# The Historical and International Foundations of the Socialist Equality Party—Part 5

# **3 October 2008**

The Socialist Equality Party (US) today continues publication of The Historical and International Foundations of the Socialist Equality Party. The document was discussed extensively and adopted unanimously at the Founding Congress of the SEP, held August 3-9, 2008. (See "Socialist Equality Party holds founding Congress") The WSWS will serialize the publication over two weeks. (Click here for parts 1, 2, 3, 4, 6, 7, 8, 9, 10 and 11)

The WSWS has published the Socialist Equality Party Statement of Principles, which was also adopted at the Founding Congress. Click here to download a PDF version of the Statement of Principles.

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## The End of the War and the "Buffer States"

95. European capitalism was devastated economically by the war. Large sections of the bourgeoisie were discredited by their sponsorship of fascism. In this situation, the Soviet regime and its network of Stalinist parties played the decisive role in preventing the working class from taking power. The Stalinists utilized their political authority — which had been strengthened by the Soviet army's defeat of Hitler's forces — to divert the mass struggles that erupted in the closing stages and immediate aftermath of the war. In France, Italy, and Germany, the Kremlin instructed local Stalinist parties to support bourgeois governments, disarm resistance fighters, and suppress any independent initiative of the working class. Later, in Greece, the Soviet bureaucracy deprived insurgents of critical aid and guaranteed the victory of the bourgeoise in the civil war.

96. In Eastern Europe, where the Kremlin concluded that it could not tolerate, for reasons of military defense, the establishment of bourgeois puppet regimes controlled by the United States, the Soviet Union established a series of "buffer states" (East Germany, Poland, Hungary, Czechoslovakia, Bulgaria, and Romania) under its control. But the establishment of state property in these states (in some cases delayed for several years) was accompanied by the systematic disenfranchisement of the working class. The establishment of Stalinist-style police state regimes represented not the expansion of socialist revolution, but a peculiar and temporary arrangement that served, in the final analysis, the conservative aim of politically stabilizing post-war Europe. In Yugoslavia, nationalization took place in a somewhat different way than in the buffer states. Partisans, led by the Communist Party under Tito, came to power following the Second World War. While the legacy of the partisan war endowed Tito with a degree of legitimacy and popularity unknown in other Stalinist-controlled states, the working class was barred from creating its own Soviet-type institutions through which it could exercise political power. The Tito regime rapidly degenerated into a police state, in which Tito himself played the role of arbiter between conflicting factions of a bureaucracy based on various national and ethnic constituencies. The

unviable character of this set-up was exposed in the aftermath of Tito's death in 1980.

#### The United States and the Restabilization of Capitalism

97. The betrayals of Stalinism gave the United States the necessary breathing space to consolidate its hegemony and begin to stabilize a shattered world economic system. A period of more sustained economic growth after the war was made possible on the basis of (1) the immense destruction of the European and Asian economies in the war, and (2) the economic strength of American industry based on advances in the productive process. American capitalism sought to "reorganize the world" through a financial and currency regime (the Bretton Woods System), within which the American dollar would play the role of world reserve currency, with fixed international exchange rates and dollar-gold convertibility. With the support of the other capitalist powers, it created institutions such as the International Monetary Fund and the World Bank to regulate international economic affairs. With the Marshall Plan, begun in 1947, American capitalism sought to stimulate the economic recovery of Europe and Asia, which was the necessary foundation for the expansion of the US economy. On this basis of American hegemony over the capitalist system, world trade expanded rapidly following the war.

98. This international economic restabilization was the material foundation for national reformist policies in countries throughout the world. In the United States, the American bourgeoisie pursued a policy of Keynesian demand stimulation. It responded to the post-war strike wave by granting significant economic concessions to the industrial working class, continuing the reformist policies of the New Deal era that had been designed to avert social revolution. At the same time, with the support of the right-wing AFL and CIO trade union bureaucracies, it purged the trade unions and other American institutions of socialist-minded workers and members of the Communist Party. In Europe, a similar program of nationally-based social reform and labor-management collaboration was implemented with the active collaboration of the Social Democrats and trade unions. In the economically backward and former colonial countries, national bourgeois regimes were able to win a certain degree of independence, often by balancing between the Soviet Union and the United States. Through a policy that came to be known as import substitution industrialization, many former colonies were able to pursue a limited policy of domestic industrial development and agrarian reform. In the Soviet Union, the Stalinist bureaucracy oversaw a significant development of Soviet industry on the basis of national economic planning, albeit extremely distorted by the bureaucracy itself.

99. In international relations, the US sought to prevent any new eruption of direct conflict between the major capitalist powers, establishing institutions such as the United Nations to regulate international relations.

The end of the war brought with it the beginning of the "Cold War" conflict between the United States and the Soviet Union. The immediate euphoria with which the American bourgeoisie greeted its nuclear monopoly was quickly shattered when the Soviet Union acquired the atomic bomb. A bitter struggle ensued within the political elite between those sections counseling the "containment" of the USSR and those advocating its military "rollback." The logic of the latter position threatened to lead, as was well understood, to full-scale nuclear war. The conflict within the bourgeoisie came to a head in 1950, during the Korean War, when General Douglas MacArthur demanded that he be allowed to drop nuclear bombs on China to stop the advance of its troops into the Korean peninsula. Truman fired MacArthur. The "containment" faction had prevailed. For its part, the Stalinist bureaucracy set a strategic goal of accommodation with imperialism, expressed in the policy of "peaceful coexistence," a logical continuation of the theory of "socialism in one country." This uneasy truce, in which the two "superpowers" engaged in a nuclear arms race and competed for influence in the underdeveloped countries, frequently threatened to break out into full-scale conflict.

#### The Post War Upsurge of the Masses

100. Within the framework of the economic restabilization of world capitalism, the post-war period was characterized by an immense upsurge of the international working class and oppressed masses. In Asia, the Middle East, Africa and Latin America countless millions of workers and peasants sought to throw off the shackles of colonialism. These mass struggles imparted immense relevance to the Theory of Permanent Revolution and the lessons of Trotsky's struggle against Stalin's betrayal of the Chinese Revolution. Once again, the essential problems posed by the anti-imperialist struggle - the liquidation of the remnants of feudalism and the dominance of the latifundia; the end of colonial rule and the establishment of national independence; and the organization of economic life to end poverty and raise the social and cultural level of the masses could be achieved only under the leadership of the revolutionary working class, armed with a genuinely democratic and international socialist program. But the objective necessity of such a program and perspective came up against the domination of the anti-imperialist movement by the national bourgeoisie, abetted by the Stalinist parties.

101. In India, the Theory of Permanent Revolution was vindicated in the disastrous betrayal of the anti-imperialist independence movement by Gandhi, Nehru, and the bourgeois Congress Party in 1947-48. The Indian bourgeoisie's acceptance of the country's partition into a predominantly Hindu India and Muslim Pakistan led immediately to communal conflict that cost up to one million lives. The dreadful legacy of partition is recorded in decades of war, violence and persistent mass poverty. In one form or another, the subordination of the working class to the bourgeois-led national movements produced political disaster in country after country. The key role was played by the Stalinist parties, which consistently advanced their class-collaborationist "two stage" theory of struggle - first independence under the leadership of the bourgeoise and only later, at some unspecified point in the future, socialism - effectively blocking the struggle by the working class to establish its political hegemony in the mass anti-imperialist movement and take power.

102. In sharp contrast to the Stalinists, the Trotskyist movement in Ceylon (later Sri Lanka), organized in the Bolshevik-Leninist Party of India (BLPI), took a principled and internationalist position. It opposed the political settlement negotiated by the national bourgeoisie and British imperialism, which formally ended colonial status. This stand was vindicated almost immediately, when the bourgeoisie of Sri Lanka

enacted a citizenship law disenfranchising precisely that section of the population that had played a critical role in the struggle against British rule: the Tamil plantation workers. Since independence, the Sinhala bourgeoisie has promoted racism against the Tamil minority as the principal means of diverting social antagonisms and preventing a unified movement of the working class.

## The Chinese Revolution

103. In China, the nationalist movement took the form of a peasant uprising under the direct leadership of the Chinese Communist Party. After its disastrous defeat in 1927, the Communist Party retreated to the countryside and built up "red armies" with the support of sections of the peasantry. However it sought to justify its reorientation on practical and pragmatic grounds, the Communist Party's abandonment of its urban and proletarian foundations led to a profound change in its political and social character. The continuing adherence of the Chinese Stalinists to a Marxian phraseology did not alter the fact that the peasantry had become their principal constituency. Significantly, Mao Zedong, who prior to the 1927 defeat had been on the right wing of the CCP, played the leading role in changing the strategic orientation and social base of the party.

104. Trotsky continued to carefully follow developments in China following his expulsion from the Russian Communist Party and Communist International in 1927. In a letter written in 1932 to supporters of the Left Opposition in China, he examined the implications of the political and sociological evolution of the CCP. Were the Communist Party to come to power on the basis of a peasant movement, its policies would, in the final analysis, he argued, reflect the interests and outlook of this social base. Trotsky foresaw the possibility of a conflict between the peasantry and the workers. "The peasant movement is a mighty revolutionary factor insofar as it is directed against the large landowners, militarists, feudalists, and usurers," he noted. "But in the peasant movement itself are very powerful proprietary and reactionary tendencies, and at a certain stage it can become hostile to the workers and sustain that hostility already equipped with arms. He who forgets about the dual nature of the peasantry is not a Marxist. The advanced workers must be taught to distinguish from among 'communist' labels and banners the actual social processes."[66]

105. When the Japanese occupation collapsed at the end of World War II, the CCP launched an offensive that led ultimately to the conquest of political power in October 1949. Mao's victory owed far less to his strategic "genius" — of which there was very little evidence either before or after 1949 — than to a set of extraordinarily favorable conditions, created by the military collapse of the Japanese Empire. Moreover, the CCP sought repeatedly, even after the Japanese collapse, to negotiate some sort of settlement with Chiang Kai-shek and the Kuomintang. It was Chiang's intransigence, far less than Mao's determination, that blocked the path to compromise. The CCP reluctantly came to the conclusion that the overthrow of Chiang was necessary.

106. Mao's regime implemented bourgeois nationalist measures, including the expropriation of the landlord class, but it was intensely hostile to the working class. It brutally suppressed the Chinese Trotskyists, who had remained active within the urban proletarian centers in the aftermath of the 1927 defeat. After considerable equivocation, the regime took control of much of Chinese industry. The CCP established a bureaucratic police state along the Stalinist model, combining nationalization of industry and socialist rhetoric with an internal regime that ruthlessly suppressed opposition, particularly from the left. The nationalist policies of the CCP, including the so-called "Great Leap

Forward," had disastrous consequences, including a famine that killed an estimated 30 million. On the international stage, Maoism perpetuated the Stalinist theory of an alliance with the bourgeoisie in backward countries, with disastrous consequences throughout Asia, including in Indonesia (where a million workers and peasants were slaughtered by the CIA-backed Indonesian military and anti-communist paramilitary forces in 1965-66) and in Vietnam (where the Stalinists brokered a partition in 1954 with French imperialism, setting the stage for the US intervention).

#### The Establishment of Israel

107. The principle of national-based politics and reform found a somewhat different expression in the formation of Israel in 1948, through the partition of the British protectorate of Palestine. The establishment of Israel as a Jewish state was viewed with sympathy by millions around the world who were repelled by the fascist horrors, including the extermination of nearly two thirds of European Jewry, that were just beginning to come to light. In objective terms, however, the creation of Israel was socially and politically reactionary, based on the principle of ethno-religious exclusion and the expropriation of Palestinians from their homeland. The state of Israel would later serve as the principal military garrison state defending the interests of American imperialism in the Middle East. This tragedy for both the Jewish and Arab populations was made possible by Stalinism, which, through its betrayals and its anti-Semitism, helped turn many socialist-minded Jews toward Zionism. In the 1920s, the Palestine Communist Party had fought for a unified movement of Jewish and Arab workers. However, the nationalist degeneration of the Stalinist parties found reflection in the PCP, which split into two sections along ethnic lines before the end of World War II. The Soviet bureaucracy completed its betrayal of the working class of the region by supporting the creation of Israel as part of its post-war agreements with imperialism. In contrast, the Fourth International advanced an internationalist position based on the unification of the working class. It wrote in 1948:

The Fourth International rejects as utopian and reactionary the "Zionist solution" of the Jewish question. It declares that total renunciation of Zionism is the sine qua non condition for the merging of Jewish workers' struggles with the social, national and liberationist struggles of the Arab toilers. It declares that to demand Jewish immigration into Palestine is thoroughly reactionary just as it is reactionary to call for immigration of any oppressor people into colonial countries in general. It holds that the question of immigration as well as the relations between Jews and Arabs can be decided adequately only after imperialism has been ousted by a freely elected Constituent Assembly with full rights for the Jews as a national minority.[67]

#### The Korean War

108. Next to the Chinese Revolution, the postwar anti-colonial upheavals found their most explosive expression in the outbreak of the Korean War in June 1950, in which the armed forces of North Korea, under Stalinist leadership, rapidly overwhelmed the army of the USbacked dictatorship of Syngman Rhee in South Korea. US President Truman ordered in the US military, under cover of a United Nations resolution, and reconquered most of the peninsula. As the US forces were approaching the Chinese border, Chinese troops entered the conflict, driving back the Americans; eventually the fighting stabilized along a line roughly corresponding to the prewar division. The American SWP placed the struggle in the context of the unfolding colonial revolution, rejecting claims that the Korean people were nothing more than puppets of Moscow. In an open letter to the US government, Cannon declared, "The American intervention in Korea is a brutal imperialist invasion, no different from the French war on Indo-China or the Dutch assault on Indonesia. American boys are being sent 10,000 miles away to kill or be killed, not in order to liberate the Korean people, but to conquer and subjugate them. It is outrageous. It is monstrous." The Korean struggle "is part of the mighty uprising of the hundreds of millions of colonial people throughout Asia against western imperialism. This is the real truth, the real issue. The colonial slaves don't want to be slaves any longer."[68]

109. The Korean conflict clearly demonstrated the reactionary implications of the theories that the Soviet Union had become a new form of class society, either "bureaucratic collectivist" or "state capitalist." The theoretician of "bureaucratic collectivism," Max Shachtman, had broken with the Fourth International ten years earlier, promising to maintain an independent "third camp" position. But in 1950, he went over openly to the camp of American imperialism. Leaflets prepared by Shachtman's organization, by then called the Workers Party, were airdropped to Chinese and North Korean soldiers, giving them "socialist" arguments for surrendering to the American invaders. The leading proponent of the "state capitalist" view, Tony Cliff, broke with the Revolutionary Communist Party, then the British section of the Fourth International, which adhered to Cannon's uncompromising opposition to the imperialist war. Cliff adopted instead a position of strict neutrality, condemning what he called "Russian imperialism" equally with that of the United States.

To be continued

Notes:

66. "Peasant War in China and the Proletariat," in: *Leon Trotsky on China*, p. 586.

67. Second World Congress of the Fourth International, "Struggles of the Colonial Peoples and the World Revolution," *Fourth International*, July 1948, p. 157.

68. James P. Cannon, *Notebook of an Agitator* (New York: Pioneer Publishers, 1958), p. 186.



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