Britain: the SWP and Galloway's Respect Renewal on the economic crisis

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Last Saturday the Socialist Workers Party and George Galloway's Respect Renewal held separate meetings where they discussed the economic crisis gripping world capitalism. Galloway's event was his organization's annual conference, but took less than a full day. The SWP's event was a debate entitled "Marxism and the Economic Crisis."

It is just over a year since the SWP and Galloway, then united in Respect, split acrimoniously. Galloway did so amidst accusations that the SWP was ultra-left and that its undemocratic efforts to dominate Respect were an obstacle to building a broad alliance of generally left and democratic forces. The SWP somewhat belatedly discovered that Galloway was orienting towards Muslim businessmen and that he is moving to the right.

The two conferences served to demonstrate how both organizations are continuing their rightward lurch. Their response to what Bank of England Deputy Governor Charlie Bean admitted two days earlier was "a once in a lifetime crisis, and possibly the largest financial crisis of its kind in human history" was identical in all major respects. They sought to downplay the scale of the financial disaster, to reject any possibility of mobilizing the working class to fight for a socialist alternative to capitalism, and to advance instead Keynesian-style government intervention to stabilize the world capitalist economy while securing a number of minimal social reforms.

Even before Respect Renewal met, Galloway had made clear his opposition to any socialist response to the crisis of the profit system. On October 17 he appeared on "The One Show," hosted by Andrew Neil, who asked him, "Will capitalism die?" Galloway replied in the negative. "There is a fire raging in the forest," he said, but we had to hope "that the forest doesn't perish before the flames go out." Capitalism is "not dead because there is not an alternative system ready and waiting to take over. Socialism is not dead either, but it pretty nearly died and it will be a long time before it is in a position to compete as an alternative."

Efforts to "save the forest" supports by Galloway include the Labour government's £500 billion subvention to the banks, which will be paid for by working people. His statement on Prime Minister Gordon Brown's bailout declared that "at last the government is taking action which may begin to shore up the banking system."

"It was essential the government propped up the banks' capital base," he added, warning only that "many in the City" believe that more is needed. There would be further demands on taxpayers "unless more is done to pump prime our collapsing economy now."

Respect Renewal's conference policy documents said very little on the economic crisis other than to call for a defence of "working people, the poor and vulnerable in the current economic climate" by freezing council rents and service charges for a year and implementing wage increases in line with inflation.

The primary role of left apologist for Galloway since his split with the SWP has been played by Alan Thornett's International Socialism Group, the British section of the Pabloite United Secretariat. Thornett's own resolution to the conference was basically identical to Galloway's position, insisting that "Democratic control over the economy through Parliament is essential if a further plunge into crisis is to be avoided" and pledging to "campaign for the public ownership of the financial institutions."

At the conference Thornett's group took second place to Galloway's preferred political partner, the Stalinist Communist Party of Britain. Galloway writes a semi-regular column for the CPB's *Morning Star* and is anxious to use the party's continued influence within the upper echelons of the trade union bureaucracy as a source of financial and organizational clout in order to advance his own political career. To this end, pride of place alongside Galloway on the platform was given to CPB General Secretary Rob Griffiths.

Galloway has long combined an admiration of Stalin's Soviet Union and Castro's Cuba with Catholicism and an opportunist glorification of various despotic regimes, including Saddam Hussein's Iraq. His claim that socialism "nearly died" refers to the collapse of Stalinism.

Galloway's performance at the Respect Renewal conference made clear that his alliance with the Stalinists is rooted in his deep and abiding hostility to Marxism, Trotskyism and opposition to social revolution.

Galloway addressed the 200 or so delegates in overtly anticommunist terms. We need to stop talking about "dead Russians," he declared (to which someone in the audience added, "And dead Germans"). The break from the SWP was necessary because it was a "Marxist-Leninist far-left party," out of touch with the masses. What was required instead was a new "realistic" left movement with ideas that people understand—to be formed by making "unity" the watchword.

All the problems of the "left" were rooted in the actions of "splitters" and "Marxist sects" who spoke of a "catastrophe" facing world capitalism.

Galloway's statements were so right-wing that even Griffiths was somewhat embarrassed. He agreed with Galloway that Marxism had been supposedly "discredited" by talk of the "crisis of capitalism." But he cautioned a real crisis was now unfolding.

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SWP rejects possibility of socialism

Having worked in Respect with Galloway for three-and-a-half years, only for this unprincipled electoral alliance to end in a debacle, the Socialist Workers Party has recently been trying to rescue its credibility by projecting itself as an orthodox Marxist Party. However, the SWP continues to advocate a left regroupment based on a rejection of any possibility of building a revolutionary socialist party.

Saturday's conference was held under the auspices of the SWP's theoretical journal, *International Socialism*. Its latest issue contained the International Socialist Tendency's October 1 statement on the global economic crisis. Littered with references to "a major economic crisis" that "originated in the very heart of the capitalist system, in the United States," the statement advocates "the nationalisation without compensation of the banks" and little else.

As to the prospects for class struggle and socialism, its verdict is extremely negative. "The relationship between economic crisis and the class struggle is complex and mediated by the political context in which they interact," the IST/SWP states, meaning that "the precise combination of job losses and higher prices in a given country is likely to have a major impact on whether workers are likely to respond with aggressive resistance or *demoralised acquiescence*" (emphasis added).

The task is not to build a revolutionary leadership, but to develop "a broader radical left that can begin to present a credible and principled alternative to capitalism."

Building this "broader radical left" last Saturday took the form of a debate between leading SWP members, including Chris Harman and Alex Callinicos; the academic Robin Blackburn, a former member of the United Secretariat and contributor to the *New Left Review*; Peter Gowan, the editor of the *New Left Review*; and the Keynesian economist Alan Freeman.

Harman kicked off proceedings by stating that though there was talk we were facing another crash like 1929, "To be honest, nobody knows."

His statements are far more sanguine than those of leading financiers, who have acknowledged that the crash is at least as bad as 1929 or, in the case of Bank of England governor Mervyn King, is the "worst since the First World War." Even now share prices in Europe have dropped by more than a quarter and, excluding a bounce, Wall Street will have fallen further in October than at any time since Black Monday 1932.

Despite this, Harman declared, "I don't expect a crisis as bad as the 1930s, as the state will intervene.... I think it will be more on the basis of the Japan crisis"—a reference to the bursting of the speculative property bubble in the early 1990s. James McCurry wrote of such comparisons in the October 28 edition of the *Guardian* that "the notion that financial crises are a throwback to an era that ended with the death throes of the ‘lost decade' is being exposed as so much folly.... In truth, though, the immediate future promises to be one of unremitting pain for the world's second biggest economy."

When contrasted with Harman, the Keynesian economist Alan Freeman sounded left. While insisting that "you'd have to be really dumb and seeking early retirement *not* to be a Keynesian now," and that Keynes was better than Marx for understanding the "short term" development of capitalism, he did warn that the efforts of the capitalists to "reorganise the world politically" may involve "violence and war.... The real cause of the crisis is the decline of the US as the world hegemon.... It is now using its military clout to prevent the day of reckoning and will have to take on its own working class."

Freeman then declared that we were only seeing the beginning of the end for US hegemony and that this could take a hundred years, as it had for the British Empire. To prevent war and fascism meant exerting maximum pressure for the capitalists to employ the "visible hand of the state" to regulate "the invisible hand of the market."

"Neither 1929 nor 1873 (the last crises on this scale) led to any socialist revolution," he said. "Does Keynesianism provide a way out of the crisis of capitalism?" It must do because, "We are not yet on the edge of a socialist revolution."

Harman did not disagree with this appraisal other than to insist, "I don't think the US will crash. Several states will crash but not the US."

For his part, Blackburn had little of substance to add, other than to warn, "We shouldn't make the mistake of saying that all finance capital is bad."

Finance capitalism should merely be brought under control, he said, while the left should call for a set of reforms to be implemented by the capitalists.

These demands were not socialist, he acknowledged, but of a "state capitalist nature." That is all that is possible, Blackburn insisted. The situation is not like 1917 "when no one knew what to do and Lenin put his hand up at the back of the room and said I will take responsibility for this mess," he said to laughter from the hundred or so present.

Posing the question, "But aren't we trying to get rid of capitalism?" he replied, "What we are getting towards are publicly responsible democratic forms of financial governance."

In the closing debate, Alex Callinicos focused on what he claimed were the political consequences of the crash. In a rambling survey, he largely confined himself to insisting that the United States, though weakened, would remain the world's hegemonic power, as neither Europe nor China was in a position to challenge it.

The financial crisis would get worse, he added.

The problem was that political radicalisation in the anti-war movement has developed "well in advance of working class economic resistance.... We need to close the gap between political and economic resistance."

Peter Gowan did little other than to explicitly back Keynesian-style regulation of the capitalist market. "I remember the old *International Socialism Journal* and us Trotskyists [the IMG] used to oppose the idea of structural reforms. Now the left needs to advance them," he declared.

In the brief debate that followed, a member of the Socialist Equality Party asked, "Speakers have spoken of the depth of the crisis. I have heard solutions like structural reforms and transitional demands. What do the speakers think is the prospect for revolution and do they think the working class will lead it?"

The question was greeted with laughter and ignored by the platform, other than Callinicos stating, "Of course I am for a socialist planned economy. It is important to start talking about that stuff again."

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