

NOVEMBER, 1972

# political affairs

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AND AFTER

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THE UNITED STEELWORKERS'  
16th CONVENTION

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HARRINGTON'S "SOCIALISM"

Erik Bert

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## Foreign Policy—The Elections and After\*

Developments on the world scene have their own causes and effects. But to the degree that they are related to the United States they are now entangled in the present election campaign, and it is sometimes difficult to untangle them.

The line between that which is election campaign bunk and demogogy and the moves forced by world realities is not always clear to the broad masses and, I might add, not even always clear to Communists. The confusion, the illusions, are obvious when you hear phrases like "There is a new foreign policy in the United States." Or questions like "Is there a New Nixon?"

Some around the world, when writing about the "Reactionary Forces in the U.S.A.," do not now include Nixon.

In our conventions, the last convention especially, we sharply warned against such illusions.

It is of critical importance that in any assessment, separation be made between positions and actions that are motivated by the elections, and positions and actions that are responses to changes in the objective situation—changes in the relationship of world forces. The forces around Nixon are working 24 hours a day to blend the two, to confuse the two—the positions which the Nixon administration takes for electoral purposes and those which they are forced to take because of the changed relationship of forces.

Nixon's summitry is an attempt to blend the two. His trips to People's China and to the Soviet Union also were an attempt to blend and to blur the two factors.

U.S. imperialism is under increasing pressure to give up its cold war policies of isolating, blockading and rolling back the borders of world socialism. The bankruptcy of such a policy becomes ever more apparent.

The policy of uniting and leading the world imperialist camp in a struggle against the forces of the world revolutionary process has suffered one defeat after another. The U.S.-sponsored trade, military

\* The following is an excerpt from a report presented to the National Council of the CPUSA on September 9, 1972. The report appears in full in the pamphlet *Make This Election Count!*, New Outlook Publishers, New York, October 1972.

and diplomatic blockades have turned into structures of self-isolation.

These changes in objective conditions have forced U.S. imperialism to maneuver and to retreat. This was a fundamental factor in the Nixon trips to the socialist countries. However, the timing was related to his re-election plans. That he is using the trips to promote his "Man of Peace" image is undoubtedly true.

It is necessary to separate the election demogogy from the element of maneuver and retreat. And it is not always easy to do so. It is not enough to say, as some do, "imperialism has not changed." It is necessary to say—the Nixon Administration has been and is the most reactionary, racist, anti-labor, anti-democratic administration on record. It's necessary to keep saying *that* and not only that imperialism hasn't changed. It is necessary to say it because it is true and anything else is illusions about the Nixon Administration.

In Moscow Nixon signed some initial agreements on limiting nuclear weapons. When he returned he directed the big Pentagon staff, led by Laird, to seek out and create loopholes in those agreements, and to create the excuses for continued escalation of the arms race.

He continued stabbing his own agreements in the back by using the ultra-Right forces in the Senate. The Boeing Senator, Henry Jackson, of course, was more than willing to play this role. It is clear that in all this there are elements of U.S. imperialist retreat, elements of maneuver, but also elements of the campaign for re-election.

The Soviet Union correctly sees the element of difficulties and retreats in U.S. policy and is pushing for further limitations in the nuclear arms race. The Soviet Union is correctly using these difficulties

Over three years ago we said Nixon's plan is to win re-election and to continue aggression in Indochina. We should more often quote our own remarks on such questions. Nobody else said it. We were the only ones in the United States who had that estimate of things.

The change from ground troops to the buildup of air and naval forces and the escalation of genocidal bombing is designed to accomplish both—re-election and continued aggression.

For the next 60 days it is of decisive importance to take into account that at this moment it is clear the forces around Nixon have concluded that they can win re-election without ending the aggression in Indochina. That is a very serious conclusion.

What we can do therefore to change this situation—what we can do to expose the basic falsehood in the Nixon position—what we can do to arouse masses to the new dangers after re-election—what we can do to arouse the peace forces to new mass actions to end the aggression—these are most critical questions for the election cam-

paign. They are most crucial questions for our Party and for this meeting, comrades.

Ramsey Clark, Jane Fonda and others have done a tremendous job in exposing the criminal nature of the bombing of the dikes and the dams. But the truth is that there have been very few mass actions around this development.

The Vietnam war will re-emerge as the key issue when the masses understand that the basic Nixon policy is to continue the aggression—that the stage is set for a massive re-escalation, even including ground forces, after November 7.

As that dawns on masses, we will be able to move them. And, therefore, this is a key question for us and for the election campaign.

At this moment millions who want the war to come to an end think that Nixon is going to end it. Most of them think he's going to end it before the elections. As the day of the elections approaches and the aggression is not over the mood will shift, but only if the peace forces can expose this Nixon trap—and it is a trap. For that reason it is a decisive question for us.

There are no real differences between Nixon's and McGovern's electoral positions on the Mid-East question. Both make appeals for the Jewish vote on the lowest possible level. It is an opportunistic reflection of the influences of nationalism and anti-Sovietism in sections of the Jewish community. But the low level of the appeal is showing signs of backfiring. Now they are all for Israel—but the post-election position of U.S. imperialism will be another matter. In the long run this will be determined by the oil interests, and not by the forces presently backing Nixon's re-election, because he and they know that he will be a lame duck President.

It is a basic fact: to the extent that the oil corporations can make deals with the Arab countries, to the same extent Israel will be downgraded in U.S. foreign policy. The future of Israel is being decided now—in the secret negotiations going on in many of the Arab countries. There is the same kind of a trap for Israel in the re-election of Nixon. Our basic appeal to the Jewish community must be on the need to unite in the struggle against reaction, against policies of imperialism, against anti-Semitism and racism, against inflation, taxes and high rents. We must expose the fraudulent nature of Nixon's and McGovern's narrow nationalistic appeals to the Jewish voters.

The over-all direction of U.S. foreign policy has not been raised by any candidate except ourselves in this election campaign. For example, there is no election pause in the continued high level of efforts by U.S. imperialism to enslave the African nations. There is

no electoral pause because it is a bi-partisan policy. Behind a tight curtain of secrecy now ordered by the Nixon Administration, the rush for claims, investments and corporate take-overs by the United States in South Africa and Rhodesia looks like the gold rush days in the old West. This is a big factor that explains why some of the top monopoly corporations are handing over such huge sums to Nixon's re-election fund. They will be paid back a thousand times as this policy develops further.

Speaking about the world scene, it is impossible to bypass the role of People's China and its effect on these elections. Their policy continues to be a negative factor in the struggle against imperialism. We have to speak about China's policies because they are a factor taken into account by U.S. imperialism in its maneuvers, its retreat—and its aggression.

I do not want to hide my criticism behind the phrase that often appears in many areas that speaks in criticism of "some socialist countries." Because public criticism that speaks about the weakness of "some socialist countries" without saying which country or what specific weakness is of no value and plays into the hands of the imperialist propagandists instead. Such criticism lets the bourgeois propagandists fill in whatever socialist country and whatever issue fits their needs, which they are not slow in doing. No matter how well intended and no matter what circles it comes from, in my opinion, such criticism is of no value.

Therefore, I am speaking about the policies of People's China and the leadership of People's China. The U.S. imperialist decision to blockade the harbors of Vietnam took into account the policies of People's China.

U.S. imperialism, in blockading the harbors, took into account the obstruction of shipments through the railroads and ports of China. It took into account the Chinese refusal to permit Soviet ships to unload war goods and food for Vietnam in the Chinese harbors that are situated close to Vietnam. It took into account China's refusal to let the Soviet Union fly war goods over a route that is one-third the distance they now have to fly into Hanoi.

It was these policies that gave the mining of the harbor any meaning at all. Therefore, inadvertently it became a joint U.S.-China blockade. If the Chinese routes would have been open the blockade would have had no meaning whatsoever. I want to tell you, comrades, that this was the essence of Comrade Podgorny's trip to Hanoi. It was a discussion of this question. And at the same time this was the purpose of Kissinger's trip to Peking. They were two trips putting pressures in opposite directions on the same question. That's

why they took place almost simultaneously, and just contrary to what the bourgeois press talked about. In other words, they were pressures to open the routes for supplies to Vietnam and pressures to close these routes for supplies to Vietnam. One was to open them—the other was to keep them closed.

What has been the result of these two pressures—the Kissinger and the Podgorny pressures? It seems to me that for the moment some materials are beginning to move through these ports. They're related to the railroad system, and not only the railroad system but also other transport—trucks, roads, and so on. So it seems that there has been some change and some goods are going through. But I think it is also clear that the issue has not yet been resolved, and that it remains a factor in the struggle to force U.S. imperialism to get out of Indochina. It is obvious that it is a decisive factor. This attitude of People's China is a *decisive* factor in whether we can end this war before the elections or soon after. Any hesitation which obviously is there and any holding onto the old policy of obstructing these war goods will lengthen this war and this aggression.

Basically this position of People's China is an opportunistic policy of nationalism. It is a policy of trying to use the class contradictions, class antagonisms between an imperialist U.S.A. and a socialist Soviet Union to further the narrow expansionist designs of Chinese nationalism. That's what it is! Such a policy inevitably serves the interests of imperialism. *Inevitably!* And there should be no hesitation in saying that it does. This situation with the blockade of Haiphong and the coast only shows how China's policy serves imperialism.

It has become even more clear at the United Nations. There the Chinese delegation pursued this line in its veto of Bangladesh's membership in the United Nations—just the most disgraceful act imaginable by a socialist country!

The Chinese delegation continues its "vanguard" role in attacking the Soviet Union and the other socialist countries. Its votes on policies have nothing in common with the interests of the working class, with the interests of socialist countries, with the interests of the newly liberated countries or with the interests of struggle against imperialism. It is a negative factor in all these questions. And in spite of some shifts, it continues to be so. These policies are not influenced or motivated by class interests—which socialist policy must be. They are not guided by Marxism and Leninism. They have nothing to do with the science of Marxism-Leninism.

So, in world developments we must continue to separate maneuvers from retreats, election rhetoric from reality, and continue to view them within the continuing policy of U.S. imperialist aggression.

# The United Steelworkers' 16th Convention

"We are all rank and file in the United Steelworkers' Union."—  
I. W. Abel

\* \* \*

*President Abel: Let's have a little bit of order. You have heard the reading of Resolution No. 41. The motion is to adopt . . .*

*Delegate Richard McGuire (Local 7300, District 26): President Abel, I call for a point of order here. As the Resolutions Committee called for this resolution to be No. 41, I think it ought to be voted on in its proper order. It appears as though the Resolutions Committee is trying to slide this past and that we should run it in its proper order. . . .*

*(Resolution 41 called for a non-endorsement position on the Presidential election.—J. W.)*

*President Abel: . . . I don't think the Resolutions Committee has any desire to run anything through on anybody and I don't know as it requires resolutions to be submitted in the order of their printing.*

*We never have followed such a procedure . . . I think the important thing [is] there has been much speculation, the newscasts and the news stories are constantly raising this question and I think every delegate here is aware of the fact that you can't enter this hall or leave it without some people from the Communist Party on up trying to influence the delegates at this convention. . . .*

*(Proceedings, 16th Constitutional Convention, USWA, Las Vegas, Nevada, September 18-22, 1972).*

\* \* \*

*. . . the steamroller tactics employed by the union hierarchy to insure that their wishes (for the non-endorsement position—J. W.) were upheld and the steamy rhetoric that was used to carry out the plan were shocking to some old line men. (Wall Street Journal, September 28, 1972.)*

\* \* \*

## The Steamroller

Steamroller tactics are nothing new in USWA conventions. It is common knowledge that full-time staff members and other employees of the International office are credentialled as delegates, often without being elected; that many small locals are beholden to the top bureauc-

racy for a variety of reasons; that pressures are brought to bear on delegates; that the chair controls the order and selection of speakers at the microphones; and that no one can recall when a roll-call vote was ever held in a steel union convention, so that the voice of a staffer with one vote in his pocket can be as loud or louder than the voice of a working delegate with ten votes. For these and other reasons, it is easy for the union hierarchy to steamroller through the positions it wants.

Beyond this, the I. W. Abel leadership took a number of extra precautions to insure its control of the 16th Convention. These included the selection of a convention site far removed from the main bases of the union in the Midwest and East, the tightening of convention rules and security, the barring from the Convention as a delegate on technical grounds of Bill Anderson, President of the Homestead local in Pittsburgh and foremost spokesmen of the pro-McGovern forces in the steel union, the blitzkrieg tactics of rushing through the no-endorsement policy early in the convention, etc.

It took some keen planning to make sure that the Convention would not endorse McGovern or call for the defeat of Nixon. George Meany got the floor early on the first day to make an all-out attack on McGovern in a speech in which he mentioned Nixon only once. This was followed by a big "bash" for the delegates that evening where the liquor flowed like water at a cost estimated by some at \$50,000 (which, in this day of inflated prices and the high cost of buying and selling good will, would surely not be considered too high in Nixonite circles). Then, catching the pro-McGovern delegates unprepared, Resolution 41 was presented out of turn, first thing the second day.

Despite this, the pro-McGovern forces gave a good account of themselves and fought with the most articulate, coherent and telling arguments ever presented by the rank and file in a steel union convention.

What was new about the use of steamroller tactics in the 16th Convention is that everyone could see that Abel was relying on the steamroller because of the complete bankruptcy of the arguments for non-endorsement. It was not just "some old-line union men" as the *Wall Street Journal* says. Staffmen, even some district directors, and the majority of delegates were not happy with either the reasons given for non-endorsement or the tactics used, but went along "for the sake of unity."

The depth of the bankruptcy of Abel's position can be measured by his descent into feeble red-baiting and the McCarthyite attack of an Abel henchman against the Rank and File Team (RAFT), which

supported McGovern, on the grounds that RAFT had Staughton Lynd, a self-proclaimed *anti-Communist*, as a speaker! The word "Communist" continues to be a code-word of the steel union hierarchy for rallying blind, unthinking opposition by "the faithful" to anything progressive with which the union leaders disagree.

The preoccupation of the Abel leadership with getting the non-endorsement position pushed through and with avoiding big floor fights on the productivity clause in the contract and on civil rights through stalling tactics led it to commit a number of blunders for which it came under criticism from rank-and-file delegates. Ironically, Abel, who had complained of being snubbed by the McGovern camp at the Democratic Convention, himself snubbed the fraternal delegate-guests of District 50 (which had just merged with USWA) by failing to call on anyone from District 50 to speak. And an ACWA delegation of Farah strikers from El Paso was called on to speak only as an afterthought when adjournment had been declared and most of the delegates had left. In both cases Abel was forced to apologize, but the harm could not be undone. For the District 50 delegates, the snub and the steamroller tactics were an enlightening introduction to what they can expect under the present structure and procedures in the USWA. By the opening of the last day of the Convention, most of them had departed in protest and disgust.

### *The Fight-Back*

Awareness of how the steamroller and red-baiting are used to frustrate the will of the membership and its elected delegates became far more widespread at this Convention. So too, the 16th Convention, more than any previous one, was witness to a number of measures for overcoming these denials of democratic rights.

Thus, for the first time, on the demand of Canadian delegates, a local union resolution calling for deletion of the anti-Communist clause from the union's constitution was read out and debated in limited fashion. The Canadian delegates stated that the clause comes into conflict with Canadian national laws, practices and traditions and was another expression of U.S. encroachment on Canadian sovereignty. Unfortunately, no U.S. member of the USWA took the floor to point out that the clause was also in violation of U.S. Supreme Court decisions and the Bill of Rights. The officers upheld the retention of this reactionary prohibition on political rights by claiming it had never been used but it had to be kept because "you can never tell when we might have to use it!"

The fact is, of course, that its very presence in the constitution is used to justify keeping militants out of union office and to beat down

any opposition by use of McCarthyite red-baiting tactics. For example, it must have come as a shock to the RAFT leaders to hear themselves red-baited on the convention floor. The lesson is clear: so long as that clause is in the constitution it will be used against any and all rank-and-file movements and they will not achieve complete victory for their democratic goals until it is removed.

If the steel union leadership has not actively enforced the clause it is only because it does not want to face a legal fight which it knows it would surely lose. It will become increasingly clear, as the struggle for democracy in the union sharpens, that this clause must be challenged, including legal action if necessary, in order to open the road to further democratization.

Many challenges to the steamroller procedures also emerged at this 16th Convention. These were seen in numerous resolutions sent in by local unions and in the program demands of the rank-and-file movements which were widely distributed to the delegates, calling for election of staffmen, for election only of on-the-job workers as delegates, for restructuring of the union, etc.

A major reason for the warm reception accorded the material issued by Black staffman Samuel Stokes (Columbus, Ohio), announcing his candidacy for vice-president of the union, was Point Two in his platform, which reads:

The International Convention proceedings must be updated to provide a method of voting that provides an immediate tabulation of the vote of the elected delegates; rather than the customary voice vote which does not reflect the will of the delegates. Local Unions should receive [the] Agenda 30 days prior to the International Convention.

This plank struck a responsive chord in the face of the steamroller experience. Many delegates, including white and Chicano local presidents, pledged their support to Stokes on the strength of this plank. The leaders of some rank-and-file movements pledged him their support and were told he welcomed it. Stokes' candidacy marks the first time in USWA history that a Black worker is running for one of the three top offices. In supporting his effort, the membership has an opportunity to advance both democratic rights and equality, putting an end to 30 years of an all-white International Executive Board.

Every steel union convention is a constitutional convention. This means it must act on whether or not to make changes, clause by clause, in the constitution. It must also act on all appeals cases. These are not matters that can be referred. But the referral procedure has been used time and again by the officers to stall action on important resolutions on basic policy until the closing hours, when it is ex-

pected that exhausted delegates will refer them to the International Executive Board for action. Even these resolutions are relatively "safe," since they had been worked over before the Convention to "incorporate the sense" of resolutions sent in by local unions.

What such "incorporating the sense of" really means can be seen from the resolution on productivity. The majority of resolutions sent in by local unions denounced the productivity clause in the contract and demanded its removal, some calling for its replacement with a job security clause. Yet the resolution presented to the Convention reaffirmed support for the productivity clause with a mild slap on the wrist to "some in management" who seek to abuse it!

Knowing that it would have a big floor fight on the no-endorsement policy, the Abel leadership sought to minimize the extent and degree of rank-and-file disagreement with its position on other matters by stalling the presentation of key resolutions until the last possible minute. Thus, during the first four days, some 10 resolutions were acted on, most of them non-controversial. It was left to the last day to act on 39 resolutions and 11 appeals cases! It is known that the leadership wanted an adjournment of the Convention by about 2 p.m. Instead, it lasted until 6 p.m. and without a lunch break.

#### *Key Issues: Productivity and Civil Rights*

Despite all of Abel's conniving and scheming, the rank-and-file was able to break through and compel some debate on urgent matters. "Mo" Brummitt, militant president of the Jones & Laughlin Aliquippa Local 1211, spoke out forcefully and clearly on two burning issues facing steelworkers. He said:

The right to strike during the term of the agreement remains one of the strongest points on the bargaining table during any negotiations. Our resolution to this convention asks for the right to strike and our local union officers accept the responsibility to call it.

The threat of economic loss to a company when a local union has the right to strike gives local union officers the immediate pressure necessary to solve vital and important problems. . . . The right to strike should be inserted into contract sections dealing with health and safety, contracting out, crew size protection and not put in as a smokescreen to handle every gripe in the plant. . . .

Productivity to the company means getting more work out of the same number of employees or the same work out of less employees. . . . Under this position, it was impossible for the local union to participate in a program that would cost jobs. We will not meet with a company that wants us to cut jobs to increase productivity. . . . Our interest is to protect all jobs, not to tell one

employee he should work harder, produce more and eventually put his buddy on the street. . . . The company makes no bones about it—their interpretation of the Productivity Committee is for the local union to agree to tell employees to work themselves out of a job and we're not about to do it.

The resolution upholding the productivity clause passed, but the fact is that in the mills and plants it is being observed in the breach. Many locals have, like Local 1211, refused to take part in the joint productivity committees, and where they have been set up, meetings haven't taken place or have been held irregularly. It is hitting close to the bull's eye to say that for all practical purposes and in the main, the productivity committee is dead, and that I.W. Abel will soon have good cause to regret his zealous promotion of the whole idea!

The Abel leadership came under heavy fire in the prolonged debate on the civil rights resolution, which finally came up on the last day also. Taking the lead in criticizing the inherently racist positions of the top bureaucrats were the delegates from Locals 2609 and 2610 of the Bethlehem Sparrows Point plant in Baltimore. It was from this strong base of the National Ad Hoc Committee of Concerned Steelworkers (the national Black caucus in steel) that delegate John Cobbs (Local 2610) heaped scorn on the top officers for non-endorsement policy by referring to them as "little men with little minds with big jobs that don't have guts enough to tell them (the McGovern camp), 'Don't you ruffle our feathers. We will put you in office. Go out and do the damn job.'" (This in answer to Abel's assertion that McGovern had snubbed him.)

It was the Sparrows Point plant which saw a strike last summer against racism, against cancer-causing pollutants in coke-plants where the majority are Black workers. Their angry outcries and their fight against company and union racist practices arise from a deep-down fight for life itself. It was they who in the heat of this gut-fight gave voice to the question which Abel's position on the elections, on productivity, on racism, etc., is forcing more and more USWA members to ponder: "Which side are you on, Brother Abel?"

Again, the Abel leadership's steamroller carried the day for its position of empty words and lip-service to the fight for civil rights. But the victory carried a price in the further erosion of prestige and authority of the Abel team.

I. W. Abel today finds himself in the position of winning isolated battles while well on the way to losing the war. His stand wins the praise of the companies, of a discredited George Meany and of the Nixonites; but it is rapidly losing favor with the membership.

### *Erosion of Abel's Authority*

It is no exaggeration to speak of the erosion of Abel's authority. He got his resolution on productivity passed, but he has no committees or movement for "productivity" in the ranks. Instead, he has mounting opposition. He got his resolution for no endorsement of a Presidential candidate, but he was compelled to acknowledge in a press conference that local unions had the right to make endorsements, knowing full well this was happening anyway, with or without his say-so. The very first meeting of Local 1211 *after* the convention endorsed McGovern, as did many other locals.

The majority of the delegates overturned the constitution committee's non-concurrence in a proposal to provide the absentee ballot. The committee was instructed to bring in a clause to provide the ballot for members who cannot vote in person in local union elections, most of which take place in June, a big vacation month. Abel frustrated the will of the delegates by proposing instead that the absentee-ballot right for officers and full-time staffmen be taken out of the constitution. This proposal was accepted by the committee and subsequently steamrollered by the convention majority.

Justifying this action, Abel made much of his belief that officers, staffmen and membership were all rank-and-file, that treatment should be equal for all. He did not explain how you extend democracy for the membership by denying a democratic right to full-timers! The chief thing, you see, is that we are all rank-and-filers, that all are equally subject to the same limitations on democratic rights! Except, of course, that a \$60,000 a year USWA president can afford to fly into his home town to cast a ballot, while a working member can't afford to go back and forth from his vacation spot to vote.

With each such convention victory for Abel, his prestige and authority decline accordingly. The essentially defensive nature of his position in the face of a growing rank-and-file offensive is manifest in his plea that "we are all rank-and-file in the United Steelworkers of America." You don't have to be especially bright to understand that this is sheer demogogy; that insofar as the Abel leadership is concerned it fears the rank and file and is constantly maneuvering to frustrate its efforts to win its just demands. The only possible way the term "rank-and-file" could be applied to that leadership is in the sense that it is rank, perhaps more rank than anyone thought it could be.

As Gus Hall observes in his new booklet, *It Takes a Fight to Win*, the fact that Abel now resorts to these tactics is "a sure sign that because of his policies of bowing and collaborating with the steel corporations it has led to a situation where he has lost the support

of the membership." (New Outlook Publishers, New York, 1972.) Over 1,600 copies of Gus Hall's brochure were placed in the hands of the delegates and it was well received, causing Abel to make the angry remark cited earlier.

The democratic rights of the membership were further reduced by a constitutional change which deprives it of the right to elect USWA delegates to AFL-CIO national conventions.

Membership appeals against undemocratic rulings of the International Executive Board were all defeated. Most flagrant among these was one sustaining the two-year suspension from the post of grievance committeewoman of Ola Kennedy, former secretary-treasurer of Ad Hoc, a founder of NCCTUAD and an outspoken peace champion. Ola Kennedy was actually framed on unsubstantiated charges on orders from higher echelons. Despite gross violations of the union's own procedures by her accusers in practically all stages of the trials and hearings, the I.E.B. had upheld the suspension, though reducing it from five years to two years. This was a political persecution pure and simple, aimed at removing an outstanding, militant and progressive Black woman leader from positions of influence.

The cynical disregard for basic trade union principles which has permeated the top USWA bureaucracy is evident in most of these appeals cases. A handbill signed by the officers and members of Canadian Local 2251 and issued to the delegates serves to unmask this ugly situation. We quote it in full:

Local 2251 USWA went on strike in Sault Ste. Marie, Ontario, from August 28, 1969 to November 5, 1969. One hundred and twenty-three (123) dues-paying members went to work as scabs.

The officers of Local 2251 charged these scabs and a trial was held and the 123 members were found guilty. The membership assessed penalties, then the scabs appealed to the International Board and the Board upheld their appeal. We feel that when scabs are found guilty, penalties should be assessed. We have appealed the board's decision to this international convention.

We are asking all steelworkers attending this convention to give us their support on this very important issue. Whitewashing scabs establishes a dangerous precedent and is detrimental to organized labor.

The appeal of this local union was rejected and the position of the scabs upheld. Yes, Brother Abel, "which side are you on?" Defense of scabs against a local on strike is the logical outcome of the policy of class partnership with the companies against the interests of the members.

As chronicled in the pages of the *Daily World* by George Morris,



the 16th Convention also took good positions on a number of questions. These included a strong stand for the shorter work week with no reduction in pay while rejecting the four-day, ten-hour formula; support of busing as a means of attaining quality education; and some shifts away from the past cold-war positions which begin to open daylight between George Meany's Stone Age stance and I. W. Abel's slightly more flexible posture.

But in an interview with a business-industry publication, Abel made it clear that he has no serious intention of pressing for the shorter work week in the very near future; he intends to use it as a bargaining point to be thrown away for something else.

However, it can be expected that the rank and file will take the Convention decision for the shorter work week quite seriously. Immediately following the Convention, Dino Papavero, president of the big Fontana Local 2869, took the initiative in launching a move for the shorter work week among Western region locals.

Support for this fight is gaining impetus because the new technology now makes it feasible, because the productivity push results in loss of jobs and increased concern for job security. Having the potential of a counteroffensive to the productivity drive, it now emerges as an urgent question, along with the fight against racism, for the right to strike and to vote on contracts, and for more democracy in the union—questions which can propel the rank-and-file movements into all areas of the union's jurisdiction, transforming them into a force capable of changing the union's course.

#### *Rank-and-File Activity*

The 16th Convention was especially noteworthy for the fact that organized rank-and-file activity was more intensive and openly evident than at any previous convention. All three major national movements of the membership issued materials containing similar economic, anti-racist and democratic-structural reform demands. (See the pamphlets *It Takes a Fight to Win* and *Steel Mill or Treadmill* for specific reference to these programs.) In addition, a Steelworkers for McGovern caucus issued materials every day.

The National Steelworkers Rank-and-File Committee maintained a hospitality room to which came scores of delegates, including local union presidents and representatives of other rank-and-file movements, both national and local. Reports indicate that as a result of the exchange of views among the rank-and-file leaders there is a much better understanding of one another's problems. More than before, it appears possible to develop unity in action on specific issues among the autonomous movements, although no one single slate of candi-

dates was shaped up at the time of the Convention to oppose the Abel slate in next February's union election.

At this writing the most militant and advanced trends among the rank and file appear to be rallying to William Litch, chairman of RAFT, for president and Samuel Stokes for vice-president. Reports were circulating, too, that efforts were being made to project a Chicano steel or copper worker for secretary-treasurer and to make challenges for tellers as well.

Contests are shaping up in a number of districts for district director, in Chicago-Gary, Youngstown, Pittsburgh and elsewhere. Most of the challengers represent positions much closer to the rank and file and hence offer a clear choice. In Youngstown, Al Wellington, Black local union officer at U.S. Steel's Ohio Works is running for district director.

The Ad Hoc Committee of Concerned Steelworkers held its own convention concurrent with the 16th Convention, with as many as 80 delegates attending. The torch of struggle for equal rights was passed from venerable Rayfield Mooty, now retired, to James Davis of Youngstown, as national chairman. Davis is also chairman of NALC in his city. Charles Cavness of Richmond, California succeeded Ola Kennedy as secretary-treasurer.

The outcome of Ad Hoc's convention was to re-establish unity in its ranks on the basis of its original program and maintaining an open door to unity of action on specific issues as they arise rather than an overall coalition on everything. This formula satisfied those who were concerned that Ad Hoc was pulling away from its initial objectives and who tended to oppose cooperation with other rank-and-file groups, a position held by the powerful Baltimore base of Ad Hoc. At the same time, by agreeing to consider united action with other groups on specific issues, the views represented by Mooty and Kennedy were satisfied. James Davis' election represented this unifying position.

The outcome of the 16th Convention confirmed the need for the rank-and-file programs for democratizing and restructuring the union. It also showed the areas and directions in which the rank-and-file movements have still to move. These include:

The need to extend the rank-and-file movements into all industries and sectors covered by the union, requiring concrete programs based on the needs of these workers outside basic steel;

The need to build such power on the model of the rank-and-file caucus at Inland Steel, that enables them to elect delegates en masse to the convention and to win the leadership of all key locals in the union;

The need for better coordination, planning and organization for conventions;

The need for better communication among rank-and-file movements and local unions between conventions.

These were the kinds of problems discussed by rank-and-file leaders in their exchange of views at Las Vegas. There can be little doubt that they will move vigorously to strengthen their positions—they surely have cause enough.

### *The Communist Party and Steel*

Some 6,500 copies of the *Daily World* and *People's World*, in addition to the Gus Hall pamphlet, were distributed during four convention days, and these, too, were well received. The coverage of the Convention in the *Daily World* was praised by a number of delegates who conveyed their opinion to the reporters at the press table.

It would seem that I. W. Abel might have been exaggerating when, as in the statement cited at the beginning of this article, he pointed to the intense distribution of Communist publications as a reason to justify speedy, out-of-turn action on the no-endorsement resolution. It would seem he was concerned that if the Convention did not hurry up and act right here and now on non-endorsement, the delegates just might somehow, despite his control of the Convention, be influenced by the Communist material!

This is no exaggeration. The fact is that Gus Hall's pamphlet, based on years of experience and close contact with steelworkers and their problems, makes more than a lot of sense to members of the USWA. The Communist Party, its program and policies, correspond to the real needs and aspirations of steel and metal workers. Abel knows this. He fears the Party and its influence no less, if not more, than he fears the rank and file.

This is why steel and metal workers, among other reasons, are joining the Communist Party in growing numbers and why young workers are joining the Young Workers Liberation League. This is why steel and metal workers welcome distributors of the *Daily World* and *People's World* at plant and mill gates and local union meetings. This is why the Gus Hall pamphlet should receive the widest sale and distribution and why the Party program and policies should be consistently and systematically brought to steel and metal workers whose battles are the concern of all workers.

## Israel and Africa\*

### *A Pro-Imperialist Policy*

Israeli spokesmen have made much of Israel's role as a supposed benefactor of the developing countries. But the Israeli government's policy in relation to these countries is, like its foreign policy generally, designed to serve the interests of world imperialism. Their penetration by Israel began in earnest after the ill-fated Sinai campaign of 1956. It represented an attempt to break out of the isolation resulting from that debacle and to establish an international base in the regions beyond the immediately surrounding Arab countries.

These aims were viewed as tied directly to those of the imperialist powers and as dependent on their assistance. Harvard professor Nadav Safran writes: "If there is any 'realistic' motive in Israel's program of foreign aid, it is probably to be found in the hope that it will draw tangible rewards from the United States by serving . . . the same objects that that country seeks to promote through its aid program." (*The United States and Israel*, Harvard University Press, Cambridge, 1963, p. 267.)

According to Leopold Laufer (*Israel and the Developing Countries*, Twentieth Century Fund, New York, 1967, p. 18), between 1958 and 1966 ties were established with 38 countries in Africa, 23 in Latin America, 11 in Asia and eight in the Mediterranean area. These relations have included Israeli financial and military aid, loans, investments in joint enterprises and training of personnel. The main area of concentration has been Africa. The number of Israeli experts sent to African countries has grown from 25 in 1958 to 406 in 1966 and some 2,000 today. Of about 14,000 foreign students trained in Israel between 1958 and 1971, about half have been Africans.

In monetary terms Israeli aid to African countries is insignificant (less than half of one per cent of the total aid received). But its strategic impact has been far greater. This impact lies primarily in the ability of Israeli ruling circles to present Israel as a moderate, "third force" form of socialism compatible with "free world" interests, and as a small country which is not an imperialist power. And this has made it possible for the Israeli rulers to act as intermediaries for imperialism,

\* The following is part of a chapter from a book on Zionism to be issued shortly by International Publishers.

a function which they have extensively performed.

This is evident, first of all, in the character of the countries singled out for attention. In the main, these are countries ruled by neo-colonialist regimes which see Israel as a means of helping to perpetuate the dominance of leaders oriented toward one or another imperialist power. Moreover, they include the Portuguese colonies, Rhodesia, West Africa and—not the least—South Africa, countries constituting the remaining base of colonial and racial oppression in Africa.

The aid which Israel gives to these countries is primarily military or paramilitary in character. The Israeli government has become highly proficient in training elite military forces along the patterns which prevail in Israel today. Even in the field of agriculture, much of the aid has been in the establishment of paramilitary youth organizations and settlements, patterned after the *gadna* and *nahal* forms in Israel. The former is a battalion of youth aged 14-18 which engages in sports, camping, hiking, crafts and cultural activities, together with physical labor and paramilitary training. The latter is an agricultural settlement of young men and women of military age, established in dangerous border areas and including military training. Between 1960 and 1966, formations of these types were set up in Cameroon, the Central African Republic, Chad, Dahomey, Ivory Coast, Malawi and Togo.

This is in addition to the direct training of military forces. In Chad, Israel has trained troops for action against the guerrilla forces of the National Liberation Front of Chad. In the case of the Congo (Kinshasa)—now called Zaire—Israel has trained paratroops, both within that country and in Israel. In 1963, 243 paratroops sent to Israel for training included General Joseph Mobutu, now President of Zaire. In Ethiopia, Israel has trained troops to fight the guerrillas on the Eritrean border and in return has been granted military bases on islands off the Eritrean coast.

In the Ivory Coast, in Kenya, in Sierra Leone, Israel has been involved in providing arms or military training. In Ghana the Israeli presence goes back to 1956 and has continued up to the present. Questions have been raised of its possible involvement in the counter-revolutionary overthrow of the Nkrumah government. Israel currently sells some \$20 million worth of arms a year, most of it to African countries.\*

\* These data are taken mainly from Sanford Silverburg, *Israel Military and Paramilitary Assistance to Sub-Saharan Africa: A Harbinger for the Military in Developing States*, Master's Thesis, American University, 1968 as cited in: Africa Research Group, *David and Goliath Collaborate in Africa*, Cambridge, 1969.

In Uganda, where Israel assumed all military training in 1956 and in addition supplied a number of planes, former President Milton Obote has charged Israel with complicity in the overthrow of his government by Major General Idi Amin. It was Amin, reports Winston Berry, editor of the weekly newsletter *United Nations Report*, who sought Israeli aid. Berry writes:

While the Uganda Government in the United Nations and elsewhere followed the Organization of African Unity in its policies toward the Middle East conflict (policies calling for Israeli withdrawal from the occupied territories—H.L.), Amin insisted that his junior officers be trained in Israel. He insisted that the Israeli instructors and advisers be retained by the army and airforce. (*People's World*, February 13, 1971.)\*

Israeli instructors and advisers have been involved in anti-guerrilla fighting in the Portuguese colony of Angola. Servicemen for Portugal and its colonies have gone to Israel for training. Israel has also supplied much of the arms used by the colonialist forces. Thus a captured punitive detachment in Angola was found to be armed with UZI submachine guns.

In Nigeria the Israeli government identified itself with the oil imperialism-inspired secession in Biafra. Audrey C. Smock, research associate of the Institute of African Studies of Columbia University, writes:

Up to July 1969, Israel had sent £250,000 of official aid for Biafran relief and dispatched several medical teams. Foreign Minister Abba Eban, speaking in the Israeli Parliament, stated on July 9 that the Israeli Government had "the duty" to send maximum aid to Biafra. A broadcast on Radio Kaduna (Northern Nigeria) later that month accused Israel of sending tanks, artillery and rockets to Biafra in the guise of relief supplies and of training Biafrans in guerrilla warfare techniques. . . . The *Daily Times* (Lagos) denounced Israel's stand as a "clear case of double-dealing" which violated Nigerian friendship and good will. ("Israel and Biafra: A Comparison," *Midstream*, January 1970.)

\* Subsequently the situation was sharply reversed. In February 1972 Amin set in motion a process of severing all ties with Israel, charging that Israeli contractors were "milking Uganda dry." In the following month he made the break complete by refusing to renew all existing agreements between the two countries. The entire corps of Israeli diplomats, military advisers and technicians, numbering some 470 together with their dependents, was expelled.

Amin has since distinguished himself by applauding Hitler's slaughter of six million Jews. But this only serves further to show the kind of elements with which Israel's rulers are prepared to ally themselves.

From the foregoing the pattern is clear. The Israeli ruling circles are to be found on the side of the forces of colonialism and neo-colonialism, of imperialist machinations against the struggles for national liberation. Today U.S. imperialism, in its quest for strategic raw materials, is injecting itself increasingly into the African scene, allying itself with the racist regimes in South Africa and Rhodesia and with the Portuguese colonialists against the forces of national liberation. In the pursuit of its imperialist aims, it is assisted in no small measure by the policies of the Israeli ruling circles.

Aside from military involvement, Israeli investments in African countries take the form of partnerships with local investors in which the Israeli share is a minority and is limited to five years, after which the local stockholders are required to buy out the Israeli interest. This approach, says Laufer, has "enabled Israeli companies to enter new markets with relatively small capital investment and under the benevolent protection of the governments of developing countries" (p. 148). It has served as a means of getting around competition from other sources.

The Israeli investors are not private firms but quasi-public corporations mainly under the aegis of the Histadrut's economic arm, Hevrat Ovdim. The chief of these is the construction firm Solel Boneh, whose African projects include, according to Laufer: "public buildings in Sierra Leone and Eastern Nigeria, the international airport in Accra, luxury hotels in Eastern Nigeria, university buildings and 800 miles of roads in Western Nigeria, and military installations in the Ivory Coast" (*ibid*). These, it may be noted, are scarcely top priorities in relation to the needs of the poverty-stricken populations of these countries.

The amount of direct investment is small and it is intended to serve largely as an opening for the development of trade. But more important, in these enterprises the Israeli ruling class serves as a "middleman" for the U.S. and other imperialist forces in their efforts to penetrate and control the economies of the African countries. The Israeli leaders lend themselves to such schemes since they can pose as being "socialist" yet anti-Communist and hence as being "more acceptable" than the imperialist states themselves. It is in this capacity, also, that the Israeli government has sought to develop ties with the Common Market.

The Israeli insistence on a minority interest in joint ventures also opens the door to U.S. and other imperialist investment. The Soviet writer Y. Kashin notes that "Israel's commitment to provide only 40 or 50 per cent of project costs makes it much easier for American and

international banks to get a foothold in Africa, for by means of loans these banks can 'indirectly secure most of the majority interest, nominally owned by local governments.' (*Jeune Afrique*, No. 485, 1970.) There we discover Israel's secret neocolonialist mission in Africa." ("Israeli Designs in Africa," *International Affairs*, February 1972.)

Characteristic of this role are the operations of the Afro-Asian Institute for Labor Studies and Cooperation, located in Tel Aviv and sponsored by the Histadrut. Its purpose is to provide an intensive, short-term training program for as many African trade union leaders as possible. Launched in 1960 with a \$60,000 grant from the AFL-CIO, between 1960 and 1962 it received more than \$200,000 in grants and scholarships from the AFL-CIO and affiliated unions, and additional sums from British and other labor organizations. It is well known that these activities of the AFL-CIO were financed by the CIA and were regarded as an integral part of its strategy. Yet today the AFL-CIO continues to be a major financial supporter of the Institute. Its contributions are listed regularly in its convention financial reports.

What is taught in such a school, obviously, is the pro-imperialist and anti-Communist line of George Meany and Jay Lovestone which the CIA has so generously underwritten. The Histadrut is also involved in the Israeli pro-imperialist activities in Africa, as we have noted, through the investments of Hevrat Ovdim.

### *Ties with South Africa*

Especially notorious are the relations of the government of Israel with the ultra-racist apartheid regime in South Africa. Political, economic and military links between the two have been maintained since 1948 and in recent years have been increased. And this has taken place in the face of nearly universal condemnation of the racist barbarism of South Africa's white rulers, and despite numerous UN resolutions calling for severance of relations with the South African Republic until it ends the policy of apartheid.\*

South Africa was among the first countries to recognize the State

\* For example, the operative paragraph of General Assembly Resolution 2547 B (XXIV) on "Measures for Effectively Combating the Policies of Apartheid and Segregation in Southern Africa," adopted in 1962, "Calls upon all these Governments which still maintain diplomatic, commercial, military, cultural and other relations with the racist Government of South Africa and with the racist and illegal minority regime in South Rhodesia to terminate such relations immediately in accordance with the relevant resolutions of the General Assembly and the Security Council. . . ." It should be noted that Israel voted for this resolution.

of Israel. In 1953 its prime minister Dr. D. F. Malan visited Israel and was cordially received, despite his record of blatant anti-Semitism and wholehearted support of Hitler during World War II. And on Malan's retirement in 1954, his name was inscribed in the Golden Book as a proven true friend of Israel. The South African ruling circles had only unstinting praise for Israel.

This state of affairs lasted until mid-1961 when Israeli policy in relation to other African countries made it expedient to join in the UN condemnation of apartheid. In the ensuing years relations cooled considerably. But with the 1967 war all was forgotten and relationships became closer and more cordial than ever before. The South African government permitted volunteers to go to Israel to work in civilian and paramilitary capacities, and more than \$28 million raised by Zionist organizations was released for transmission to Israel.

The South African Foundation, a propaganda organization representing big business interests, took steps to re-establish its Israeli-South Africa Committee as an instrument for seeking closer economic and political ties between the two countries. The Committee, among other things, arranged a meeting between South African Defense Minister P. W. Botha and Shimon Peres, currently a minister in the Meir government, for the purpose of discussing military affairs. In September 1967 General Mordecai Hod, commander of the Israeli Air Force, addressed a selected group of officers at the Air Force College in South Africa. And in December of that year a group of Israeli officials, businessmen and aviation experts made a tour of South Africa.

In May 1969 David Ben-Gurion and Brigadier General Chaim Herzog visited South Africa to launch a United Israel Appeal Campaign. And within Israel an Israel-South Africa League was formed to press for closer ties with South Africa. Its base is chiefly among the Right-wing elements.

In the economic sphere, Israeli exports to South Africa have risen rapidly, from \$1.4 million in 1961 to \$4 million in 1967 and \$15 million in 1970. South African capitalists were prominent in the "millionaires' conference" held in Israel since 1967 to seek foreign investment. Recently the mining tycoon Henry Oppenheimer paid a visit to Israel. In this connection it should be noted that the diamond-cutting industry, supplied mainly by the South African firm of de Beers, is an important factor in the Israeli economy and a prime earner of foreign currency. In 1968, diamonds made up 34.4 per cent of the value of Israeli exports.

The roots of Israeli-South African relationships go deeper, however,

than immediate economic, political or military interests. They lie in the racist, reactionary character which these two states have in common today. It is not accidental that Prime Minister Jan Christian Smuts was a lifelong supporter of Zionism and a close personal friend of Dr. Chaim Weizman, or that others after him have likewise been strongly pro-Zionist. The attraction which Israel holds for the racist rulers of South Africa is based on their feeling that Zionism has much in common with apartheid.

Thus, former Prime Minister Henry F. Vorwoerd stated that the Jews "took Israel from the Arabs after the Arabs lived there for a thousand years. In that I agree with them. Israel, like South Africa, is an apartheid state." (*Rand Daily Mail*, November 21, 1961.) South African government spokesmen have repeatedly hailed Israel as constituting, together with the Republic of South Africa, the only barrier to the taking over of Africa by "world communism."

On their side the Zionist rulers of Israel are also cognizant of such a community of interests. Today U.S. imperialism, basing itself on countries like South Africa, Rhodesia and the Portuguese colonies, seek to draw certain other African countries which are under neo-colonialist domination more closely into their orbit and so to establish a base for counter-revolution throughout Africa. Toward this end it attempts to promote "dialogue" between such countries and South Africa, as well as "dialogue" between Black Americans and South Africa.

It is precisely in these countries—Lesotho, Swaziland, Botswana and Malawi—in which South African influence is strong, that Israel has stepped up its development programs. Early in 1971 an Israeli mission visited Zaire, Gabon, Ivory Coast, Ghana and Kenya, all of whose governments (with the possible exception of Kenya) are gravitating toward South Africa. Thus do the Israeli Zionist leaders contribute, together with South Africa, in building a base for U.S. imperialism in Africa.

Brian Bunting, a leader in the South African freedom struggles, appropriately summarizes the situation in these words:

The Israeli-South African alliance is an alliance of the most reactionary forces in the Afro-Asian world, backed by the forces of imperialism, and designed to hold back the tide of progress, preserve the stronghold of profit and privilege and perpetuate the exploitation of the oppressed masses in the interests of the tiny handful of racists and monopolists who are holding the world to ransom today. *Israel and South Africa are today the two main bastions of imperialism and reaction in the Afro-Asian world. The*

*smashing of the alliance between them must be one of the foremost priorities of progressive mankind today.* ("The Israeli-South Africa Axis—A Threat to Africa," *Sechaba*, April 1970.)

### *Zionists in South Africa*

A particularly shameful aspect of this unsavory picture is the role played by the Zionist-dominated Jewish organizations in South Africa.\* The Jewish community in that country, numbering 120,000, is one of the largest and wealthiest in the world. Overwhelmingly Zionist in its leanings, its financial contributions in Israel are second in size only to those from the United States. To be sure, not all South African Jews are Zionists. Many have been prominent in the liberation struggles and have suffered persecution for their activities as Communists or members of the African National Congress. But these are decidedly in the minority.

The dominant Nationalist Party, strongly pro-Hitler and anti-Semitic during World War II, drastically changed its attitude toward the Jewish community in the immediately ensuing years. This was motivated partly by the search for white solidarity in maintaining apartheid, partly by a fear of withdrawal of Jewish capital, and partly by sympathy with Zionist policies in Palestine. Accordingly, the government waived restrictions on the export of goods and currency in the case of Zionist contributions to Israel, making them an exception to a usually very strictly enforced law. In return it exacted one vital concession: support of apartheid.

In the face of the unspeakable oppression inflicted on Black Africans and the scarcely less brutal oppression of Coloreds and Indians, the Jewish Board of Deputies and other spokesmen of the Jewish community have maintained total silence. Not even the horrible massacre at Sharpeville in 1960 evoked so much as one word of protest. The official position of the Board of Deputies in such matters was stated to be one of "non-intervention." Dan Jacobson, a prominent South African Jewish writer, defended this position, saying that other religions condemn apartheid because they have Black adherents, but there are no Black Jews. Hence the Jewish community "raises its voice when its own immediate interests are threatened . . . and for the rest keeps mum." (Dan Jacobson and Ronald Segal, "Apartheid and South African Jewry: An Exchange," *Commentary*, November 1957.)

\* For a detailed and well-documented account, see Richard P. Stevens, "Zionism, South Africa and Apartheid: The Paradoxical Triangle," *The Arab World*, February 1970. The author is Professor of Political Science at Lincoln University in Pennsylvania.

But it has been more than a matter of "keeping mum," which is bad enough in itself. Not only was Malan honored by Israel; when Verwoerd became prime minister in 1958 a delegation from the Board of Deputies conveyed formal congratulations. Later, at the time of Verwoerd's death, the Chief Rabbi said of him that "a moral conscience underlay his policies: he was the first man to give apartheid a moral ground." (*Rand Daily Mail*, September 21, 1966.) In short, the official spokesmen for the Jewish community have become outright apologists for apartheid.

In this shameful stand they have been upheld by their colleagues abroad. World Zionist organizations, and particularly those associated with the Jewish advisory body to the UN, have carefully refrained from comment on the question of apartheid and from any criticism of the South African Jewish organizations for their support to it. Typical of the justification offered for this is the following statement by Rabbi Morris Pearlzweig, speaking for the World Jewish Congress:

The non-government Jewish organizations refrain from responding on the problems of South Africa because they do not want to make the situation of South African Jewry difficult . . . and they know that this policy is very much appreciated by the Jewish community there. Moreover, the constitution of the World Jewish Congress does not permit any involvement in Jewish affairs of Jewish communities that have the freedom of self-expression, unless by explicit demand or permission of the Jewish community concerned. (Quoted by Baruch Shepi in "Israel, Zionism and South Africa," *Zo Haderekh*, May 19, 1971.)

Interestingly, no such delicate scruples are shown in the case of the Soviet Jews.

### A CORRECTION

A letter from A. Lerumo, author of *Fifty Fighting Years*, reviewed in our September issue, states:

"Thank you and William J. Pomeroy for such a fair and generous review of my book *Fifty Fighting Years* on the South African Communist Party. Just a footnote, however. The review reads (merely a slip, probably—or a misprint?): 'It is an official account . . . of the birth and development of the CPSA.' Not so. In the Foreword it is 'emphasized' that 'this is in no sense an official chronicle.' Care was taken to consult wherever possible; but the responsibility for assessments and the selection or omission of details is not the Party's but the writer's."

We regret the error and are pleased to correct it.—*Editor*.

# The Profit Cycle\*

## Marx's Law

The law of the declining tendency of the rate of profit is a crucial element in Marx's economic theory. This law follows from the analysis of the source of profit—surplus value derived from direct exploitation of labor. The *amount* of profit depends on the number of workers employed and the degree of exploitation of each worker.

But the *rate* of profit on invested capital is something else again. If the only capital needed were that used to pay wages, the rate of return would be fabulous. Thus, let us consider a rate of surplus value of 200 per cent, approximating current American conditions. And suppose the capital used to pay wages is turned over three times a year, then the rate of profit would be 600 per cent.

Actually, much more capital is needed to buy materials, and especially to set up plant and equipment, than to pay wages. This part of the capital does not yield a profit in itself. Profits are reaped in the production of materials but they went to the capitalists who controlled that production. Similarly, the profits made in the production of machinery were taken by the capitalist who controlled that production and included in the price paid by one capitalist, who, let us say, owns a shoe factory. Marx called the capital that does not yield the shoe capitalist any profits *constant capital*. He called the capital used to pay wages *variable capital*, because that is the part which yields a profit, and hence increases. And he called the ratio of constant capital to variable capital the *organic composition of capital*. It is easy to see that the higher the organic composition of capital, the lower the rate of profit—all things being equal.

Suppose a capitalist installs \$40 of machinery and uses \$10 to hire workers, who add \$20 of value including \$10 to repay their wages and \$10 of surplus value. The rate of surplus value, as calculated by Marx, is 100 per cent in this instance, since the amount of surplus value is equal to the wages. The total capital is \$50: \$40 worth of machinery plus \$10 of money used to pay wages. The rate of profit is 20 per cent: \$10 on \$50.

Now suppose the capitalist substitutes superior machinery that costs \$90. He continues to use \$10 to hire workers, who now add \$25 of

\* The following is a chapter from a forthcoming book entitled *The Unstable Economy*, to be issued in November by International Publishers.

value. Now there is \$15 of surplus value and a 150 per cent rate of surplus value. But total value is increased to \$100, so the rate of profit is 15 per cent. The workers are more exploited than ever but the capitalist complains of a profit squeeze!

And there is no way to avoid this by sticking to old methods and old types of equipment. The economic history of capitalism knows endless examples of firms that fell by the wayside because they feared the expense of modernization.

But the very process of technical progress makes it inevitable that each worker handle more and more machines, more and more raw materials. In many modern process industries, vast factories with costly complexes of machinery, equipment and instruments, are operated by a mere handful of workers. It is not uncommon in new modern factories for the fixed capital per worker to reach several hundred thousand dollars.

The capitalists themselves will never recognize this whole line of analysis; they stoutly deny that only the capital used to pay wages really yields a profit. To them it seems that profit derives from all of their capital equally. Despite this conviction, they feel the effects of the declining tendency of the rate of profit, and they engage in strenuous efforts to counteract it.

Marx lists a series of "counteracting causes":

Intensifying the exploitation of labor by increasing the working day and other means.

Cutting wages.

Cheapening the prices of raw materials and machinery used in production.

Creation of a surplus population of workers, employed in labor-intensive, high-profit rate luxury industries.

Superprofits from foreign trade.

Raising of capital by sale of stock to outside investors, paid relatively small dividends, so that the rate of profit realized by the controlling capitalists is increased.

Additional "counteracting causes" are applicable today, including raising monopoly prices, shifting the tax burden from capital to labor, increasing superprofits from foreign investments and military orders.

In the long run, however, these methods end up by further accelerating the substitution of machinery for labor, further increasing the organic composition of capital, and bringing to the fore the primary tendency of the falling rate of profit.

## Cyclical Role

This law plays a major part in the evolution of the capitalist cycle.

During each cycle, the rush to accumulate capital leads to a rather rapid rise in the organic composition of capital.

During the boom phase of the cycle, additional factors besides the changing organic composition of capital tend to restrict the rate of profit. This is the stage where unemployment is at a low point. Workers are able to win substantial wage increases. With job competition less acute, they may be able to work less intensely. Soaring interest rates reduce the share of surplus value left the industrial capitalist, cutting his rate of profit. And the "counteracting" causes to rising organic composition of capital are largely inoperative at this stage.

Sooner or later, these influences invariably outpace or even stop any further increase in the rate of surplus value, and lead to a fall in the rate of profit on the total capital. At some point it is no longer profitable to expand production, no longer possible to sell everything produced at a rate of profit considered satisfactory by the capitalist.

This contradiction develops side by side with the contradiction analyzed in Chapter II centering around the relative inadequacy of mass consuming power, and around financial contradictions that we will examine later. In the long run, they all combine to precipitate a crisis. Marx writes: Together with the fall of the rate of profit grows the mass of capitals, and hand in hand with it goes a depreciation of the existing capitals, which checks this fall and gives an accelerating push to the accumulation of capital value.

Listing this along with other contradictions, he concludes: "These different influences may at one time operate predominantly side by side in space, and at another succeed each other in time. From time to time the conflict of antagonistic agencies finds vent in crises. . . ." (*Capital*, New York, 1967, Vol. III, p. 249.)

American experience confirms that fluctuations in the rate of profit play an important switching role in the cyclical process. Corporation profits were established as a "leading indicator" in the elaborate statistical analysis of business cycles carried out by the National Bureau of Economic Research during the 1950s. Geoffrey Moore writes:

Some six to twelve months before these peaks in business activity or in aggregate profits, the number of companies with rising profits begin to dwindle . . . the turns in the diffusion of profits have usually preceded the turns in other diffusion indexes, and have been closely associated with those in new orders for investment goods. Diffusion of profits, therefore, is a most significant "leading indicator." (Geoffrey H. Moore, Ed., *Business Cycle Indicators*, Princeton, 1961, Vol. I, p. xxvi.)

This may be expressed in somewhat simpler language. At a certain point in the cyclical boom period, profits of many corporations begin to decline. These corporations, at least, stop ordering or reduce their orders for new plant and equipment. This, in turn, contributes vitally to a general downturn in business activity. Thus, the downturn in profits of a number of corporations, even if the total of profits for all corporations continues to hold up, is the danger signal for a threatening crisis.

In Moore's analysis, the absolute total of profits for all corporations would continue to increase—but obviously more slowly than formerly—after the "diffusion index" shows the profits of many individual corporations beginning to decline. Moore did not consider the rate of profit on invested capital, but it is obvious that in a period when many corporations are still rapidly expanding, the total sum of interest capital is still rising. At some point, therefore, in the late stages of a boom, the rate of profit would turn downwards for all corporations taken together, even before the total sum of profits begins to decline.

Moore's conclusions were based mainly on conditions before and during World War II. But by carrying the analysis forward to the present time, it becomes clear that typically it is not only the rate of profit but also the total amount of corporation profits that changes direction before the the major turns in business activity as a whole.

This is shown in the following table:

*Troughs and Peaks in Business Activity and Corporation Profits, 1921-1969 (by quarters)*

Trough of Profits (quarter & year)	Trough of Activity (quarter & year)	Lead of Profits (No. of Quarters)	Peak of Profits (quarter & year)	Peak of Activity (quarter & year)	Lead of Profits (No. of Quarters)
II/21	III/21	1	II/23	II/23	0
III/24	III/24	0	III/26	IV/26	1
IV/27	IV/27	0	III/29	III/29	0
III/32	I/33	2	IV/36	II/37	2
II/38	II/38	0	I/44	I/45	4
II/45	II/45	0	II/48	IV/48	2
II/49	IV/49	2	IV/50	III/53	11
IV/53	III/54	3	IV/55	III/57	7
I/58	II/58	1	II/59	II/60	4
I/61	I/61	0	I/69	III/69	2

Sources:

Peaks and troughs of activity from U.S. Department of Commerce, *Business Cycle Developments*, July 1965 and June 1970.

Peaks and troughs of profits from Geoffrey Moore, Ed., *Business Cycle*



*Indicators*, Vol. II, Table 9.1, p. 106; U.S. Department of Commerce, *Business Statistics*, 1969 Biennial Edition; and *Survey of Current Business*, June 1970.

In the period through the end of World War II, the turn in profits led the turn in total activity about half the time and coincided with it the rest of the time. Since World War II, the turn in profits led the turn in total activity eight out of nine times and at every peak. There were exceptionally long leads of profit over general activity at two of the post-war peaks. The first of these was due to the special conditions of the Korean War. The second, from the fourth quarter of 1955 to the third quarter of 1957, was due to the artificial prolongation of the boom as a result of the steel strike, and the closing of the Suez Canal in 1956.

### *The Latest Cycle*

Actually, conditions in the latest boom, caused by the Vietnam War, were not too different from those of the Korean War boom. While the peak in total corporation profits was reached in the third quarter of 1969, it was only by a small margin over profit totals reached in 1966. Owing to the rapid expansion of capital during this period, it is certain that the peak in the rate of profits was reached in 1966 or even in 1965.

An economic crisis is a time of rapid reduction of profits. But Marx saw that its *function* was to restore the rate of profit. The paradoxical result comes about by destroying part of the capital, enough so that even a reduced total profit represents a higher rate on the smaller capital values. How this loss of capital is distributed, writes Marx, as determined by a bitter competitive struggle among the capitalists. Some of the capital is destroyed simply by closing down entire factories. Another part is destroyed through nonreplacement of depreciated equipment. Finally, there is a radical reduction in the market values of inventories of materials.

In the crisis of 1970, the process of destruction of capital values was widespread. Headlines and newspaper accounts tell the story:

### MORE METALWORKING FIRMS GO UNDER HAMMER IN '70

The auctioneer's gavel is being heard with increasing frequency in the land these days . . . at a rate up to 25 per cent more than last year.

The reasons vary . . . liquidations of metalworking shops and plants that succumb to the rugged economic climate . . . lack of funds . . . inability to collect receivables. . . (*Metalworking News*, June 29, 1970.)

### VACATED PLANTS SYMBOLIZE AEROSPACE DECLINE

The aerospace industry here is shrinking physically, in order to bring bloated capacity more realistically in line with dwindling demand.

While layoffs have been news for well over a year, an equally dramatic development is the actual abandonment or termination of a number of plant facilities. (*Metalworking News*, June 20, 1970.)

Vigorous attempts are made to cut working capital used along with fixed capital:

SHARPENING THE AXE: Firms Step Up Efforts to Reduce Expenses, Revive Lagging Profits . . .

The economy moves range from minor efforts like handwritten executive memos to such major steps as closing down inefficient factories. The intensity of the drive reflects concern over profits. Some companies report that belt-tightening has already enabled them to improve profits. (*Wall Street Journal*, July 20, 1970.)

Rising bankruptcies and sharp declines in stock and bond prices wipe out billions in capital values as well as destroying physical capital.

The bankruptcy of the \$7-billion Penn Central Railroad was preceded by an accelerated deterioration of equipment, tracks and other facilities that has led to costly wrecks as well as many other disastrous results.

The bankruptcy, forced radical retrenchment, and forced merger of scores of brokerage and investment houses, led to the vacating of considerable office space and facilities as well as to the firing of thousands of employees.

Under the inflationary conditions of the Vietnam War, the sensitive price of industrial raw materials continued to rise for a time even after general economic activity turned downwards. But the Labor Department index of industrial materials prices finally peaked out at 120 in February 1970, and by October was below 110.

The cutting of wages reduces the amount of variable capital and, even more important, helps to restore the rate of profit by raising the rate of surplus value. Direct wage-cutting is relatively rare in modern conditions of swift price inflation, but the same effect is obtained by simply holding nominal wage rates steady.

In 1970 the average hourly wage for 662,000 Southeastern textile workers was only \$2.34. Writes the *Wall Street Journal*: "It isn't easy to attract competent career workers to textile jobs because the pay is

low. . . . This summer the appeal of textile mill jobs diminished even further. For the first time in nine years the industry failed to grant what had become a traditional yearly raise." (July 29, 1970.)

Note that the previous freezing of pay was in the crisis year 1961. However, the rate of increase in consumer prices was several times faster in 1970, so the cut in real wages was sharper.

The textile workers are mainly unorganized and do not have union recognition. But even some groups of organized workers are persuaded to forgo wage increases, or even to accept wage cuts, on company threats to close down plants if they refuse.

Always a prominent part of crisis cost-cutting is the mass layoff of production workers, combined with the speeding up of the rest. In 1969-70 this was especially significant in the munitions industries, where cost-plus arrangements had permitted a profitable buildup of employment without regard to ordinary considerations of efficiency. Thousands of workers had been "hoarded" to be available for expected still larger contracts in the future—contracts that in most cases never materialized.

In addition to the firing of production workers, the 1969-70 crisis saw the laying-off to an unusual degree of salaried employees and executives, and the cutting of expense accounts, advertising budgets etc.

During the long boom of the 1960s, the buildup of a parasitic corporate bureaucracy had surpassed the previous peak of the 1920s. This bureaucracy, especially the top executives, took over an increasing proportion of the total surplus value in the form of salaries, bonuses, pension schemes, stock options, open-end expense accounts, patronage to allied advertisers, lawyers, bankers, suppliers.

This has become an increasingly important share of the total surplus value—an addition to the traditional forms of the profits of enterprise (dividends and undistributed profits), interest, and rent. Under crisis conditions, however, the competition for a share of the profits between the top corporate bureaucracy and the large stockholders—to the extent that they do not overlap—becomes acute.

The bureaucracy is forced to give up part of its share in order to restore ultimately the rate of profit for the stockholders. This process was intensified in 1970, owing to the liquidity crisis of many corporations. It became necessary in such cases to radically reduce the payoffs to the top corporate brass and to slash clerical and research staffs in order to survive.

Both sides of this process were referred to by Federal Reserve Board Chairman Arthur F. Burns in discussing the 1970 crisis. He attributed the declining trend in the rate of profit during the years

1966-70 to the rise of interest costs "to astonishing levels," to the lack of serious effort "to bring operating costs under control . . . labor-hoarding . . . on a large scale, huge wage increases . . . granted with little resistance, and rash business investments." He referred to "the toll in economic efficiency taken by these loose managerial practices."

Burns rejoiced, however, that the slump was

now forcing business firms to mend their ways. . . . Business attitudes toward cost controls have of late changed dramatically. A cost-cutting process that is more widespread and more intense than at any time in the postwar period is now under way in the business world. Advertising expenditures are being curtailed, unprofitable lines of production critically reappraised. Layers of superfluous executive and supervisory personnel that were built up over a long period of lax managerial practices are being eliminated. . . . Indeed, employment of so-called nonproduction workers in manufacturing has shown a decline since March that is unparalleled in the postwar period. (Speech at Los Angeles, December 7, 1970, mimeographed.)

One aspect of this is especially relevant to the class struggle in the present period. From Burns' words it is clear that while the rate of profit accruing to stockholders' capital was declining for several years, there may well have been a continuing rise in the full rate of profit, expressed as the percentage of total surplus value to total capital. But more and more of the surplus value was going to bankers and bondholders, or was siphoned off by the corporate insiders and the bureaucracy, advertising firms, and other parasitic layers.

The depressing effect on economic activity of a decline in return to stockholders may be decisive, even if the real rate of profit—distributed among all groups of exploiters and parasites—continues to rise; even if the rate of exploitation of labor continues to increase.

Deliberately confusing the issue, however, the government sets up productivity and labor-cost indexes combining the productive workers with the executives, officials and bureaucratic layers. The very expansion of the share of surplus value going to these groups is used to claim a decline in labor productivity and an increase in labor costs per unit, and to justify a demand for the speeding up of work and cutting of real wages of the productive workers.

Indeed, Burns, in the very same speech, does just that. He refers to a decline in productivity growth to 2 per cent in 1967 and its termination from mid-1968 to early 1967—just after pointing out the causes of this seeming decline, not in the productivity of the workers, but in the swelling of the bureaucratic and parasitic superstructure. He then expresses pleasure at the recovery of the rate of productivity gain to 5

per cent following the curtailment of that superstructure as a result of the economic slump. Of course, this one factor would not bring about so much of a rise in productivity so quickly but it would contribute significantly.

This question is of quite practical importance. The government and the big corporations try to limit wage increases in relation to such synthetic "productivity indexes" and "labor cost indexes," which lump together workers and their wages with capitalists, the functionaries, and part of the surplus value they extract from the workers. Obviously, those workers who wish to uphold their class interests cannot accept statistics rigged against them in this way.

#### *Profits vs. Living Standards*

The role of profits in the business cycle and the determination of big business to restore the rate of profit in a cycle are expressed with brutal frankness in Gilbert Burck's lead article, "The Hard Road Back to Profitability," in the August 1970 *Fortune*:

During the past few years business hasn't been earning enough profit to do justice either to itself or to the public interest. This year corporate profits after taxes will be down about 12 per cent. . . .

Profits are the driving force in the complex interplay of capital supply, interest rates, liquidity, employment, and securities prices. When profits are ample, expanding . . . both long- and short-term capital tends to be plentiful. . . . Anticipating still better business, corporations enlarge their operations and hire more people. . . . But when earnings begin to decline and their quality begins to deteriorate, this whole elegant process reverses itself. It is such a reversal, exacerbated by the government's anti-inflation policies that bedevils business today.

How fast the economy recovers depends on how fast profits recover. . . . Once business has achieved something approaching normal profitability, however, it will still find its legitimate drive for profits hobbled.

Burck claims that owing to inflation profits are "overstated and overtaxed." He also claims ordinary profits will be insufficient, because "the demand for capital . . . will be staggering—in addition to the normal demand, which in itself will be 'enormous'; and "industry is under sudden compulsion to put in antipollution facilities whose cost will probably run into dozens of billions."

Where is the money to come from?

In part, says Burck, by cutting taxes on corporations through more depreciation allowances, and, even more hopefully, by substituting a value added tax for the corporation tax—that is, in effect, substituting

a vast federal sales tax for the corporation income tax. But no matter how—so long as it is at the expense of the working people: "Any way you look at it, the country's enormous capital needs will have to be raised at the relative expense of consumption. . . . If business is going to raise all the money it needs to serve public interest adequately, it has got to be more profitable—and profit minded—than ever."

This reveals with unusual bluntness the correctness of the charge leveled by the Communists in earlier crises—that big business was trying to climb out of the crisis on the backs of the working class. And whenever the workers refuse to take this lying down—and usually they do refuse—the result is a sharpening of class struggle.

One may agree with Burck that the "normal, healthy" way to restore the profits and prosperity of the capitalist class is at the expense of the working class and the working people generally. But this way is most unhealthy for its victims, the vast majority. They strive to find ways of relieving their own crisis miseries, of improving their own conditions. Such ways can be found. Inevitably, if they are to have any lasting success, they must contradict the capitalist drive for profits, they must prevent the capitalist drive for profits, they must prevent the capitalist way out of the crisis.

It is true that any solution that decisively benefits the workers will be "unhealthy" for the capitalists, will deepen the general crisis of the system, will not restore "profitability," as Burck demands, and will give rise to even more intractable problems within the capitalist framework.

That will demonstrate, on a new level, the bankruptcy of capitalism and the need to replace it with socialism. But so, for that matter, does the very fact of crises prove this—with all the suffering they entail.

Back in the organizing days of the thirties, the steel union was built with the highly-valued help of 60 full-time Communist organizers and thousands of rank-and-file Communists on the job. What the union needs now is an end to leadership by stooges for the boss, an end to class partnership with the companies. The crucial need is for more anti-monopoly, anti-imperialist, anti-capitalist workers in leadership—more Communists. (Gus Hall, *Steel and Metal Workers: It Takes a Fight to Win!*, New Outlook Publishers, New York, 1972.)

# IDEAS IN OUR TIME

HERBERT APTHEKER

## Indochina: Nemesis of U.S. Imperialism

About twenty-seven years ago I looked upon concentration camps whose ovens were still warm and whose halls and torture chambers still stank; a few years later I visited Ravensbruck concentration camp in what is today the German Democratic Republic and there saw the "surgical" rooms where Nazi fiends performed "operations" on Polish and Russian women and where only children and women were incarcerated and—thousands of them—slaughtered. A year ago I visited the tens of thousands of survivors from the slaughter brought upon the Bengali people by Pakistan's chief—and the friend of Mao and Nixon. Words cannot describe such things—or, at least not the words at the command of anyone else than a Dante or a Dickens or a Gorki. But one must try to communicate and that means using words and doing the best one can.

It is with such a feeling that one approaches—yet again—the crucifixion of the peoples of Indochina by the ruling class of the United States and its servants for the past generation. When this writer visited the Democratic Republic of Vietnam in 1965-66—accompanied by the then very young Tom Hayden and the quite young Staughton Lynd—and reported that he had been witness to deliberate bombings by the U.S. Air Force and that he had seen the wounded and walked amid the rubble of schools and hospitals and published photographs thereof in *Mission to Hanoi* (International Publishers, New York, 1966), relatively few were reached and, besides, it was a Communist reporting. Now, after hundreds of additional bombing missions, when reporters from Sweden and Finland and the *New York Times*, and a former Attorney-General of the United States, report the same facts, there is hardly the appearance of serious denial from the mass murderers in Washington. Why deny mere slaughter? The *Pentagon Papers*, in their various editions, prove that while various Administrations were denying U.S. complicity in the killing of their own creature—Prime Minister Diem—they had in fact inspired the coup, financed it, groomed the successors and Ambassador Henry Cabot Lodge did everything but pull the trigger. But

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what is killing one's own puppet compared with herbicide for a whole nation, seeding rain to produce floods, using toxic gases and specially contrived anti-personnel bombs, each with ten thousand piercing needles, upon whole cities?\*

In "Operation Phoenix"—a subcommittee report of the U.S. House of Representatives tells us early in October, 1972—"according to official figures 20,587 suspected Vietcong agents were killed from 1968 through May 1971" as a result of a campaign of assassination supervised and financed by the CIA. What does this mean? One of the operators—a reluctant witness—explains that it meant "civilians being thrown from helicopters by U.S. soldiers to scare other suspects into admitting they were members of the Vietcong forces"; it meant that "Americans slowly starved a woman to death and that some suspects had had rods tapped into their ears until their brains were penetrated." (*New York Times*, October 4, 1972.)

That terror campaign is at any rate selective; but what shall one say of a government which has rained upon Indochina from February 1965 through August 1972 over seven and a half million tons of high explosives—or three and a half times more than was employed in all theaters of World War II by all the Allies (a little over two million tons)? In 1971, when Nixon's "Vietnamization" was announced, the U.S. armed forces showered upon Indochina over 750,000 tons of explosives; and in 1972 during the first nine months of Nixon's "withdrawal" from Indochina those armed forces flung over 800,000 tons upon that corner of the world.

When one is treating of mass murderers in the service of colonialism, racism and imperialism he is, of course, simultaneously dealing with deliberate liars, like Goebbels and Streicher. Everything has been a lie; the Geneva Agreements have been falsified a thousand times, Vietnam has been made into two nations, non-existent dominoes have been protected, naval assaults by the North Vietnamese have been concocted, secret wars have been carried on, atrocities have been covered up, systematic and wholesale corruption on all levels has been falsely denied, and official participation in dope shipments has been exposed, after prolonged efforts at suppression

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\*There are three different editions of the *Papers*, one totalling four volumes, another twelve and still another being the *New York Times* single stout volume. None reprints the full *Papers*, and the latter themselves are partial records of the whole monstrous enterprise. The best examination of the various editions is by Jonathan Mirsky in *The Saturday Review*, January 1, 1972. Good on the 12-volume "official" version is the review by Gaddis Smith in the *New York Times* book section, November 28, 1971.

and numberless denials.\* And everything is surrounded by the most sickening campaign of demagoguery and piety and sloganeering in the history of governmental duplicity.

Professor Gaddis Smith of Yale has been among the teachers and intellectuals who, especially in the past five years, have "had enough" and have been providing significant factual information. This is an extremely important service; characteristically, however, analysis from such quarters tends to be superficial. Thus, Professor Smith, taking off from one edition of the *Pentagon Papers*, denounces the cesspool there partially exposed. But here is his concluding sentence:

There are no villains for historians to identify or politicians to crucify, for here is an entire generation of foreign policy leaders—the self-styled best that American society could produce—sharing the madness. (*New York Times*, November 28, 1971).

It was not "madness"; it was imperialist *policy*. And the villains are identifiable. Why not? Do we not know who controlled the government of the United States from 1946 to today? Do we not know who their most eminent advisers and defenders were? Can we not call the roll from Truman to Acheson to Rusk to Eisenhower to Nixon? Can we not recall the Hook-Schlesinger-Rostow gang? And behind it all, as rationalization, was there not the naked anti-Communism of Joe McCarthy and Richard Nixon and the high-faluting anti-Communism of the "cultural-freedom" phalanx with their renegade water-boys from Joseph Clark to John Gates?

Most recently, of course, the last facade covering the rot has been falling away. Thus, the latest antics of the unspeakable "President" Thieu *vis-a-vis* so-called "democracy" in his so-called government have made it impossible even for Agnew to speak of defending "democracy." And late in September, 1972, D. Gareth Porter of the Project on International Relations of East Asia, conducted by Cornell University, issued a 20,000-word study exposing the "myth" (his word) of the "massacre" of many thousands (the figures vary from about 500,000 to about 700,000) of people, especially Roman Catholics, by the Communists in the North in the 1950's. It was this

\*On the "secret" war in Laos, the pioneering reporting by John Pittman, from the scene, in the *Daily World*, is to be especially noted. Very recently exposure has taken book form: Fred Branfman, *Voices from the Plain of Jars* (Harper-Colophon, New York, 1972). For the "dope" scandal, see A. McCoy, *The Politics of Heroin in Southeast Asia* (Harper & Row, New York, 1972). The effort to suppress that book is told by the author in *New York Review of Books*, September 21, 1972.

concoction that the late Cardinal Spellman used a dozen times and that presidents of the United States piously reiterated endlessly. Indeed, at one of his rare press conferences (this one in April 1972) Nixon said that "by conservative estimates" half a million people were "murdered or otherwise exterminated by the North Vietnamese," and in a July 1972 press conference he repeated the figure of half a million. Mr. Porter adds that the estimate of 50,000 killed that appeared in the work of the late Bernard Fall is false—let alone the figures that run to ten times that one. Of the Fall data, Porter says they have "taken on an authoritative aura which was wholly unwarranted." Porter, whose command of Vietnamese is fluent and whose study of the data, from *all* sides, was intensive, concludes that there never was a massacre of Roman Catholics at all, that figures of 50,000 (not to speak of 500,000) are without any foundation in fact and that possibly in the several years of the uprooting of colonial, feudalistic and capitalist forms of agriculture in the North "no more than 2,500 landlords were sentenced to death."\*

Nixon has fallen back on the "massacre" reports in his 1972 press conference because that inveterate prevaricator could no longer talk about Thieu's "democracy" and the Chinese "threat." Now even the fig-leaf of the "slaughter of the Catholics" has been stripped from him and he stands quite naked in all his ugliness.

Professor Henry Steele Commager—one of the few outstanding U.S. academicians who stood firm throughout the McCarthy period—has published another among his many splendid essays; he calls this "The Defeat of America." (*New York Review of Books*, October 5, 1972.) Mr. Commager will be happy to know that it does not say all that I think needs saying and that I have significant differences of analysis with him for he is a magnificent Jeffersonian and I am a Communist. But in opposing incipient military-fascism in the United States—which in its racism, sadism and anti-humanism has touched nadir in Indochina—again as often in the past, Jeffersonians and democrats and humanists stand united with Marxists and Communists.

Professor Commager closes his impassioned essay in this way:

We honor now those Southerners who stood by the Union when it was attacked by the Confederacy just as we honor those Germans who rejected Hitler and his monstrous wars and were martyrs to the cause of freedom and humanity. Why do we find

\*There is a good summary of the Porter report (concerning which the general press has been notably silent) in *The Christian Century*, October 4, 1972.

it so hard to accept this elementary lesson of history, that some wars are so deeply immoral that they must be lost, that the war in Vietnam is one of these wars, and that those who resist it are the truest patriots?

We would add to this courageous observation one point. Seven years ago the Prime Minister of the Democratic Republic of Vietnam said to me that his government, and he was sure the comrades in the South, were not at war with the United States. The armed forces of the U.S. government were making war upon the peoples of Indochina, but the peoples of Indochina had no wish to bomb Los Angeles or Detroit, much less to bring any harm at all to the people of the United States as a whole. What was required, he said—and all that was required—was a decision on the part of the U.S. government to stop making war upon the peoples of Indochina.

This is the point; it is not a question of the defeat in war of the United States. It is a question of the United States ceasing a merciless bombardment of a people ten thousand miles from its borders. It is not that President Nixon—or any other president—does not want to be the first president of a U.S. government which “lost” a war. No victor is to meet a crushed American commander on some battle-weary ship or in Washington and accept surrender. Washington—those who rule in that city—must come to the decision that they cannot beat the peoples of Indochina into submission; they must understand that the history of the Indochinese peoples for several thousand years is the struggle for unity and independence and that nothing will ever force those peoples to yield on this because this is everything; this is what they are. Their independence and their unity is their life; they *cannot* yield this.

This is not a war which the U.S. must lose; this is a war which the United States must stop waging. Nothing will ever break the resistance of the Indochinese people; *their very existence is their resistance*. It is the people of the United States who must understand, who must be informed, who must be further organized, who must force the government of the United States to stop killing the people of Indochina.

When that happens the United States of America will not have met defeat; on the contrary, when that happens the United States of America will commence her recovery from the nightmare of cold war, of McCarthyism, of Nixonism. When that happens the United States of America will begin a return towards achieving sanity.

October 4, 1972

# COMMUNICATIONS

BETTY MARTIN

## Key Issue for Women's Emancipation

The recent articles by the Cuban authors and the rejoinder by Margaret Cowl have been most stimulating. I particularly agree with Margaret Cowl when she says, “Any scientific treatment of the woman question must have a tie-up of struggle for immediate demands and the historic mission of the working class to bring about a socialist society.”

I am not so sure that the economic and social status of the housewife, with demands around this issue are key, either to the eventual emancipation of women or the furtherance of the class struggle. Not that such an analysis has no value. It certainly does. But I do not see it as the key link in the chain.

At the beginning of his preface to *Origin of the Family, Private Property and the State*, Engels states:

According to the materialist conception, the determining factor in history is, in the final instance, the production and reproduction of the immediate essentials of life. This again is of a two-fold character. On the one side, the production of the means of existence . . . on the other side, the production of human beings themselves, the propagation of the species. (International Publishers, New York, 1972.)

These are the basic requirements for the continuance of life on this planet.

The satisfaction of the second requirement has necessitated social formations which would provide for the nurture and protection of the young. How this problem has been met at any given point in history has been determined by the material conditions prevailing at the time. Engels outlines this process in his classic work on family origins.

All family forms, heretofore, have functioned as economic units within whose protection the next generation is reared. Under the tribal family of primitive, classless society, children were the responsibility of the whole clan. In general, all adults were responsible for all children. They were not the sole responsibility of two individual parents.

In the excellent introduction to the most recent edition of *Origin of the Family* (1972), Eleanor Burke Leacock, anthropologist, states: “The children in a real sense [in tribal society] belonged to the group as a whole, an orphaned child suffered a personal loss, but was never without a family” (p. 33).

Illustrating the same point Leacock relates an interesting ex-

perience of a 17-century Jesuit priest who was protesting the sexual freedom of a hunting people in Labrador. He called the chief's attention to the fact that he himself was not sure that his son was really his son. The reply was, "Thou hast no sense. You French people love only your own children, but we love all the children of our tribe."

As private property emerged and classes appeared the monogamous family became the rule. This change in family form was a long, drawn-out process with many variations. Leacock summarizes the situation this way: "The separation of the family from the clan and the institution of monogamous marriage were the social expressions of developing private property; so-called monogamy afforded the means through which property could be individually inherited." (*Ibid.*, p. 41.)

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Today we can see with glaring clarity how the nuclear family based on the existence of private property perpetuates class divisions. If a child's parents are very poor, the child is raised in conditions of poverty. If the father is an industrial tycoon, the son will inherit his father's wealth and position of power and so perpetuate class divisions.

So long as capitalism was in its earlier stages and based primarily on agriculture, the nuclear family form (father, mother and children) corresponded to the material needs of society. Husband, wife and children worked together as a viable economic and social unit on the family farm. Woman

was a major contributor to the economic productivity of the family. Life centered in the family and furnished a healthful mental and physical environment for the rearing of offspring.

However, urbanization, the increased rate of exploitation under conditions of imperialism, and solidification of class positions, changed all that.

Under conditions of moribund capitalism the stresses and strains upon members of working-class families—especially Blacks, Chicanos, Puerto Ricans—is simply enormous.

The father cannot make it any more as sole supporter of the family. Economic necessity frequently forces the mother to go to work as a second wage earner. Nevertheless, the crisis deepens. Astronomical doctor bills, taxes, run-away prices, unemployment—the problems are legion. Meanwhile, the protection and rearing of the next generation continues to rest—at least theoretically—on the millions of minuscule economic units known as the family, at a time when modern, large-scale, complex operations are the rule.

Technological development in the market place continues to advance while the family, which is supposed to be responsible for future generations, is run along horse-and-buggy lines. Housework has not been industrialized, nor can it be under capitalism. The profit motive comes into play and will not allow it as a practical alternative. An analysis of the nature of housework and the status of the housewife is of im-

portance in understanding this situation.

The question is: Why does the woman find herself programmed into the belief that her principle business in life is homemaker, that this must be her priority? The answer, of course, is children! Without children there would be no need to stay at home and keep house as a primary occupation. The problem then is: How does society provide for the next generation?

This is not easy to answer because it involves other questions pertaining to women's inferior status. For example: Does the fact that females give birth warrant special sex roles or a special division of labor? Does this biological fact necessitate that women give priority to home maintenance?

To quote Leacock once again:

In some ways it is the ultimate alienation in our society that the ability to give birth has been transformed into a liability. The reason is not simply that since women bear children they are more limited in their movements and activities . . . this was not a handicap even under the limited technology of hunting-gathering life; it certainly has no relevance today. (*Ibid.*, p. 40.)

The idea that women's primary responsibility is to the home remains embedded in popular thinking even under socialism. This is evident from comments made by Lydia Litvenko, Council of Ministers for the Russian Federation (*Soviet Life*, March 1972). She says:

In some articles we read, it is obvious that the author equates

housework with women's work . . . when, say, a new meat grinder is invented, the article is headed, "A Gift to Women." That is an outdated philosophy and should seriously be criticized in the press.

As Marxists we know that the answer to the problem of rearing future generations consists in lifting the burden from the individual family as an economic unit of society and making it the concern, once again, of the *whole* of society.\* However, there is an enormous ideological roadblock to accepting this proposition even though the need for pre-school institutions in the United States where working mothers can safely leave their children is staggering, and even though professionals are increasingly insistent that the first four years of life determine future patterns of action and attitude, and 50 per cent of a child's intellectual potential development takes place in these years. The importance of these years for wiping out racism cannot be overestimated.

Nevertheless, women's primary "place" and primary responsibility is still considered to be the home. This makes it possible for our President to veto the Comprehensive Child Development Bill on the grounds that it would encourage "communal child rearing" and weaken the family.

\*Leacock writes: "It is crucial to the organization of women for their liberation to understand that it is the monogamous family as an economic unit, at the heart of class society, that is basic to their subjugation." (*Op. cit.*, p. 44.)

I would venture to say that even among progressives many would hesitate to commit themselves to the proposition that the mother's influence need be of no more significance than that of the father.

Some would probably agree with Dr. Spock on this point rather than with Lydia Litvenko who also said in her *Soviet Life* article: "Division of responsibilities on the basis of sex should not be tolerated regardless of results." She made it clear she did not refer to hard physical labor.

\* \* \*

Since women are programmed into considering their main role to be wife and mother, their narrow lives frequently make them anything but good mothers. If they work they have little time for their children except under harassing circumstances which generate tension. If they do not work they tend to become overly child-centered in an unhealthy way. Clinics are full of such cases.

But most important of all, this acceptance by society of the female stereotype opens the way for superexploitation of women on the job. It hands the employing class a ready-made source of cheap, reserve labor power. In addition to this, it makes discriminatory wage scales possible and puts women in the lowest-paying jobs, making additional billions in profits for the ruling class.

The classic formula of Engels for the emancipation of women reads: "... the first condition for the liberation of the wife is to bring the entire female sex back

into public industry, and this in turn demands that the characteristic of the monogamous family as an economic unit be abolished." (*Op. cit.*, pp. 137-138.)

But how can she get into industry without the necessary child care facilities? Without them she can only worry about how the children are being cared for with no time or energy left to think about job issues. Or, she can simply stay at home because there is no place to leave the children. So, once again we get back to the centrality of the child care issue.

Again, in the words of Leacock, "By demanding that society assume responsibility for their children [women] are attacking the nature of the family as an economic unit of society, the basis of their oppression and a central buttress of class exploitation." (*Ibid.*, pp. 44-45.)

There are other practical reasons why child care and development are good issues for strengthening the working-class struggle:

1) Child care is a crisis issue for Black, Chicano, Puerto Rican and other minority women. There are many proofs of this. The recent Children's March for Survival in Washington, D. C. is one. Another is the fact that at a number of conferences on child-related subjects the attendance, especially by minority group parents, has astounded the conveners. In one case, 400 were expected and 1,400 came. The extra thousand were militant parents.

2) It is an issue which interests middle-class women because it frees them for more creative ac-

tivity and better job possibilities.

3. Since the issue cuts across class lines the opportunity exists for joint efforts of all races and nationalities, thereby greatly contributing toward a unity which aids immensely in the uphill struggle against racism.

4) Professional educators are deeply interested. A great deal of research is going on in early childhood education which points in the direction of a complete re-vamping of an outmoded school system. This is an historic campaign equal in scope to the establishment of a public school system in our country a century ago.

Publicly supported, universally available, quality child care is an idea whose time has come. It is historically necessary. Scientific knowledge of the importance of the early years demands it. The disintegrating family with its weakening of parental authority is in urgent need of it. Suffering working women—especially women of oppressed minorities—must

have it and are fighting for it. And finally, the failure to deal with this question gets in the way of the working-class struggle here and now. Failure to take up this cause on the part of organized labor leaves the labor movement without half its fighting strength.

A clear vision of the importance of this issue will open up new horizons for women. Humanity, and especially the working class, can no longer afford to jeopardize the future by failing to ensure that society as a whole, once again, assumes the responsibility for a healthy next generation.

Out of this should develop a new kind of parents—men and women who are capable of loving all children, and whom all children will love and respect.

Those of us who are Marxists realize that all of this in its entirety will not come to pass under our present decadent system; but the striving will pave the way for the revolutionary change which will ensure victory.

**MARGARET KOWAL**

## A Misleading Use of Terms

Publishing of the June and August articles on women's liberation, with the in-depth analysis of Margaret Cowl and Millea Kenin's valuable comment, seems to be starting inspiring polemics. What Cowl did was to search out and evaluate the "main link" in the somewhat tangled chain of ideology entitled "Toward a Science of Women's Liberation."

Actually the *link* seized on was a *connective strand* that led to a "knot of confusion," which Margaret Cowl so skillfully unravelled, thus renewing this reader's interest in basic economics.

This confusion centered around the economic relevance of family housework. The Largaia and Doumoulin challenge that the Left movement overlooks activities



taking place "behind the facade of the family" is weakened by their failure to reflect long-established principles of scientific socialism. Their description of the distorted and debasing image of sex as projected by the capitalist mass media is timely. But does this warrant introducing the "consumer society" as a new social era, with imperialism forgotten? Especially is their use of Marxist terms misleading because it occurs in a context for which they were never intended. I'll try briefly to expose this.

The cornerstone of Marx's economic doctrine is the theory of surplus value. His investigation revealed the antagonistic character of the relations between capital and labor that form the axis about which the entire economy revolves. The focus of the partner-authors, however, is not on the ever-burning class antagonisms. Blurring over this basis of the class struggle, they emphasize the domestic household as of such enormous importance in the development of class society that it could be said ("crudely") that "if the proletariat were not firmly seated on this feminine base which provides it with food, clothing, etc. . . . the number of hours of *surplus labor* would be significantly reduced." No mention of socially necessary labor! Later it is maintained that housewives "daily replace a large part of the labor power of the *whole working class*."

Eventually domestic work winds up, in their words, as a creator of *surplus value* itself. Thus is Marx's "cornerstone" abused!

What he was careful to point out is that not every product of labor is a commodity. "*If the product of an individual's labor satisfies only his own needs, or those of his family, then it is a product, a thing, but not a commodity.*" And as commodity production is not involved in the household, neither is surplus value involved there. How helpful is it for over-coming male supremacy if a militant worker reads about himself (what Largaia and Dumoulin have written) that "in his place of work, part of the surplus value that the boss extracts from him comes from his wife's labor and that he acts as a foreman in its exploitation"?

These authors deplore the fact that the individual family continues to be an "economic unit of society," persisting in calling it a root cause of women's oppression because of its historical division of labor between the sexes since patriarchy. No doubt its sexual characteristics do become dominantly entrenched in social consciousness, as they say. Yes, even when women are freed of what is mistakenly called "private reproduction of labor power," entrance into the public sphere of commodity production is usually limited to those industries performing services similar to their domestic tasks. Where else, though, can white women most easily find the Black, Puerto Rican, Chicano and other minority groups whom the feminists claim to be seeking as allies in the battle for liberation?

What Largaia and Dumoulin fail to illuminate is the vast po-

tential for class struggle opened up even in the lighter branches of industry rather than in the scattered, tiny, "private sweatshops" of the home! Industrial unions are bridging the gap between light and heavy industry. The housewife too can contribute to unionizing both men and women throughout the many service crafts, by boycotts, picketing, etc. Her neighborhood itself offers rich opportunities for organizing day care centers, broadening the peace movement, and for combating racism. Marxism as a guide to action should promote the intermediate steps needed to mobilize woman-power for helping build the indispensable anti-monopoly coalition.

As women turn to such mass activities, will they retain the specifically "feminine" consciousness that may be associated with their militancy by "sexual liberalism"

and by "housewives' economism"? Both men and women of the Left must answer this question by using their influence to prevent a diversionary anti-male crusade and to strengthen the unity of all available forces in the march toward socialism. Beyond this, however, the Cuban authors seem to become involved in another "knot of confusion." Leaping past the revolutionary overthrow of capitalism to a proletarian victory, they express undue fears, I feel, for a rebirth of reformism. This is in stark contrast with their original *lack of fears* about any contemporary revival of fascism. Non-recognition of what Gil Green's *New Radicalism* calls the threat of an "American form of military-fascist-racist rule" shrinks the resources of the mass appeal for women's liberation, to say the least!

## DAVID ENGLESTEIN

### Workers in Large and Small Firms

I am in general agreement with Comrade William Weinstone's fine article on "Lenin and the Anti-Monopoly Concept" (July 1972). Yet there is a paragraph in it which I question.

That paragraph presents a distorted role of the small capitalists in the economy of the U.S. While this is a secondary question in the context of the article, it is an important topic in itself and is

closely related to the vital question of the changing composition of the working class. Hence this communication.

The material in question is almost in its entirety a quote from another source. Here is the whole paragraph:

Moreover non-monopoly capitalism is still strong. Professor Andrew Hacker of Cornell University wrote in his introduction to a study of

the corporation setup in the U.S. by the Center for the Study of Democratic Institutions in 1964 that "... the 150 largest firms . . . produce half of the country's manufactured goods and the 500 largest own two-thirds of the production assets of the nation. But there remains a substantial segment of the economy that cannot be called corporate in any meaningful sense. The small business community stands alongside corporate America and still embraces most of the working and entrepreneurial population. Indeed the 100 largest manufacturing corporations employ less than 6 million persons of the total labor force and the 500 largest provide jobs for only about 4 million more. The preponderance of employed Americans, then, do not owe their livelihood to corporate America, and it will be some time before even a simple majority of them do." (*The Corporation Takeover*, Anchor Books, New York, 1965, p. 1.)

I contend that the paragraph is unclear, confusing and above all mistaken in its conclusions. I shall discuss primarily two related conclusions which Hacker presents. They are: 1) "The small business community stands alongside corporate America and still embraces most of the working and entrepreneurial population"; and 2) "The preponderance of employed Americans, then, do not owe their livelihood to corporate America and it will be some time before even a simple majority of them do."

Three years before this study by the Center for the Study of Democratic Institutions a business source issued a work on corporations which found: "The

7,126 U.S. corporations with 100 or more employees (2.5 percent of the nation's 268,817 manufacturing corporations) account for 90 per cent of the total manufacturing assets and 83 per cent of sales." (*12,000 Leading U.S. Corporations* by the Editors of *News Front*, as quoted by F. Lundberg, *The Rich and the Super-Rich*, Lyle Stuart, New York, 1968, p. 250.)

What is to be noted is that a huge number, to be precise, 261,691, U.S. companies with less than 100 employees accounted for 10 per cent of the total manufacturing assets of the nation. The small business community, substantial in number, was not a significant sector of the economy in this area.

I proceed then to examine Hacker's claim that "the small business community still embraces most (my emphasis, D. E.) of the working . . . population." (I omit "entrepreneurial" since there is obviously no argument about the huge number of small businesses, running into several million, as compared to the very small number of large corporations and giant conglomerates counted in the thousands.)

Hacker states that the 500 largest corporations in 1964 provided jobs for *only* (my emphasis, D. E.) 10,000,000 Americans—but 10,000,000 out of a total of how many jobs available in manufacturing? This is never given. The fact is that in 1964 the total number of jobs in manufacturing was 17,274,000. We find then that 58 per cent of all jobs in manufacturing were provided by the

leading 500 corporations.\* Even if everything beyond the top 500 were "small business"—which obviously is not so—most jobs in this category were clearly not provided by the small capitalists.

In 1969, 36,349 units in manufacturing with 100 or more employees had 15,487,000 on their payrolls. Again, a substantial number of manufacturing concerns, over 262,000 units, hired approximately 4,707,000 people. The overwhelming number of the labor force in manufacturing—a little more than three-quarters of the total—was not employed by small business.

But Hacker may well be referring to other sectors of the economy. And before we turn to those areas where it is well known that Big Business does not dominate the scene I would like to say parenthetically that, in my opinion, most corporations with 100 or more workers, tied willy-nilly to the big banks for credit and frequently dependent on the giant corporations for orders, will be with Big Business politically and economically, even though technically they may be "independent" or "non-monopoly." I would consequently argue that they are "corporate in any meaningful sense," and that they should not, by and large, be counted as potential allies of the working class in the struggle against monopoly capitalism. They should definitely not be put in the same category as the petty,

\*Unless otherwise noted, the statistics are from *Statistical Abstract of the United States, 1971* and *Economic Report of the President, 1972*.

medium, large and giant bourgeoisie—the self-employed proprietor, who hires no help, the small businesses hiring from 1 to 99 employees, the self-employed professionals and intellectuals, the foremen and managers, the small, independent farmers, and others—numbering close to 10 million—who can be won over, or at least neutralized, in the struggle for the people's coalition.

Perhaps the picture is so radically different in other sectors of the economy that it may substantiate the claim "that the small business community still embraces most of the working . . . population." Since Hacker gives no figures on this I will cite some current data briefly without going into elaborate comparative tables of statistics.

In 1969 in retail trade we find that out of a total of 1,046,000 units reporting 10,707,000 employees that 9,701 units with 100 or more employees gave jobs to a total of 3,056,000 people. This is about 30 per cent of all employees—while the bulk, 70 per cent, or 7,651,000, were employed by small business.

In wholesale trade there is a similar trend—only 23 per cent of a total of 3,920,000 employees worked in firms with 100 or more employees. This general trend is repeated in services, with 5,926,000 employed in units with less than 100 employees, and only 4,048,000 in companies with 100 or more.

Thus, in these three major categories we do find that out of a total of 24,602,000 employees, only 8,006,000 were employed by

tions, while the bulk of 16,596,000 was employed by small business—roughly a ratio of one-third to two-thirds.

Now, if we add manufacturing to retail and wholesale trade and services we get the following employment figures:

	<i>In units employing 100 or over</i>	<i>In units employing less than 100</i>
Manufacturing	15,487,000	4,707,000
Retail trade	3,056,000	7,651,000
Wholesale trade	902,000	3,010,000
Services	4,048,000	5,926,000
Total	23,493,000	21,302,000

Out of almost 45,000,000 employees, 48 per cent were employed by small business. It should be recalled that Hacker asserts not only that a preponderance of employed Americans do not owe their livelihood to corporate America but that "*it will be some time before even a simple majority do.*" (My emphasis, D.E.)

Space does not permit me to extend this investigation to include transportation and public utilities, mining, contract construction, financial, insurance, real estate and agriculture. In such a study the relative picture would shift slightly towards small business, with a little more than 50 per cent of all employees in the labor force working for corporations employing 100 or more.

But this is by no means the total picture. I have clearly established thus far that a majority of workers examined in our study—a bare majority, it is true—do not work for small business today. Even if comparative figures for 5, 10 or 20 years ago would show that in some years a majority of all workers in the categories examined were employed

by big business it would still not prove Hacker's contention that "a preponderance of employed Americans do not owe their livelihood to corporate America."

That Hacker is wrong can be finally established by another fact. A large employer—the state sector of the economy, local, state and federal—employed in 1969 some 12,202,00 men and women, exclusive of the armed forces. And whatever else may be said of government business in the epoch of state monopoly capitalism it surely cannot be classified as "small business." (In 1967, 70 per cent of all government employees earned less than \$8,000 annually.) This is a body of working people of no small significance to the working-class composition of the anti-monopoly coalition.

Consequently, when we add the number of government workers, there is a clear preponderance of workers employed by the medium and large corporations, the giant monopolies and the state, when compared to small business employment.

In 1969 the total number of government workers plus those

working in units with 100 or more employees was 35,695,000, out of a total of 56,997,000 wage and salary workers in this labor force in 1969 in the non-agricultural establishments examined in this paper.\* Thus, of this total only 37.4 per cent are in units employing less than 100.

Even if the cut-off point for "small business" were raised to 249 or less employees (instead of 99 or less) the preponderance of workers would still not be with small business. We would find that the number of workers employed in firms of 250 or more employees in 1969, added to the number employed by the government, came to 29,664,000 or 52 per cent of the total. What is most significant is the relentless trend of concentration and centralization with the small business community gradually but surely

\* The discrepancy between the study figure of 56,997,000 wage and salary workers in 1969 and the official figure of 70,000,274, is explained by the fact that I did not include in this examination, for reasons of space, employees of transportation, mining, contract construction, finance, insurance, real estate and other enterprises.

losing out.

The weight of the working class—Black, Brown, and white—in the struggle against monopoly capitalism, and particularly those workers confronting the monopolies directly at the point of production and exploitation, is further enhanced by the figures I have cited. This does not negate the importance of winning allies from the petty-bourgeoisie to the anti-monopoly coalition, nor does it in any way detract from the growing significance of the large number of so-called white collar workers battling corporate U.S.A. at all levels.

I conclude by calling for a continuing study of the changing structure of the U.S. working class based on the scientific and technological revolution in our midst, and aided by reference to earlier works on the subject of J. M. Budish (*The Changing Structure of the Working Class*, International Publishers, New York, 1963) and Victor Perlo (*American Labor Today*, New Outlook Publishers, New York, 1968), among others. Neither should small business be written off. An exacting analysis of its changing status is in order.

**BARRY COHEN**

## A Comment on Englestein

David Englestein's comments deal with a subject which is, as he indicates, of some interest in itself as well as having a direct bearing on the conclusions reached

in Comrade Weinstone's article. However, I believe that his method of analysis at some points tends to confuse rather than clarify the subject. Two ques-

tions arise. First, between what categories of employment should a comparison be made? And secondly, how can an accurate quantitative measurement of these categories be made?

If we accept the analysis made in Weinstone's article as a correct framework for posing the question of the relative weight of different sections of capital, then the question which we certainly ought to ask first is: what is the weight of monopoly capital as compared to non-monopoly capital (including both petty industry and relatively large-scale enterprises)? This is certainly the way that Weinstone was posing the question, for he quoted Hacker only to buttress his own contention that "non-monopoly capitalism is still strong."

Hacker introduced another frame of comparison: the contrast between "the small business community" and "corporate America." This latter is extremely vague. Hacker offers no definition of what he considers "corporate" or "small business" either in what Weinstone quoted or elsewhere in his introductory essay to *The Corporation Takeover*. The only figures which he offers are the employment figures for the largest 500 industrial corporations. These figures are unenlightening because a) no basis of comparison is offered (as Englestein correctly notes) and b) the figures are far from being a complete calculation of employment by the largest corporations, many of which are not considered industrial. Yet on the basis of these figures he draws the sweeping

and doubtful conclusion that the small business community "still embraces the majority of the working and entrepreneurial population."

It is monopoly capital which imparts to modern capitalism its dominant characteristics. It is monopoly which is vigorously pursuing the export of capital from the United States to developed capitalist and former colonial countries alike, capital exports which amounted to over \$60 billion during the decade of the 60's alone. Pursuit of a monopoly-dictated foreign policy also requires a highly militarized government budget, the current cost of military and related expenditures being over \$100 billion annually. Monopolies are the chief beneficiaries of the tax plunder of the state, receive the lion's share of superprofitable military contracts, and exact tribute from all others by setting prices.

The two largest of the corporations which deserve the designation of "monopoly," AT&T and GM, each employ three-quarters of a million workers. Many smaller corporations also fall within the realm of monopoly. But between these and non-monopoly capital a definite antagonism continues to exist since the latter are always in danger of being "organized into" monopoly, bankrupt by competition with it, or forced to pay tribute to it. They remain qualitatively distinct from non-monopoly enterprise.

Englestein computes a total of workers employed in enterprises of one hundred or more. He chooses this criterion on the

grounds that all such enterprises are "corporate in any meaningful sense." This total embraces everything from medium-sized nursing homes to IBM and Standard Oil. Even if it refutes Hacker's contention that small business embraces the majority of the working population it does not tell us anything useful about the actual extent of monopoly capital. In fact it obscures the essential difference between competitive and monopoly capital. Imperialism, monopoly capitalism, represents a new stage in the development of capitalism and demands a strategic outlook centered around the anti-monopoly struggle. Our definitions must single out monopoly for study.

Englestein likewise includes in his total all government workers on the grounds that "it surely cannot be classified as small business." True. But government employment is an extremely varied category, including large numbers of teachers, office workers, representatives of the monopolies, politicians, the diplomatic service, etc. In its economic content, in conditions of work, and in other crucial respects government employment is not strictly comparable to employment by big capital. Thus a more meaningful figure to compute than the sum of government employment and private employment in units of over one hundred is direct employment by the monopolies in the private non-agricultural sector.

Englestein's facts concerning the distribution of employment in various sized production units are taken from the *Statistical*

*Abstract of the United States, 1971, table 720, page 463.* The units referred to in this table are reporting units under the Social Security Act. There is no indication of how many of these or which ones among them may belong to a single corporate entity. The degree of distortion which this introduces into his calculations may be judged by the following: already in 1964 the *Fortune* index showed that the largest 500 industrial corporations employed 10 million persons, while by 1969 the 6,461 largest units in manufacturing reporting under the Social Security Act employed only 9.2 million persons.

Approximate figures for the actual employment by monopoly can be gotten from the 1972 *Fortune* index. These figures show employment in 1971 by the largest corporations in the various categories as follows:

500 industrials	14,324,890
50 commercial banks	384,727
50 life insurance	459,501
50 diversified financial	360,088
50 retailing	2,356,995
50 utilities	1,414,290
50 transportation	894,342
Total	20,195,833

We do not pretend that these are exact figures for monopoly employment. Numerous adjustments could be made. For example, foreign employment should be subtracted from these figures before a comparison with total U.S. employment is made. On the other hand, various additions should also be made. Some giant privately held companies such as Hallmark, Deering Milliken and

Hughes Tool are not included in the *Fortune* index. Some companies have been omitted because they do not fall within any of the tabulated categories. One might also include satellite corporations which sell to only a single monopoly, or the retailing outlets and franchises of the various corporations. In the *Fortune* list the 500 largest industrials were selected according to the value of their sales. If some other criterion had been used, say assets or employment, a slightly altered list would have been obtained. Finally, the exact border between monopoly and non-monopoly is indistinct and the list, instead of ending with the largest 800, could have included the largest 1,000 or 1,500 corporations. Taking all of these adjustments into account, we would probably obtain a total somewhat larger than the 20,000,000 indicated above.

However, the 800 corporations which are included in these calculations form the main economic basis of the financial oligarchy in the United States. These 800 are linked together into no more than a dozen or so financial empires or groups, and are the building blocks which comprise the overwhelming bulk (in terms of assets, employees, sales) of the monopoly economic juggernaut. Control of these corporations is tightly centralized in the hands of a small group who hold multiple directorships on the boards of the various corporations and direct their affairs at the behest of the handful of investment and commercial banks and insurance

companies which are the nerve centers of the main financial groups. This is one of the basic features of imperialism which Lenin described as "the merging of bank capital with industrial capital, and the creation, on the basis of this 'finance capital' of a financial oligarchy." (*Collected Works*, Vol. 22, p. 266.) Therefore, employment by these 800 gives a good first approximation of direct employment in the monopoly sector of the economy.

Small business still continues to exist on a large scale. In 1968 there were 6,163,000 business firms with receipts of less than \$10,000 and an additional 3,227,000 firms with receipts under \$50,000. (*Statistical Abstract of the United States*, 1971, p. 460.) The number of persons encompassed in the small business sector (including both entrepreneurs, i.e., petty bourgeoisie, and employees) continues to number well into the millions.

To summarize: More than 20 million persons are directly employed in the monopoly sector of the economy, or somewhat less than half of the 57 million persons employed in the private non-agricultural economy. Considering the more rapid than average expansion of the monopolies, the monopoly sector will probably in the not too remote future employ the majority of the economically active population. At the same time, "non-monopoly capitalism remains strong" with millions of independent small businesses still functioning.

## BOOK REVIEWS

ERIK BERT

### Harrington's "Socialism"

Michael Harrington's book, *Socialism*,\* seeks to ensnare radicalism in the United States within the ideological outlook of Right social democracy. His "socialism" is venomously anti-Soviet and anti-Communist. The ideological ingredients are Right opportunism, revisionism and Trotskyism. Its anti-Sovietism and anti-Communism reflect the position of U.S. imperialism, and have their special spiritual inspiration in the doctrines of Kautsky and Trotsky. Harrington's "socialism" is, in short, social-imperialist in orientation; that is, socialist in words, and pro-imperialist in its implications and impact. Harrington seeks to create a "socialist" movement subservient to the trade union bureaucracy, a "socialism" that would include, explicitly, George Meany.

#### *Anti-Sovietism*

Harrington repeats almost every slander that has been used against the Soviet Union. The essence of his anti-Sovietism is that Russia "lacked the preconditions for socialism," and that

\* Michael Harrington, *Socialism*, Saturday Review Press, New York, 1972, \$12.50.

socialism was, therefore, impossible.

The October Revolution created, therefore, a "new form of class society," "totalitarian bureaucratic collectivism," with "new forms of oppression." It gave birth to a new form of "class rule" and a "new ruling class," to exploitation of the "direct producers" by the "bureaucratic class," to a "party-state" based on the "dictatorship of [the] workers' party." This is what Kautsky and Trotsky said a long time ago, and has been retailed by the spokesmen of U.S. imperialism since then.

"More than half a century after the Bolshevik Revolution," Harrington proclaims, the "institutions of anti-freedom," that is, the institutions of the dictatorship of the working class, are "still basic to that society." He writes as though there were no anti-Soviet imperialism, no international class struggle, no anti-imperialist movement, no CIA attempts at disruption. Harrington's innocence is fraudulent.

The consequence of having attempted to create socialism under "impossible conditions" were inescapable; these conditions produced the "lackluster and aimless Russian economy of the sixties."

What Harrington calls "lack-luster" is the unbroken expansion of the Soviet economy. What Harrington describes as "aimless" is the record of planned economic advance, with past performances providing assurance that the present five-year plan will be carried out.

Harrington sneers at the "gray Communist societies' . . . priority on heavy industry." That priority was the foundation for the defeat of Hitler, the preservation of socialism, the liberation of Europe from fascism, the creation of a great modern economy, the advance of the world anti-imperialist movement, and the irresistible improvement of the people's level of living and culture. Or doesn't Harrington care?

To provide protective coloration for his anti-Sovietism he distinguishes between the shriven "anti-Communism of the liberals" and the "cruder," "reactionary anti-Communism." It won't wash. Both serve the cause of anti-Soviet counter-revolution. "Communist totalitarianism . . . must . . . be basically transformed," Harrington declares. He looks forward to counter-revolution in the USSR, Czechoslovakia, the German Democratic Republic, Hungary and Poland, explicitly; to the day when the anti-Soviet, anti-Communist movements "in existence in the Communist countries will move from theory to 'practice.'" That is the viewpoint of imperialism. It and he would destroy the socialist nations. Harrington would

do it in the name of "socialism."

#### *Defense of Betrayals*

Harrington details the charges of betrayal that have been leveled against Right social democracy in four historic periods: August 1914; the revolutionary period in Western Europe following World War I; the economic crisis of the 1930s; and post-World War II. His purpose is to exculpate Right social democracy's crimes against the working class.

To this end he contends that if the Right social democrats betrayed the workers and the revolutionary movement, as charged, in August 1914 and after World War I, the workers also betrayed the leaders and hence the revolution (apparently for having been misled by the leaders).

To the same purpose he declares that the Right social democratic leaders were confronted by insurmountable problems, beset by confusion, addicted to obsolete beliefs, unprepared by Marx and Engels for the unprecedented situations in which they found themselves—"unwitting" but "honest."

Harrington's purpose is to pull a curtain over the historic abyss between Right social democracy's betrayal of the German revolution and the "socialist conquest of power in Russia" under the Bolsheviks, and between the capitalist course followed by the Right social democrats when in power and the socialist course of the Soviet Union.

Right social democracy resolved the "great dilemmas" of "running capitalism" by taking the road of "socialist capitalism," that is, "administering the system it was sworn to abolish." One of its major achievements, following World War II, was nationalization of private industry in Western Europe, with "capitalism" the "most dramatic beneficiary." Nationalization was dangerous despite its immediate benefits to the affected capitalists, for it bore within it incipient incitement against capitalism. To short circuit that possibility West German social democracy redefined its socialist goals in its 1959 Bad Godesberg program, cutting loose from Marxism, abandoning the attack on capitalist ownership of the means of production, and propounding a "controlled and managed" capitalism, a "socialist market economy" and "economic planning" as the means to "socialist ends."

#### *"Socialist Capitalism"*

Theoretically, the "Godesberg Program and the theory of 'social market economy' do not go beyond American liberalism. They stay well within the bounds of capitalist society," Harrington admits.

Harrington's engagement with "socialist capitalism" involves intricate footwork. On the one hand, the traditional Marxist formulas were "obsolete," "modernization of doctrine [was] overdue," the "definition of socialism" had to be revised, "so-

cialist capitalism" was "absolutely necessary." On the other hand, in doing what had to be done, the West German social democrats did it the "wrong" way, they "went too far."

The consequences were inescapable; the Right "socialists . . . turned out to be among the best doctors that capitalism could find," Harrington admits. "They modernized, rationalized and helped plan capitalist economies"—at the expense of the working class, which he does not mention.

He pretends that social democracy's assistance to capitalism was a consequence of "the difficulty of making a transition" to socialism. But socialism had not been its goal. For decades it had set its course toward "a more stable capitalism." In August 1914, during the revolutionary period after World War I, during the Great Depression, and after World War II, Right social democracy strove not to advance the interests of the working class or socialism but to "shore up capitalism," as Harrington admits.

Harrington's engagement with the guilt of Right social democracy also involves intricate footwork. On the one hand, it is necessary to jettison the obviously bankrupt revisionist theories; on the other hand, it is necessary to sustain the belief among the masses that Right social democracy represents their interests, and to replace the discredited theories with a new revisionist formula. "Hope for the renewal

of the socialist ideal in Europe," Harrington says, lies in the "mass socialist parties."

Harrington condones the defection of Right social democracy on the ground, also, that the alternative course was (and is) "bloody romance" "on the model of the *Communist Manifesto*," the "magic day" "when history would leap from capitalism to socialism." But the historic issue is: did Right social democracy's rejection of united action with the Communists prevent the "bloody romance" of Spain and Hitlerism and Vietnam?

Harrington presents as the material base for his Right social democratic "socialism" the revisionist-liberal view that "after World War II capitalism did change"; the capitalist system was reformed; the "advanced capitalist system," "neo-capitalism," the "welfare state" emerged.

The essence of "neo-capitalism" is "collectivism" and "planning." In fact, "we . . . now confront . . . an entire historical period in which it is of the capitalist essence to plan." With capitalism, in its reincarnation as capitalist "planning," having preempted the next "historical period," the anarchy of production which Marx and Engels had discerned as the very nature of capitalist social relations will have been superseded.

Three problems arise, however. The first is that, despite the advent of the "welfare state," capitalist society is not being

transformed "in the way the revisionist social democrats suggest." The "welfare state tends to provide benefits in inverse relationship to human needs," it "favors the rich and discriminates against the desperate." The second problem is that, left to itself, "neo-capitalist planning" will serve "social and economic privilege." "Reform of the welfare state"—"based on a capitalist economy and social structure"—"will not solve our most urgent problems."

Third, the program of the "revisionist social democrats . . . is too limited . . . for the creation of a new society"; the "social democratic reforms . . . do not add up to a vision of a new society."

Quite apart from prior revisionism having failed to provide an outlook toward socialism, it does not, as Harrington admits, provide a credible program for meeting the present evils of monopoly capitalism. It appears to be irrelevant to more and more millions. This is politically dangerous to the ruling class.

#### *A Revisionist Definition of Socialism*

Harrington takes it upon himself to "suggest an alternative" to "the new social democratic definition of socialism," an alternative that is, in contrast to the older revisionism, distinguishable from "American liberalism."

In advancing his own "socialist" program Harrington must maneuver between the despicable

record of Right social democracy and his ideological and political commitment to that cause. His focus is therefore "on the question of how socialists . . . might run" capitalism "not in order to shore it up, but to transform it." That requires a "redefinition of the socialist vision itself."

Harrington's "redefinition of socialism" replaces its proletarian essence by a classless democracy; the class struggle of the proletariat by the non-class "democratic struggle," by the "class struggles of the majority"; "political struggle" by parliamentary struggle; the revolutionary goals of the working class by the "democratic vision of socialism."

The opportunist "redefinition of socialism" requires, as expressed in Kautsky half a century ago, the erasure of what Harrington calls Marx's "fateful phrase 'dictatorship of the proletariat.'" Harrington does it with a flick of the wrist. When Marx used the "fateful phrase," he says, he "used 'dictatorship' to describe democracy."

Harrington's "redefinition of socialism" requires transforming the commitment of Marx and Engels to the cause of the working class into a "democratic commitment" and the two founders of the revolutionary working class movement into social democrats. How castrate Marxism, however, without appearing to do so? How make social democrats of Marx and Engels, but pretend they are still revolutionaries?

That is Harrington's problem. On the one hand, he argues that Marx and Engels changed their commitment to a "more gradual and democratic revolution." On the other hand, though, that "does not in the least mean that Marx had become a socialist on the model of the German social democrats just before World War I." Marx "never became a legalistic evolutionary." His "aim remained utterly revolutionary: 'the abolition of classes.'" All that changed was his "strategy"—from revolutionary to "social democratic." Marx's "socialism was reformist with a revolutionary purpose."

Harrington seeks to replace proletarian class consciousness by the "democratic self-consciousness of the workers," to reduce the revolutionary movement of the working class to "trade union gradualism as a step toward the abolition of classes," and to make the "reformist trade unions" the "cells of revolution." Naturally, he ascribes this reformist stew to Marx.

It is just as well that Marx changed his skin, from a revolutionary of *Communist Manifesto* vintage to a reformist, Harrington implies, for his "ultimate revolutionary hopes for the Western proletariat have certainly been disappointed." "Betrayed by Right social democracy" would be a more accurate depiction.

The complement of trade union "socialism" is the Right social democratic transformation of the

traditional socialist workers' party—the Social Democratic Party—into a people's party. Harrington explains and justifies this as reaching out “beyond the proletariat” to the “new and growing strata beyond the ‘blue-collar’ proletariat,” to establish “the broadness of the social democracy.”

Harrington says it clearly: the Right social democrats “abandoned the idea of a ‘class’ political party and appealed to all Germans.” They quit the “rather simplified Marxist orthodoxy” about the class essence of capitalist society. In their spirit Harrington renounces the proletarian class struggle in the name of a broader, people's front of struggle for socialism. This would lead, however, neither to a people's front of struggle, nor to socialism. In the name of socialism it abandons the creation of a people's front against monopoly. In the name of a people's struggle it abandons the proletarian class struggle, and deprives the broader front of its most conscious and firmest element, both in the anti-monopoly struggle and in the eventual struggle for socialism.

It is possible to reform capitalism. That is the essence of Harrington's “socialism.” It is possible to reform capitalism by “basic structural reforms,” he holds. However, we have been there already, and Right social democracy's revisionism has lost its luster, as Harrington implies. Therefore, “more basic structural

changes in capitalism” are required “than have been proposed in the various revised socialist programs”—that is, more revisionism, not more socialism.

He proposes, instead of the “orthodox” expropriation of the expropriators of Marx and Engels, the “anti-capitalist allocations of resources” (that is, the anti-capitalist allocations of capitalist resources within the framework of capitalism); and the distribution of “public benefits according to the inequalities of private wealth.”

Harrington's “basic structural reforms” would place “more and more resources at the disposal of democratically determined public priorities,” “vastly increase the proportion of resources allocated by democratic decision making,” “democratizing the trend toward collectivism.”

Harrington proposes thus to apply a “democratic” gloss to the expansion of state-monopoly capitalism, to which he gives the classless label, “collectivism.”

#### *Imperialism as a “Policy”*

Harrington presents his view of imperialism explicitly as a rejection of Lenin's theory of imperialism. The “Leninist model no longer applies,” he says.

Like Kautsky, Harrington defines imperialism as a “policy.” His purpose in doing so is to provide it with a better policy. Harrington puts it obliquely, but the essence is unmistakable. He suggests that “there are alternatives to imperialism that are at

least possible under capitalism.” He makes his purpose clear by adding that “then socialists can . . . pursue policies that are relevant to the Third World even though the old order has not yet been utterly revolutionized.” The relevancy of social democracy to the “Third World” which he has in mind is not, as we shall see, support of the anti-imperialist, national liberation movements.

The prospect of a beneficent imperialism arises out of the fact, according to Harrington, that the “advanced capitalist powers” are less involved than “at any time in their history” in “the exploitation of the world's hungry”; imperialism “is no longer fated to do evil”; “capitalism, and particularly capitalism being transformed by structural reform” (at the behest of the Right social democrats), “is not inevitably fated to global wrongdoing.”

Furthermore, the attempt of the “peoples of the Third World” to achieve “genuine emancipation” is doomed, Harrington holds, for the conditions under which they would undertake this struggle “must thwart their efforts.” Borrowing the Maoists' anti-Soviet slogan of “two superpowers,” Harrington warns the “hungry people of this globe” that if they “make their own revolutions in a world dominated by conservative superpowers (Communist as well as capitalist),” these—the socialist Soviet Union and the imperialist United States—will “subvert their ef-

forts” and they “will fail” in one way or another. In the wash of history this fake even-handedness comes out anti-socialist and pro-imperialist, for both the imperialists and Harrington, unlike the Soviet Union, oppose the anti-imperialist liberation movement.

Harrington urges that the national liberation forces look to the Right social democrats in the imperialist countries, for a “socialist political movement could reverse” the downward trend of the “Third World” economy by “effecting the most profound structural changes” in the advanced capitalist countries, even “without first revolutionizing the very basis of society.” “It is not necessary to revolutionize these (monopoly capitalist—E. B.) economies totally in order to permit them to foster economic development.” The word “totally” is deceitful, for Harrington does not propose to “revolutionize” monopoly capitalism at all. Instead, he pretends that it can be reformed. He proposes a “socialist” program to transform imperialism from a system of monopoly capitalist exploitation and oppression into a “welfare world,” to a “society transitional between capitalism and socialism.” He portrays these changes as “socialist-tending.” Imperialism will become a “socialist-tending” imperialism—imperialism with a “socialist” fringe on top.

“Socialists” in the advanced capitalist countries, Harrington holds, “must take the lead” to



reform imperialism rather than "to do away with the capitalist system, nationally and internationally," for that latter program is "not on the political agenda in the West." In that spirit the "socialists" must "tutor" the imperialists that a non-imperialist course in the "Third World" is "in the interests of the entire world, even [of] the capitalists."

Naturally, Harrington sees two sides to the Vietnam war. One side is the "disastrous intervention" by the United States. Even Nixon deplors the intervention (which he blames on the Democrats). The other side is Ho Chi Minh's "admission" that he had "carried out a bloody collectivization in the North over the dead bodies of some tens of thousands of 'his' peasants."

With this obscene lie Harrington enlists in the Nixonite attempts to justify the slaughter of the people of Vietnam, Cambodia and Laos.

#### *Harrington's Road to "Socialism"*

Harrington sees the transition to socialism being accomplished in three stages: "the immediate program, constrained by what is politically possible," "the middle distance in which structural changes might take place . . . in the direction of the ultimate vision of socialism," and finally in the "far future," "there is the vision of socialism itself," the "utterly new society."

The "immediate program" will include "selective price and wage controls in an inflationary per-

iod." The "big companies will be required" to "open up their books and justify any increase in prices before an independent board." Nixon has showed that this is "politically possible"; in fact, he has anticipated Harrington with the Cost of Living Council, the Price Commission and the Pay Board. But only a Right social democrat would pretend that these episodes in the development of state monopoly capitalism are steps toward socialism.

The "middle distance structural reforms" are the socialization of "investment," the socialization of "the functions of corporate property, and then . . . of property itself," and making "tax policy . . . an instrument for social justice."

"It is now possible," Harrington says, "to have a relatively painless transition to social ownership." He presents a "strategy for achieving social ownership that does not involve a sudden, apocalyptic leap from private to public property." He rejects "a sudden, wholesale, takeover by the state," the "sudden decisive nationalization of an entire economy" and derides such "vague metaphors" as that the "state will 'seize' or 'take over' the means of production" of a "complex technological economy." The recommended pace is "gradualism"; the instrumentality, "structural reforms."

This projection excludes the possibility of a non-peaceful transition to socialism, in reaction to capitalist repression, and would

#### HARRINGTON'S "SOCIALISM"

thus disarm the working class ideologically.

Harrington does not, however, project a peaceful transition to socialism, for he does not project a transition to socialism at all. He does not call for socialization of capitalists' property. He proposes "leaving the title" to the means of production "undisturbed" ("temporarily," he says), while socializing the "functions of property." That is a swindle, for the "functions of property" are exploitation and the extraction of surplus value. And that is to be left "undisturbed."

Instead of socializing corporate property in the means of production, he proposes restructuring corporate capitalism into a more embracing system of state-monopoly capitalism. The government would "act as if it were the majority stockholder . . . but without taking title." That is, the government would "plan" and centralize capitalist exploitation. That is not a new vision of socialism, but the historic tendency of state-monopoly capitalism.

Harrington offers a new twist on the role of the working class, a braiding of two old skeins. On the one hand he says that a "conscious working class" is a precondition for socialism (he lists the "orthodox," traditional reasons). On the other hand he explicitly rejects "the most distinctive single doctrine of Marxian socialism, the theory that social development was inexorably creating a revolutionary class"—the revolutionary proletariat. The

"classic Marxist theory" of the revolutionary working class has "been subverted," he says, by the "trends altering the class structure of neo-capitalist society" (he recites the usual "evidence").

On the one hand he says that the working class must be the leader of the socialist revolution. On the other hand he holds that history has transformed the social structure, and subverted the earlier manifest revolutionary role of the working class. The purpose of this is to braid these two skeins into a theory of a reformist-oriented working class leading mankind to socialism.

Harrington seeks to obstruct the development of a revolutionary socialist movement in the United States by proclaiming that social democracy is already a mass movement here, "an independent, class-based political movement with a ringing program for the democratization of the economy and the society."

This mass movement had its origins in "homesteading capitalism" (a "tendency toward socialism with capitalist slogans") and in the "formally pro-capitalist and ambiguously anti-socialist" trade union movement. As a result of these origins this social democratic mass movement is "invisible"—except to Harrington.

The trade union support of the independent candidacy of LaFollette in 1924 was a "social democratic impulse." Labor's entrance "into politics with a distinctive program and organized on a class basis" was attained in two steps. The

The "first step toward the American social democracy," the appearance of a "mass social democratic movement," was initiated with labor's "turn to Roosevelt during the Depression." With the New Deal a "decisive turn had been made and the basic relationship of political forces had been altered."

The second step was taken during World War II, and in the 1950s and 1960s, when labor's "distinctive program for political activity" assumed "organizational form." Harrington depicts the trade unions' legislative programs, lobbying activities, and (Democratic) political activity, beginning with the Kennedy Administration, as "class" inspired and oriented. These activities were in fact social-reformist, calling for reordering of social priorities, for planning and for "democratic participation."

To Harrington the CIO Political Action Committee, the AFL Labor's League for Political Education, the AFL-CIO Committee on Political Education, and the trade union lobbies during the Kennedy and Johnson Administrations were a "political apparatus which is a party in everything but name." There is, Harrington holds, a "de facto social democratic party based upon the unions," a "social democratic party with its own apparatus and program"—"within the Democratic Party."

This "political movement of

workers," Harrington says, seeks "to democratize many of the specific economic powers of capital." It "does not denounce capitalism itself" and does not champion "socialism."

Is this in any sense, as Harrington claims, a "class political movement of workers?" It is not. It is a trade union political movement operating within and, de facto, as a part of one of the two parties of monopoly capital.

The purpose of Harrington's reformist falsification of the history and present status of trade union political activity is to open the door to George Meany, AFL-CIO president, into the ranks as a "socialist." "Meany's definition of socialism," says Harrington, "more or less coincides with that of the revisionist social democrats." He "has the same general outlook as the European social democrats." The "political content of his remarks . . . [on socialism] . . . is quite analogous to that of mainstream European socialists." The reason he "does not present himself as an anti-capitalist," says Harrington, is because U.S. "history does not require him or even allow him" to do so.

The other reason is that he is not anti-capitalist, but pro-capitalist, not anti-capitalist but pro-imperialist, not anti-capitalist but pro-Vietnam war. He is in fact the main labor lieutenant of the capitalist class. Appropriately, he is a "socialist" in Harrington's eyes.

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