS.

(i) Doctors (consultants, surgeons, dentists, general practitioners) were allowed to remain private or to work only part-time for the NHS (and to do private practice as well). This has meant that (a) surgeons are allowed to use NHS equipment and beds reserved for private patients in NHS hospitals to do 'private' operations for which they can charge their private patients as much as they want. Since there are long waiting lists for NHS operations (three years for a hernia), surgeons often suggest to their NHS patients that they will operate on them immediately if they become a private patient.

Also, general doctors are *not* state employees. They get 'per capita' money from the state for every person they have on their list. This encourages doctors to have lists of thousands of people and means long queues at surgeries, which are often in poor condition as the doctor has to pay for them him/herself. Since doctors are middle class, they prefer to work in middle class areas so that there are too many doctors in the rich areas of London, Bath, etc., and very few doctors in the working class districts.

The situation is even worse in relation to dentists. Now that everyone has to pay fifty percent of their bill, dentists are moving out of working class districts very fast. In some cases, dentists are advising people to have all their teeth pulled out and replaced with false ones because it is cheaper in the long run.

(ii) The Labour Government did not nationalise the drug industry so the fantastic growth in the profits of the drug companies since the war have been at the expense of building a decent NHS. It has also been an important way of channelling the contributions of tax-payers into private industry. (A large amount of this money invested in this new growth industry of drugs and chemicals – pharmaceuticals – came from the millions paid out as compensation to the mine-owners when the nationalised coal.)

(iii) The Labour Government did not nationalise the building industry and building contracts from the government to build schools, hospitals, courts, prisons, police stations, colleges, town halls, civic centres, tax offices, telephone exchanges, post offices, etc. etc., continue to be a source of enormous profits for the building industry bosses. The corruption of local councillors and building contractors like Poulson and T. Dan Smith are just the tip of the iceberg. (The North-East, where these two crooks were operating, has one of the best records for grand civic centres, town halls and motorways; and one of the *worst* for housing conditions and pollution.) Central and local government spending are the biggest source of 'jobs for the boys' – meaning the MacAlpines, Laings and Taylor Woodrows of this world (may they not last much longer).

(iv) The government did not ban insurance company from offering private patient insurance schemes (companies like BUPA, PPA). Over the last few years, the run-down of the NHS has coincided with the growth of the private health sector. Nowadays, one of the bonuses of a middle class job is membership of a private health insurance plan. This has

meant a lot of money available to finance the development of the private health sector (contributions are paid by bosses and are tax deductible).

(v) It is the big insurance companies and banks which loan the government money to build hospitals, schools and housing and the government has to pay it back at enormous rates of interest.

WE WON'T PAY!

The government and the bosses are trying to make hospital workers and patients alike pay for the crisis in the NHS. They cannot chop the workforce with massive redundancies. In the 1920s and 30s the bosses used straight wage cuts, which nowadays are out of the question. Instead, what we are faced with is wage cuts through productivity deals and bonus schemes and redundancies through 'natural wastage'. Schemes like these, which are often pushed by the unions, reduce the workforce, increase the workload, lengthen waiting lists, force canteen prices and hostel rents to go up, force smaller hospitals to close down, stop new ones being built for lack of money.

In addition, hospitals employ many immigrant workers on fixed work contracts from Portugal, Spain, and the Philippines, who, because of their permits, are more frightened of organising.

How does the bonus scheme affect workers?

A domestic: 'In my ward (twenty-six beds divided into ten rooms) there used to be three full-time domestics and one part-timer who worked 9.30 until 3.30. Then the management offered us a 'bonus' scheme, which seems to boil down to a bonus for them. The union really pushed it and told us we'd get more money. Most of us were against it but it got pushed through in a meeting during the summer when a lot of people were on holiday. It was a trick to cut down the number of workers. Now on a ward we have only two full-timers and one part-timer on a new shift – 9.30 until 1.30 – to do the same work as before – just a few quid extra!'

How the bosses attempt to make us pay for the crisis

Some examples:

(i) *The Budget* was a clear example of what the bosses had in mind. Healy proposed a cut of £1,100 million in public spending (public spending covers the current and capital spending of central government and local authorities – i.e. money to keep existing schools, hospitals, transport, administration running – current spending, and also to pay for new schools, nurseries, hospitals, etc. – capital spending. It also pays for the 'capital' spending – i.e. new investment – of the nationalised industries) but since then this figure has trebled and *The Guardian* newspaper now estimates it to be £3,000 million! (7 July 1975). At the time of the Budget a lot of publicity was given to Barbara Castle (for Social Services) saying she was keeping £300 millions by especially for hospitals. *But don't be fooled* – most of this money will go to much needed geriatric and psychiatric care and one or two other special cases. But general health care will deteriorate because there will be no new building of general hospitals and many new improvements which had been planned will be dropped.

The January White Paper on Public Spending (what Mr Healy and subsequent Chancellors will use for the next four years to guide their budgets) plans cuts in *current* expenditure of 1½% (for the last three years *current* expenditure increased by 6% a year), this is for things like replacing equipment, wages, keeping existing services going. But *capital* spending has been cut by 10% (fewer new buildings, clinics, nurseries, schools, transport). At the same time, *military spending* is to rise this year to £4.5 million – a rise of about 4%!

(ii) The effects of this on our health is shown in Dr David Owen's (minister for Health) proposals in April for ending a twenty-four hour hospital service for all patients except what he calls 'acute and chronic' cases. This would involve seeing patients as out-patients where possible or sending them home quicker after staying in hospital. His excuse was that some people do not want to spend a very long time in hospital.



