

SEP (Australia) first national congress

Resolution 1: The world capitalist crisis and the tasks of the SEP

8 May 2012

The following is the first of seven resolutions passed unanimously at the first national congress of the Socialist Equality Party (Australia) held from April 6 to 9, 2012 in Sydney (see: “Australian SEP holds first national congress”). See resolutions 2, 3, 4, 5, 6 and 7.

1. The year 2011 witnessed the re-emergence of the international working class onto the political arena, in response to the breakdown of the global capitalist system. This was expressed most directly in the Egyptian Revolution. But the upheavals in the Middle East, along with ongoing social struggles and strikes in Greece and across Europe, large social protests in Israel and a mass movement against budget cuts in Wisconsin in the US, have revealed ever more clearly the crisis of revolutionary leadership and perspective in the working class. This Congress of the Socialist Equality Party emphasises that the struggle to resolve this crisis lies at the basis of all the work of the SEP, as it strives to prepare the working class for a new period of revolutionary struggles.

2. At the beginning of 2011, the upsurge of the Tunisian and then the Egyptian working class forced through decisive political change with the overthrow of Ben Ali and then Mubarak. The absence of revolutionary leadership, however, based on the program of Marxism, as embodied in Trotsky’s Theory of Permanent Revolution, enabled US imperialism and its agencies in the national bourgeoisie and the military to reassert control. Utilising various petty-bourgeois pseudo-left tendencies, they installed an Islamist regime in Tunisia, funded by Qatar, while in Egypt the military junta established an alliance with the Muslim Brotherhood aimed at suppressing the working class. The stifling of the Egyptian revolution enabled US imperialism and the European powers to intervene in Libya, overthrow the Gaddafi regime, and then seek to bring about similar regime change in Syria.

3. In Europe, mass struggles against austerity measures, spearheaded by strikes and demonstrations in Greece, have faced the same fundamental political problem. They remain dominated by the old pro-capitalist trade union apparatuses and petty-bourgeois pseudo-left organisations. Likewise, in the United States. The eruption of mass protests in Wisconsin, where participants openly identified themselves with their Egyptian counterparts, underscored the international character of the class struggle and showed to the world the enormous potential social and political power of the American proletariat. But the trade union bureaucracy, supported by pseudo-left groups, such as the state capitalist International Socialist Organization and semi-anarchist layers, sabotaged that movement, channelling it back behind the Democratic Party and the Obama administration. The Occupy Movement, which developed in September–October, was predominantly comprised of student and middle-class layers. The wide support it received in the US and internationally anticipated a much broader movement. However its limitations were rapidly revealed in its failure to make any orientation to the independent political mobilisation of the working class.

4. To this point the bourgeoisie remains in control, resting on the trade unions and their “left” defenders, posing great dangers to the working class. But the objective conditions have emerged for the domination of the old labour apparatuses to be overturned through a persistent struggle for a revolutionary Marxist perspective. The theoretical and political struggle waged by the International Committee of the Fourth International (ICFI) over decades to establish the political independence of the working class on the basis of a socialist and internationalist program is now intersecting with powerful objective processes. In its 1988 perspectives resolution, analysing the historic significance of globalised production, the ICFI explained that “given the new features of capitalist development, even the form of the class struggle must assume an international character.” That analysis has been powerfully vindicated. Moreover, in opposition to all forms of “identity politics” promoted by the petty-bourgeois ex-left, the ICFI alone has continued to uphold the classical Marxist analysis of the class struggle as the driving force of history. That perspective too has been vindicated.

5. Running like a red thread through all the social struggles of the recent period is deepening hostility to escalating social inequality, combined with the emergence of incipient anti-capitalist sentiment.

6. The emergence of mass struggles of the working class, albeit as yet in a politically limited form, has profound historical significance. It points to the fact that the reactionary “free market” agenda imposed by the ruling classes after the defeat of the 1968–75 revolutionary upsurge, and reinforced in the wake of the liquidation of the Soviet Union, is starting to be challenged and that a new era of world socialist revolution has begun. This is why the resolution of the crisis of revolutionary leadership and perspective of the working class assumes such critical importance. Nothing less is at stake than the victory of the working class or the imposition of a crushing defeat, with catastrophic consequences for humanity.

7. The struggles of 2011 are the harbinger of even more explosive social conflict. The global financial oligarchy is demanding that the trillions of dollars used to bail out the financial system in the wake of the 2007–2008 crisis—equivalent to a quarter of the world’s gross domestic product—be extracted from the working class through sweeping austerity programs. This involves the savage reversal of all the social concessions made by the bourgeoisie in the aftermath of the Great Depression and World War II, driven by its fear of social revolution. The working class and the broad mass of the population, however, cannot and will not live under this new order. Herein lies the objective foundation of a new revolutionary period.

8. In every country, the bourgeoisie has only one answer to the crisis of the profit system: a vast restructuring of the economic and social conditions of the masses and the imposition of dictatorship, militarism and war. Four years after the eruption of the global financial crisis, none of the underlying causes has even begun to be tackled, let alone resolved. The

crisis was precipitated by an orgy of speculation, which simply continues in another form. Central banks continue to make trillions of dollars worth of ultra-cheap money available to financial institutions—boosting their profits, at least in the short term—while governments continue their ever-deepening assault on the social position of the working class. In the United States, economic “recovery” is predicated on reducing wages to poverty levels and gutting social services. As a result, US consumption spending is falling. But American consumer spending plays an immense role in underpinning the world capitalist economy—at around 70 percent of US gross domestic production, which is, in turn, one quarter of world output—signifying that any such “recovery” will only exacerbate the global crisis. At the same time, the Japanese economy has been unable to return to sustained growth, and most of Europe is either in or entering recession, due to the austerity programs imposed by finance capital.

9. As the contradictions of the advanced capitalist economies intensify, the eyes of the Dr. Panglosses, for whom “all is for the best in the best of all possible worlds,” have turned to the East. Economic growth in China, however, provides no solution, much less the foundation for a resurgence of capitalism in an “Asian Century.” The Chinese economy is completely dependent on the depressed export markets of Europe and America. Internally, the credit bubble that staved off a catastrophe in 2008–2009, when more than 20 million Chinese jobs were lost, threatens to collapse with incalculable consequences.

10. In their own circles, the ruling classes candidly acknowledge that they have no socially progressive alternative. The report to the World Economic Forum at Davos, the annual gathering of the global elites, warned that financial and other mechanisms developed in the twentieth century were completely unable to meet the complexities of the twenty-first. The “seeds of dystopia,” it declared, were being sown—a place where “life is full of hardship and devoid of hope.” Fully conscious that their assault on the social position of the working class will provoke revolutionary struggles, the capitalist elites are preparing to defend their decaying social order through the only means at their disposal—dictatorship, militarism and war.

11. The bourgeoisie’s solution is on display in Greece, where the situation confronting workers constitutes the sharpest warning of the future that capitalism has in store for the working class everywhere. The entire country is being turned into a semi-colony of finance capital, with government policy dictated by the so-called “troika”—the European Commission, the European Central Bank and the International Monetary Fund. Over the past 18 months, their austerity agenda has already produced massive wage cuts of 20 percent in the private sector, and up to 50 percent in the public sector, along with unemployment for one in five adults and one in two young people. Finance capital’s demands for “sacrifice” have no limits, as it shores up profits through the immiseration of the Greek masses.

12. The reactionary character of the European Union stands exposed. Far from being the means for preventing depression, fascism and war, the EU’s institutions are creating the conditions for their return. The social regression being imposed in Greece is incompatible with the maintenance of any form of democracy. That is why the European troika has installed an unelected government, which is the direct instrument of the financial oligarchy.

13. The shift to anti-democratic and dictatorial forms of rule is emerging in every country. In Britain, a coalition government now rules on behalf of the City of London, imposing policies that were directly opposed by the overwhelming majority of the population in the May 2010 election. In the United States, a battery of anti-democratic laws has been introduced, including legislation outlawing social protests in the wake of the Occupy Movement. In China, the reactionary regime that carried through the restoration of capitalism has strengthened the state security apparatus as social protests mount and it prepares to confront the multi-millioned

working class. The Gillard Labor government in Australia has committed itself to the international austerity program, enforcing laws that immediately confront workers taking even limited industrial action with the full force of the state.

14. Reviewing the struggles of 2011, the *World Socialist Web Site* drew up a balance sheet of their objective significance, as well as their limitations, in its first perspective of 2012: “The growth of social struggles, which have already involved tens of millions across the globe, signifies that the objective crisis of capitalism is becoming internalised in the subjective consciousness of the basic revolutionary force on this planet, the international working class. As always in the initial stages of a mass movement, there is a chasm between the historic scale of the crisis and the existing consciousness of the masses who are being drawn into struggle. How could it be otherwise? The masses can only learn through the experience of struggles. They cannot overcome overnight the political disorientation and confusion that are the products of decades of misleadership and betrayals. The old organisations—political parties and trade unions—use whatever remains of their influence to suppress social protest, or, where that proves impossible, to keep it within channels that do not threaten capitalist rule.”

15. This Congress insists that the central task of the SEP is to overcome the gap that exists between the maturity of the objective situation and the political consciousness of the working class. This can only be achieved through a theoretical and political struggle, together with practical initiatives, to demarcate at every stage the independent interests of the working class. In countries of belated capitalist development, this requires an intransigent struggle for Trotsky’s Theory of Permanent Revolution which insists, on the basis of vast historical experience stretching back more than a century, that the democratic tasks can only be accomplished by the working class seizing political power in its own hands and initiating the struggle for socialism.

16. In every country, the political independence of the working class requires the exposure of the “left” pseudo-radical and semi-anarchist tendencies that seek to shackle it to one or other section of the political establishment. Such exposures must be grounded on the ICFI’s historical defence of the program of Trotskyism. The origins of all the petty-bourgeois ex-left organisations—the New Anti-capitalist Party (NPA) in France, the International Socialist Organization in the US, the Revolutionary Socialists in Egypt, SYRIZA in Greece, the Socialist Workers Party in Britain, the Socialist Alliance and Socialist Alternative in Australia, to name but a few of the most prominent—lay in the Pabloite and state capitalist tendencies that broke from the Fourth International in the post-war period, rejecting its analysis of the historical crisis of capitalism and the revolutionary role of the working class.

17. The material basis for the persistent attack on the Fourth International by the Pabloites and other opportunist tendencies lay in the changed international social and political relations following World War II. Confronted with the threat of revolution, imperialism opened up possibilities for advancement to new layers of the middle class, both in the advanced capitalist countries and in the former colonies, where the national bourgeoisie had assumed control on its behalf. These layers functioned as a buffer against the proletariat. The essential role of Pabloism and other forms of revisionism was to develop the necessary theoretical formulae to justify the adaptation of the Trotskyist movement to these new layers of the middle class, which had become a vital prop for imperialism.

18. In the aftermath of the collapse of the Soviet Union and the transformation of the Stalinist, social democratic and trade union apparatuses, together with the petty-bourgeois national liberation movements, into open agencies of imperialism, there was a corresponding shift to the right in the petty-bourgeois “left.” One of the clearest expressions of this new orientation was the campaign waged by the

Slaughter-led wing of the Workers Revolutionary Party (WRP) in support of NATO's intervention into Bosnia in 1993–94. Never before had a party claiming to be Trotskyist collaborated so openly with bourgeois regimes and the imperialist military to wage war on an oppressed people. This served to underscore the objective significance of the ICFI's split with the WRP national opportunists in 1985–86. Summing up the lessons of this experience, the ICFI wrote: "The WRP's evolution was part of a process of degeneration of an entire petty-bourgeois left layer, which leaned for a considerable period on the Stalinist bureaucracy and the bourgeois nationalist movements. With the collapse of the Soviet Union and the universal capitulation of the national liberation movements, this social layer has made its way into the camp of imperialism."

19. The IC's analysis has been further verified in the events that have followed. In the Balkan War of 1999 a series of one-time anti-Vietnam War protestors emerged as the most strident advocates of imperialist attack on Serbia. In the same year in Australia, they called for the government to send "troops in" to East Timor, supporting Canberra's neo-colonial intervention. Deepening its analysis, the ICFI explained that the evolution of these forces—from anti-war protestors to ardent supporters of imperialism—was the political expression of a profound social process. With the rise of financialisation and accumulation of vast wealth through the operations of financial markets, a narrow layer of the middle class amassed riches beyond their wildest expectations, and their growing appetites became increasingly dependent on continued imperialist domination of global resources. In their deepening hostility to Marxism and their increasing promotion of "identity" and life-style politics, the pseudo-left groups express the material interests of these social layers. Following the path charted by the WRP, when it invoked the slogan of "revolutionary morality" to attack the ICFI in the 1985–86 split, the pseudo-left have supported the "humanitarian" military interventions in Libya and Syria, integrating themselves completely into the framework of imperialist politics. Nothing remains of their "leftism" except empty rhetoric.

20. The most politically conscious workers can only develop the necessary struggle against the pseudo-left to the extent that they are imbued with an understanding of the historical struggle of the ICFI against all forms of revisionism. This history demonstrates how all those tendencies that began with a rejection of the program of the Fourth International have become open agencies of the bourgeoisie. It reveals how their organic hostility to Marxism and the political independence of the working class expresses the material interests of the social layer they represent—privileged sections of the middle class, preoccupied with improving their own social position and lifestyle within the framework of the existing setup. The education of workers in this history must be placed at the very centre of the SEP's political work.

21. The lag of political consciousness behind objective developments can only be overcome through an understanding of the historical conditions out of which it developed. The central historical problem has been the false identification of counter-revolutionary Stalinism with Marxism and genuine socialism. The Stalinist bureaucracy usurped political power from the Soviet working class due to the isolation and backwardness of the first workers' state. Its command of the state apparatus enabled it to cloak itself in the political authority of the Russian Revolution, which was the greatest social overturn in human history. The domination of Stalinism over the international workers' movement and its murder of hundreds of thousands of the finest representatives of Marxism, profoundly damaged the consciousness of the working class, including its best elements. Now the capitalist breakdown and the re-emergence of class struggle are creating the conditions for the shattering of the entire edifice of lies, cover-up and slander erected by the combined agencies of Stalinism and imperialism, and for a renewed interest in genuine Marxism.

22. The ICFI anticipated this development in 1993, following the liquidation of the USSR, when it launched a campaign against what it termed "The Post-Soviet School of Falsification." This initiative has dealt crushing blows, most notably through the publication of David North's book *In Defense of Leon Trotsky*, against the pre-emptive strike by anti-communist historians to blacken the name of Leon Trotsky, the greatest strategist and theorist of world socialist revolution. The support received for North's exposure of the lies of British academic Robert Service, and other historians, underscores that the fight for historical truth will, in the final analysis, cut a path through the falsifications disseminated by the bureaucratic and academic servants of the bourgeoisie. The campaign waged by the ICFI has indisputably established that it is the sole representative of Trotskyism.

23. This Congress anticipates with confidence an immense upsurge in the class struggle internationally, and within Australia. The program of world socialist revolution, fought for and defended over decades by the ICFI, will increasingly become a pole of attraction for young people, intellectuals and politically conscious workers. The Socialist Equality Party must train and educate these forces on the lessons of all the strategic experiences of the international workers' movement throughout the twentieth century and in the first decade of the twenty-first. In that way it will establish the firmest foundations for the building of the SEP and the ICFI as the world party of socialist revolution.



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