The fight for Trotskyism and the political foundations of the World Socialist Web Site

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This year marks the beginning of the twenty-fifth year of the publication of the World Socialist Web Site. The launching of the WSWS on February 14, 1998 was preceded by an entire year of intensive discussion and preparation.

This discussion was initiated by a report delivered by David North on February 1, 1997 to the National Committee of the Socialist Equality Party (US). North proposed that the SEP and the sections of the International Committee of the Fourth International (ICFI) end the publication of their printed newspapers and establish a new, web-based publication that would serve as the voice of the ICFI.

North motivated his proposal with an extensive review of the political lessons of the ICFI’s struggle against Stalinism and Pabloite opportunism, the dissolution of the Soviet Union and breakdown of all the old reformist labor parties and trade union organizations, the rapid development of economic globalization, and the implications and potential of the Internet for the global class struggle and the building of the Fourth International as the World Party of Socialist Revolution.

Held over the weekend of February 1-2, 1997, the meeting of the National Committee was attended by the entire membership of the SEP. North’s report was accepted unanimously. But this meeting marked only the beginning of political discussion, technical work and organizational preparations that extended over an entire year.

At the time of the meeting, David North was the national secretary of the SEP. He is presently the national chairman of the SEP and chairman of the International Editorial Board of the WSWS.

This report and North’s summary remarks at the conclusion of the discussion retain their importance not only as the historical record of the political foundations of the World Socialist Web Site. They are also a demonstration of the relationship between Marxist theory and genuinely revolutionary practice.

The basis of the political work of the party is the perspective developed by the International Committee of the Fourth International (ICFI) in the aftermath of the split with the Workers Revolutionary Party (WRP). In the development of this perspective, the fourth plenum of the ICFI, held in July 1987, represented a milestone. It marked the renewal of theoretical work on international perspectives that had been disrupted for many years by the WRP. In the decade before the split in late 1985, the WRP had subordinated the work of the International Committee to the nationalist orientation and opportunism of the British section. The systematic disorientation of the International Committee found its most destructive expression in the perspectives resolution adopted at the 10th Congress of the International Committee in January 1985, the last held under the aegis of Gerry Healy, Michael Banda and Cliff Slaughter.

Let us recall the positions advanced by Slaughter in the document he presented to the 10th Congress. He wrote, for example, “The objective laws of capitalist decline now operate without hindrance.” This was an absurdity. In the real world, objective laws can never operate “without hindrance.” The operation of such laws is always refracted through an immensely dense and complex superstructure. The contradictory movement of this superstructure, which, in the final analysis, derives its essential impulse from economic forces, is reflected in politics. But according to Slaughter, by January 1985, the world had arrived at an unprecedented situation, that is, one in which so-called “objective laws” of capitalist economics no longer encountered any resistance. All the elements of social and political reality which impinged upon these objective laws, or through which these objective laws must be refracted, were written out of existence.

This absurdity constituted the main theme of Slaughter’s document. In another passage Slaughter wrote, “The capitalist class finds itself—and this is historically unprecedented—confronted by a working class which despite growing mass unemployment is making mass revolutionary experiences as an undefeated class.” This sentence was, on its face, self-contradictory. If the working class was “undefeated,” how then did Slaughter account for “growing mass unemployment”? When Slaughter wrote those lines the nearly year-old British miners strike was on the verge of collapse.

The document included a series of demagogic proclamations, such as 1) “The reality is the decisive revolutionary battles are already engaged. Every single day is a movement of the revolutionary flux of development. It is not a question of something building up for the future.” 2) “The political struggles are struggles in which the question of state power is already directly posed and has to be answered.” 3) “The proletariat of the United States, undefeated, enters struggles of a revolutionary nature simultaneously with those of the rest of the world.” And 4) “The revolutionary class confrontation, the struggle for power, the development of a whole series of interconnected, unevenly developed but unified struggles for state power is now joined, not anticipated merely.”

Slaughter’s document represented a complete misreading of the objective situation. At the very moment when he was trumpeting the “undefeated nature of the working class,” the world-wide degeneration of the old mass labor parties and trade unions had reached a very advanced state. The outcome of this degeneration was soon to be seen in a series of political disasters and defeats without precedent since the 1930s.

All the formulations employed in that document served to justify the adaptation of the WRP to the labor and trade union bureaucracies and the subordination of the sections of the International Committee to the immediate practical needs of the British organization. This subordination proceeded from the premise that the growth of the International Committee would arise as the byproduct of the practical successes and achievements of the WRP in Britain. As Healy once said to me, “As our star rises, so does yours.”

Now this was a simplistic conception which ignored the problem of the unified development of the International Committee as the World Party of Socialist Revolution. It conceived of the development of the International Committee in predominantly nationalistic terms. The development of the World Party was seen as the outcome of the essentially unrelated
The existing trade unions could not fulfill this role: struggles on a world scale, and therefore create new and more advanced organization of the working class. American, Japanese, Korean or German development of transnational organizations requires the international basis. "Trade unions," I stated, "are not equipped to confront class to organize its political struggle against capitalism on an international basis. They have decided to break politically with Trotskyism. The formal separation came less than two months later.

In the aftermath of the split, the theoretical work of the ICFI was concentrated on analyzing the political and historical issues that were raised by the degeneration of the WRP and its break with the International Committee. After this had been accomplished, the ICFI turned its attention to analyzing the development of its international perspective. In July 1987, at the Fourth Plenum of the ICFI, we initiated a discussion on the changes in the essential structures of world capitalism and their impact upon the international class struggle. I recall raising the following questions: "How do we foresee the development of the world socialist revolution? What processes and contradictions will provide the basis for a fresh upsurge of the working class and a renewal of revolutionary class struggle?"

Comrades may recall the Workers League Summer School in September 1987. My report was based on the discussion we had held at the Fourth Plenum. I would like to cite a number of passages from that report. For the first time, we drew attention to the emergence of two interrelated and highly important phenomena: the globalization of production and the multinational corporation.

The most serious weakness of the document introduced by Slaughter to the 10th Congress of the International Committee, I said, was its failure to take the slightest notice of "the new economic forms assumed by the growth of the productive forces within the imperialist epoch: that is, the internationalization of production on a scale unequalled in history, and the emergence of truly global production, in which the manufacture of a single commodity is the outcome of integrated transnational production. The transnational or multinational corporation is an economic reality which has profound implications for the development of the class struggle in every country and for the development of revolution." [Fourth International, January-March 1988, p. 69]

Two essential conclusions were drawn from our analysis of these new phenomena: First, we stressed the inability of trade unions to respond effectively to globalized production and the objective need of the working class to organize its political struggle against capitalism on an international basis. "Trade unions," I stated, "are not equipped to confront this new situation. They cannot defend the working class insofar as they conduct the class struggle exclusively on the national soil. In fact, the development of transnational organizations requires the international organization of the working class. American, Japanese, Korean or German workers find it increasingly impossible to conduct nationally isolated struggles. And just as the bourgeoisie seeks to organize production on a world scale, the working class will be compelled to organize its own struggles on a world scale, and therefore create new and more advanced forms of organization." [Ibid., p. 73]

The existing trade unions could not fulfill this role:Workers will have to develop their own international strategy, their own international forms of organization. But these forms cannot be created spontaneously. And they cannot be created by the existing leaderships. There is an organic, historically-created drive for the creation of an international proletarian party. The working class must step into the twenty-first century. It can't base itself on forms of organization developed in the nineteenth. The international party is not a phrase. It is a reality based on these developments. That must be the center of our perspectives. [Ibid., p. 82]

These concepts were elaborated in the 1988 perspectives resolution of the International Committee. We wrote, "It has long been an elementary proposition of Marxism that the class struggle is national only as to form, but that it is, in essence, an international struggle. However, given the new features of capitalist development, even the form of the class struggle must assume an international character. Even the most elemental struggles of the working class pose the necessity of coordinating its actions on an international scale ... the unprecedented international mobility of capital has rendered all nationalistic programs for the labor movement of different countries obsolete and reactionary. Such national programs are invariably based on the voluntary collaboration of the labor bureaucracies with their ruling classes in the systematic lowering of workers' living standards to strengthen the position of their capitalist country in the world market." [Fourth International, July-December 1988, p. 4]

The ICFI insisted that a revolutionary program could only be developed on the basis of an international perspective, and that this conception separated our movement from all varieties of opportunism. We wrote:

In one form or another, opportunism expresses a definite adaptation to the so-called realities of political life within a given national environment. Opportunism, forever in search of shortcuts, elevates one or another national tactic above the fundamental program of the world socialist revolution. Considering the program of 'world socialist revolution' too abstract, the opportunist hankers after supposedly more concrete tactical initiatives. Not only does the opportunist choose to 'forget' the international character of the working class. He also 'overlooks' the fact that the crisis in each country, having its essential origin in global contradictions, can only be resolved on the basis of an internationalist program. No national tactic, however significant its role in the political arsenal of the party ... can preserve its revolutionary content if it is either elevated above, or, what amounts to the same thing, detached from, the world strategy of the International Committee. Thus the central historic contribution which the sections of the International Committee make to the workers' movement in the countries in which they operate is the collective and unified struggle for the perspective of world socialist revolution. [Ibid., pp. 30-31]
I answered this in the report to the 13th Congress of the Workers League, in August 1988:

Our scientific analysis of the epoch and the nature of the present world crisis convinces us not only that this [international] unification of the proletariat is possible; but also that only a party whose daily work is based upon this strategical orientation can become rooted in the working class. We anticipate that the next stage of proletarian struggles will develop inexorably, beneath the combined pressure of objective economic tendencies and the subjective influence of Marxists, along an international trajectory. The proletariat will tend more and more to define itself in practice as an international class; and the Marxian internationalists, whose policies are an expression of this organic tendency, will cultivate this process and give it conscious form. [Ibid., p. 39]

All the work of the International Committee has sought to accomplish precisely what was stated in that passage, to cultivate through its program and practice the conscious internationalist self-definition and international struggles of the working class.

As comrades know, this required a series of political struggles within our party, especially over the change in our attitude toward the call for the establishment of a labor party based on the trade unions. Later, in the aftermath of the collapse of the Soviet Union, we recognized the completion of the objective transformation of the labor bureaucracies into the open and direct instruments of imperialism, and we insisted that the independent political mobilization of the working class would proceed not through the protracted radicalization of the old bureaucratic organizations, facilitated through the placing of demands upon their leaders, but partly through the rebellion of the working class against these old organizations, and partly through the bypassing of these reactionary organizations by the vast majority of unorganized and politically unaffiliated workers.

At the June 1995 national aggregate, at which we introduced the proposal to transform the Workers League into the Socialist Equality Party, we summed up the lessons of the experiences of the previous decade:

If there is to be leadership given to the working class, it must be provided by our party. If a new road is to be opened for the masses of the working people, it must be opened by our organization. The problem of leadership cannot be resolved on the basis of a clever tactic. We cannot resolve the crisis of working class leadership by ‘demanding’ that others provide that leadership. If there is to be a new party, then we must build it.” [The Workers League and the Founding of the Socialist Equality Party, (Oak Park, MI: Labor Publications, 1996), p. 30]

This was the basis on which we and the other sections of the International Committee initiated the transformation of leagues into parties.

Our unswerving internationalism and unyielding opposition to the reactionary labor bureaucracies have demarcated the Socialist Equality Party from every variety of petty-bourgeois radicalism. All of the petty-bourgeois groups have at least this much in common: they insist that it is illegitimate to question, let alone challenge, the authority of the bureaucratized trade unions over the working class.

The document written by Slaughter attempts to provide a theoretical basis for this subordination of the working class to the trade union bureaucracy. Rejecting the basic theoretical tenets of What Is To Be Done?, Slaughter defines the bureaucracy as “the working class’s own vanguard” and denounces all efforts to oppose Marxist politics to this “vanguard.” In one form or another one can find in the radical press dozens of citations which echo Slaughter’s arguments.

The programmatic clarification on the labor party and the role of the trade unions was of decisive importance, but it must be understood in relation to our essential strategical orientation, the building of the International Committee of the Fourth International as the World Party of Socialist Revolution. I wish to stress again the basic point that we made in 1987, that historic parties of the working class only arise as the political expression of international social processes and changes introduced by objectively revolutionary developments in the capitalist mode of production.

The Second International was the product of a colossal growth of the productive forces, powered by electricity, that gave rise to a new mass industrial proletariat. The Third International emerged as the product of the breakdown of those parties, under the pressure of imperialism, and the transformation of the world economy along imperialist lines. The Fourth International was founded in response to the betrayals of the Third, but its growth as a world party was delayed in the final analysis by the postwar boom, which continued to provide economic support for the old opportunist organizations. But that economic foundation began to disintegrate during the 1970s and especially during the 1980s. In studying the changes in world economy, the ICFI continually stressed that the globalization of production, accelerated by immense technological advances, would provide the essential objective impulse for the genuine internationalization of the class struggle and the growth of the Fourth International. That analysis, I believe, has been clearly substantiated.

Predictably, therefore, it is attacked by the Spartacist League, which denounces the emphasis placed by the International Committee on the globalization of production, and our insistence that the degeneration of the trade unions is an objective and inevitable expression of this process. The Spartacists have come out, in the latest issue of Workers Vanguard, with a long article entitled, “The Global Economy and Labor Reformism: How David North Embraces Karl Kautsky.”

“Today, it is intellectually fashionable,” they argue, “to explain the sharp deterioration in the living standards of American working people in the last generation as the result of ‘globalization,’ especially the transfer of production by major US corporations (‘multinationals’ or ‘transnationals’), to low-wage countries in East Asia and Latin America.” Setting up their own version of the Flat Earth Society, the Spartacists proudly declare that they will not acknowledge facts that are irrefutable.

As an example of my complete disorientation, Workers Vanguard cites a passage from a report that I gave in 1992: “The collapse of the old organizations of the working class is, fundamentally, the product of specific historic and economic conditions. Understanding these conditions does not mean we absolve the leaders of these organizations of responsibility for what has happened. Rather, it enables us to recognize that the rottenness of the leaders is itself only a subjective manifestation of an objective process. ... The global integration of capitalist production under the aegis of massive transnational corporations and the terminal crisis of the nation-state system have shattered the basic geo-economic foundation upon which the activities of the old organizations of the working class have been based. Nationally-based labor organizations are simply incapable of seriously challenging internationally-organized corporations.”

Spartacist replies by declaring that it is wrong to relate the policies of the trade union bureaucracy and the defeats of the working class to objective causes. They give three reasons. First, they reject our emphasis on the globalization of production and deny that there has been any
significant change in the nature of the world capitalist economy and the production process over the last 80 years, that is, since Lenin wrote his pamphlet, *Imperialism*. Second, they claim that to attribute the decline of trade unions to objective causes will discourage the working class by shaking their confidence in the effectiveness of trade unionism. Third, they insist that militant trade unionism can persuade the capitalist class to change its policies and make major concessions to the working class.

In support of their claim that globalization has had nothing to do with the decline of the trade unions, *Workers Vanguard* declares: “In none of the major strikes which marked the decline and defeat of the American labor movement in the 1980s—the PATCO air traffic controllers, Greyhound bus drivers, Phelps-Dodge copper miners, Eastern Airlines machinists, Hormel meatpackers—did foreign competition or the operation of multinationals abroad play any significant role.”

What a display of ignorance and intellectual bankruptcy! First of all, it does not seem to have occurred to *Workers Vanguard* that the destruction of PATCO in 1981 was carried out directly by the United States government, which represents the political leadership of world capitalism. But let us ignore this minor detail. One can safely say that the followers of the political guru of the Spartacist League, James Robertson, have no conception of the nature of modern capitalism. They seek to deny the relation of the process of globalization to the crisis of trade unionism by claiming that a number of strikes were broken by purely American businesses.

The Spartacist League seems to believe that the policies pursued by corporations are determined entirely on the basis of national factors. One can safely say that the CEOs of the strike-breaking companies cited by *Workers Vanguard* have a far better understanding of the dynamics and the imperatives of the world market than the Robertsonites. Every major corporation is inextricably linked to the world market, regardless of the particular percentage of their revenues which is derived from domestic sales. Efficiency, the productivity of labor, the rate of profit are measured by global, not merely national, standards. Capital circles the globe as investors seek the best return on their capital.

Spartacist continues: “The decline of the American labor movement is not fundamentally caused by the objective effects of ‘globalization,’ but by the defeatist and treacherous policies of the AFL-CIO misleaders.”

Here we have a completely subjective explanation of the crisis of the trade unions. All the defeats of the working class, we are told, can be easily explained by the personal rottenness of the top officials of the AFL-CIO. This explanation, however, raises the following question: If all the defeats experienced since 1980 were merely products of the things done by bad people in the AFL-CIO, then must we not concede that the earlier successes of the trade unions, during the hey-day of the AFL-CIO, were achieved because it was led by good people, among whom we would then be obliged to include that pillar of Cold War red-baiting, George Meany. After all, is it not the case that the defeats of the AFL-CIO began only after his retirement and death in 1980?

There are many questions that Spartacist fails to address. Why did bad people take over from good people? Or why did good people who had once been “good” suddenly become “bad”? Everything is reduced to the intentions of this or that individual bureaucrat. Such an approach represents the polar opposite of the Marxist method. Spartacist claims that Lenin’s *Imperialism* represents the last word in the analysis of capitalism, but it seems that they have not studied either that pamphlet or his other works on the subject of imperialism all too carefully. Among the central points made by Lenin was that the growth of opportunism in the Second International was based objectively on the development of imperialism.

In his pioneering work *Imperialism and the Split in Socialism*, Lenin posed the following question: “Is there any connection between imperialism and the monstrous and disgusting victory opportunism (in the form of social-chauvinism) has gained over the labour movement in Europe? … This is the fundamental question of modern socialism.” [Collected Works, Volume 23 (Moscow: Progress Publishers, 1977) p. 105] Lenin pithily defined the opportunists as “a section of the petty bourgeoisie and of certain strata of the working class who have been bribed out of imperialist superprofits and converted into watchdogs of capitalism and corrupters of the labour movement.” [Ibid., p. 110]

It was on this objective basis that Lenin called for the founding of the Third International. Lenin’s approach, the Marxist approach, is diametrically opposed to the subjective method. Indeed, revolutionary policies cannot be elaborated on the basis of a subjective interpretation of the crisis confronting the working class. After all, if the problems facing the working class are merely the product of the intentions of bad individuals, there is a relatively simple remedy. The AFL-CIO can be easily changed merely by replacing the bad people with good people. And why stop there? If replacing the bad with the good can transform the AFL-CIO into an organization that serves the working class, why should it be impossible to work similar wonders in other institutions, such as the Democratic Party or even the US government?

This is, of course, childish nonsense. Marxists do not politically indict the AFL-CIO because it’s led by bad people but rather because it is, objectively, an instrument of capitalist domination over the working class. Moreover, the AFL-CIO is staffed by, directly represents and serves the interests of a definite upper-middle-class social stratum that is implacably hostile to the working class. The policies pursued by this reactionary stratum are fundamentally determined by objective conditions created by globally-integrated capitalist production. In the final analysis, the latter point is decisive. The very nature of trade unions renders them incapable of fashioning an effective response to the globalization of capitalist production and, therefore, of the labor market.

Rejecting this analysis, Spartacist attempts to demonstrate what could be achieved if only there was a change in the subjective orientation of the present trade union leaders. They offer the example of a building strike in New York City where 15,000 scabs were used to replace workers. The office buildings operated more or less as usual. *Workers Vanguard* tells us that this struggle could have had a happy ending if only the trade union leaders had decided to do the right thing. Apparently inspired by the late John Lennon’s famous song, *Workers Vanguard* writes:

“But let us imagine what would have happened if organized labor had sought to organize New York City’s working people and appealed to the dispossessed population of New York’s ghettos and barrios to actively support the heavily minority and immigrant building workers.”

Then they really start fantasizing. “Dozens and hundreds of strikers and other workers, union and nonunion—along with black and Hispanic youth—could have surrounded every major office building in New York City and prevented anyone from entering.”

Capital would have been brought to its knees! “David North to the contrary, the CEOs of American multinationals would not have responded by closing their New York headquarters and running their operations out of New Delhi or Mexico City. Rather the cops would have attacked and tried to break the picket lines, arresting militant workers and their supporters. The outcome would then have been determined by the ability of the New York City labor movement to organize effective actions backed by popular support especially in the black and Hispanic communities.”

Then they come to the climax: “A one-day transit strike, for example, might have convinced the powers that be in the world’s financial capital to impose a deal on the real estate barons favorable to the building workers.” [Emphasis added]

Here we have the sniveling opportunism and petty-minded reformism that arises out of their subjective politics. What a pathetic scenario: First, the union bureaucrats change their minds and call a one-day strike. This
leads the bankers to break down in tears and change their minds, and they, in turn, change the minds of the hard-nosed building owners. The circle of subjective decision-making is completed. Everyone has changed his mind and all the problems are solved. The building workers win, and labor and capital are reconciled. All this and heaven too have been achieved without the nasty intervention of the world market.

Let us turn from dreams to reality. Spartacist seems to think that the International Committee has gone off the deep end by emphasizing the link between the globalization of capitalist production and the decline of the trade unions. As a matter of fact, even at a far earlier stage of world capitalist development, Marxists recognized the far-reaching consequences of the global expansion of capital on nationally-organized trade unions. Particularly in response to the reformist followers of Eduard Bernstein at the turn of the 20th century, who saw in the world-wide expansion of capital the possibility of ever-improving living standards for the working class, the orthodox Marxists stressed the negative consequences of this process.

In her very timely work Reform or Revolution, written 98 years ago, Rosa Luxemburg foresaw both globalization and its consequences for the national trade unions:

even within the effective boundaries of its activity the trade union movement cannot spread in the unlimited way claimed for it by the theory of adaptation. On the contrary, if we examine the large factors of social development, we see that we are not moving toward an epoch marked by a victorious development of trade unions, but rather toward a time when the hardships of labour unions will increase. Once industrial development has attained its highest possible point and capitalism has entered its descending phase on the world market, the trade union struggle will become doubly difficult. In the first place, the objective conjuncture of the market will be less favourable to the sellers of labour power, because the demand for labour power will increase at a slower rate and the labour supply more rapidly than at present. In the second place, the capitalists themselves, in order to make up for losses suffered on the world market, will make even greater efforts than at present to reduce the part of the total product going to the workers (in the form of wages). [London: Bookmarks, 1989, p. 40.]

The arguments of Luxemburg long ago entered into the theoretical arsenal of Marxism. But today, echoes of her arguments can be found in countless studies which analyze the impact of the globalization of production upon the working class. I’d like to bring to your attention material from one of those books, which has just come out, by the journalist William Greider, One World, Ready or Not: The Manic Logic of Global Capitalism.

This book appeals for a change in the direction of capitalist policies. Greider is an opponent of socialism and a staunch ally of the AFL-CIO, of which he writes with rapture. Still, he is a capable journalist, and provides information that illustrates the impact of globalization upon the working class. One chapter is entitled, with intentional irony, “Gleiche Arbeit, gleicher Lohn.” [Same Work, Same Pay]. The irony, according to Greider, consists in the fact that this old slogan, once a battle cry of organized labor, is now being realized in a quite unexpected manner through the actions of transnational corporations who are exploiting the opportunities offered by the international labor market.

The chapter begins with a discussion of a form of economic speculation called arbitrage. An arbitrageur is a speculator who exploits the small variance in price between the markets in which a particular commodity is bought and sold. Greider writes:

In the globalizing economy, arbitrage is applied to a vastly different purpose: the commodity is human labor, the price is wages. Wage arbitrage (though companies do not call it that) functions more or less in reverse: It moves the production and jobs from a high-wage labor market to another where labor is much cheaper. The producers thus reduce their costs and enhance profits by arbitraging these wage differences, usually selling their finished products back into the high-wage markets.

The cost of transporting things between distant markets has always been the practical obstacle to successful arbitrage, but modern technologies have greatly reduced these costs, even for moving entire factories. Transportation is a trivial factor alongside the potential gains of exploiting the vast disparities that exist among wage levels in different parts of the world. [New York: Simon & Schuster, 1997, p. 57]

In what amounts to a quite devastating reply to the arguments of Robertson & Company, Greider states: “Auto workers in Illinois earned in a day or two what the electronics workers of Malaysia earned in a month, not to mention those in China or Vietnam who worked for far less. The Anglo-French investor James Goldsmith has calculated that the cost of one Frenchman was equivalent to forty-seven Vietnamese. If humanity was to be measured on that rude scale, one American machinist was worth about sixty Chinese machinists.” [Ibid., p. 64]

Greider documents the impact of global economic processes on the comparative living standards of American workers: “In 1975, hourly wages for production workers in US manufacturing were double Japan’s, and exceeded everyone else’s except Norway, Sweden, Belgium and the Netherlands. By 1980, American factory wages were below those in eight other countries, including West Germany. By 1992, the US was behind thirteen countries, including Japan.” [Ibid., p. 66]

“The primary explanation [for falling living standards] was the global wage arbitrage,” Greider insists. “The general presumption that low-wage workers in backward countries were crudely unproductive was simply not true. In fact, dollar for dollar, the cheaper workers often represented a better buy for employers than the more skillful workers who were replaced. Their productivity was lower but it also improved rapidly—much faster than their wages. In order to attract foreign capital, governments often made certain that this was the case.

In Mexico, for instance, the new auto workers for Ford or GM or VW might perform at 50 to 70 percent of the efficiency of workers in the companies’ home plants. But their wages were one sixth or one eighth as much...

Similar divergences were commonplace around the world, even in the Asian labor markets where wages were rising smartly. The classic case was shirts: American garment workers could make a shirt with 14 minutes of human labor, while it took 25 minutes in Bangladesh. But the average U.S. wage was $7.53 an hour, while in Bangladesh it was 25 cents, an edge that would not be erased even if the Bangladeshi wages were doubled or quadrupled. Or steel: U.S. industry required 3.4 hours of human labor to produce a ton of steel, while Brazil took 5.8 hours. But the wage difference was 10 to 1: $13 an hour versus $1.28. [Ibid., pp. 74-75]

Greider bemoans this situation and wishes that the trade unions were
able to fashion an effective response. This chapter actually begins with an account of an international gathering of trade union officials in Switzerland. Though he attempts to portray the participants sympathetically, Greider is obliged to point out that this international gathering highlighted the national antagonisms between trade unions in different parts of the world. The dominant theme of the gathering was not international labor solidarity but mutual resentment. The different national trade unions hold each other at least partly responsible for the problems confronting the labor movement in their own countries.

Alarmed by the deterioration of the trade union movement, Greider issues the following warning: “If unions disappeared, might something else arise to replace them, some new form of collective voice that could counter the unfettered force of the marketplace? As an economic imperative driving global commerce, wage arbitrage was an opportunity. As a social imperative, it sowed deepening disarray and anger. While business and finance pursued the economics, it was the deteriorating social conditions that in the long run might become more threatening to free capital than unions.” [Ibid., p. 79]

Greider, mirroring the concerns of the petty-bourgeois radicals, fears that the breakdown of the existing unions will result in the growth of the political influence of revolutionary socialists among militant and angry workers.

Greider’s work substantiates the analysis made by the International Committee. Events have confirmed the prescience of the perspective that the ICFI began to elaborate in 1987. This analysis has served as the basis of all our work. The last decade has been a decade of theoretical and political preparation, which has culminated in the transformation of leagues into parties. We have laid the foundations for the emergence of the International Committee of the Fourth International as the internationally recognized political center for the renewal of socialist politics and socialist culture within the working class. On the theoretical front we have made undoubtedly a great deal of progress, and the transformation of our leagues into parties is certainly, in an organizational sense, the beginning of a great step forward. But we are now posed, having begun this transformation, with the task of overcoming the two major problems that confront the International Committee.

The first is the contradiction between the strength and correctness of our political line, and the size and extent of our political influence. The second is the gap between our international perspective and orientation, and the real practical limitation that existed in the forms of international collaboration and international leadership. We have sought continuously to overcome these problems, but it must be recognized that a ready-made solution was not at hand.

However, the conditions for dramatically expanding the influence of the International Committee and developing a far more unified international practice are now in fact emerging, politically and practically. To exploit these opportunities for which we have worked over the past decade requires, I believe, a very radical change in our practice.

For this reason I want to speak about The International Workers Bulletin. All of us know that the IWB, and before it the Bulletin, have played a central role in the political life of the party. Indeed, the role it has played in our party is bound up with the powerful tradition of the newspaper in the workers movement. The newspaper was not invented by the workers movement. But the revolutionary socialists utilized and played in our party is bound up with the powerful tradition of the Bulletin.

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The International Workers Bulletin is the culmination of the last eight years of political struggle by the Workers League and our cothinkers in the International Committee of the Fourth International. This has involved intense theoretical work in analyzing the world crisis of capitalism, and its implications for the American and international working class. A vital gain of the 1985-86 split of the Workers League and the ICFI from the national opportunist renegades of the WRP was the clarification and strengthening of the internationalist foundations of the Trotskyist movement. Since then the movement has placed particular emphasis on the analysis of the class struggle as an international phenomenon. We have striven to assess political developments within the US and the experiences of American workers from the standpoint of the world crisis of capitalism, and the political tasks confronting the international working class. We

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believe that our new newspaper, as renamed and redesigned, will enable the party to intensify and broaden its defense of socialist internationalism, both at home and abroad.

We see The International Workers Bulletin as a source of political and historical analysis, and a political weapon of the international working class. It will speak above all to those workers who increasingly see their struggle as part of an international struggle. It will play a vital role in combating the reactionary chauvinism and nationalism promoted by the bourgeoisie and the trade union bureaucracy, and educating the working class in an internationalist approach to all social and political problems.

In response to the question, how will The International Workers Bulletin encourage such an internationalist approach, Barry answered, “An important factor will be a heightening of the international collaboration between our editorial board and those of our sections of the IC in Europe, Asia and North America, as well as more systematic collaboration with supporters of the Fourth International in Latin America, Africa, Eastern Europe and the former Soviet Union. We hope to receive regular reports, not only from Britain, Germany, France, Australia, Sri Lanka, India and Canada, but also from South Africa, Japan, Ukraine, Russia and many other countries.”

The IWB represented an attempt to work toward an ever closer integration of the work of our sections. One important aspect of that work involved the recognition of the possibilities which had been opened up by the emerging computerized communications technology and their more effective use as a means of integrating and coordinating the work of the editorial boards of the different ICFI sections.

In fact, shortly after the founding of the IWB we began to discuss the possibility of establishing an international newspaper. But the launching of the IWB did not really overcome our most serious problems. The practical problems of maintaining weekly publication increased. The change in political climate, the impact of factory shutdowns in Detroit and throughout the Midwest, the decreasing effect of street sales, and the entirely predictable change in the personal situation and abilities of many older comrades to organize sales, all of this took their toll. The contradiction between the mental, physical and financial resources devoted to weekly publication, and the circulation of our press, could not be overcome by exhortation, which in general is a very limited method for overcoming problems. And so, in the spring of 1994, we proposed to go from weekly to biweekly publication. This change was agreed upon and our example was followed by all of the sections of the International Committee.

However, it soon became apparent that the change of frequency, while certainly easing certain practical pressures, did not really address the underlying problem. The circulation of the paper continued to decline, and only limited progress was made in effectuating the development of an international newspaper. Even had we, through the most strenuous organizational methods, doubled the circulation of the IWB, it would not have signified anything approaching a qualitative expansion of our political influence.

As I previously stated, there are times when there exists no practical solution to a given objective problem. In such situations, patience is among the cardinal virtues of a revolutionary. But just as reason becomes madness and a blessing plague, patience can degenerate into passivity and fatalism. It is one thing to struggle for a long period of time with limitations imposed upon one’s political development by objective conditions. It is quite another thing to become resigned to them, to adapt step by step all aspects of one’s life to the assumption, often unstated, that these limitations can never be overcome. Nothing is more corrosive to the internal strength of a revolutionary party than quiet resignation that consoles itself with the self-deceptive illusion that mere “soldiering on,” based on the uninspired observance of increasingly empty routines, will somehow miraculously lead to the growth of the party.

In revolutionary politics, patience becomes a virtue at the point when a movement fails to recognize and act upon the opportunities that would permit it to overcome longstanding limitations and problems. Such opportunities have now emerged in the form of the extraordinary communications technologies associated with the development of the Internet. We have been discussing this for about two years. It was first raised at an aggregate meeting that was held in late 1994. Since that time, however, the use of the Internet has undergone an explosive development. The Internet is now used by more than 40 million people worldwide, the number of Web sites has grown from just 19,000 in 1995 to a quarter of a million today. More than 55 percent of large US companies have a Web site, and by the year 2000 it is estimated that $80 billion in business will be transacted over the Web. Internet traffic, according to the Financial Times, is growing at 300 percent a year, and the number of servers connected to the World Wide Web doubled to more than 300,000 in the last five months of 1996.

This mode of communication is profoundly revolutionary. First, it is easily accessible, relatively inexpensive, and immediately and directly international. There has been a great deal of debate about the actual use of the Internet for business. Their great question is how and when it will make money. Of course, there is not an identical answer for every industry. For certain retail industries the effect is obvious. Amazon.com, which advertises itself as the world’s largest bookseller, has gone in the space of a few months from seven to 200 employees, and reports that its business is growing 30 percent every month.

It would be foolish to ignore the wide-ranging potential impact of this technology on our work. The Internet is rapidly emerging as an immensely popular and accessible form of mass communications. It addresses the two decisive questions that have bedeviled the International Committee and its sections: One, the expansion of our influence, and two, the international integration of our activity.

The newspaper is a medium of communication; it is not a principle in and of itself. As a means of communication for the ideas of the International Committee, it has become less and less effective, and from the standpoint of the demands it makes upon the resources of our movement and the effectiveness with which we are using those resources, more and more destructive. Our proposal is to concentrate our energies upon the construction, development and maintenance of an international Web site that will serve as the principal public identity and address of the International Committee and its sections. All the necessary functions assigned by Lenin to the all-Russian newspaper at the turn of this century, as collective theorist, propagandist and organizer of the revolutionary party, can be realized through the use of the Web.

I would suggest that comrades read very carefully those sections in What is to be Done? in which Lenin elaborated his proposal for an all-Russian newspaper. Particular attention should be paid to his analysis of the practical problems of the Russian movement. When he wrote What is to be Done?, Lenin was arguing against another tradition, that of the local newspapers which had been very successfully used in Germany by Social Democracy, with its immense resources. It was generally believed that local newspapers were necessary to keep local branches close to the working class. He argued at that time for an all-Russian newspaper which would coordinate the disparate activities of different branches of Russian Social Democracy, provide them with a unified political line, and make their collective activity far more effective.

We believe that a Web site can carry a vast amount of information, and address a wide area of political, historical, cultural and practical problems. It will attract an ever-wider audience of workers, students and
intellectuals. It will attract readers and comments from all over the world and enable us to develop an extensive electronic correspondence that will lay the foundations for a tremendous advance in our work. The answering of our email will come to play an important role in the development of our political contacts, and the building not only of new branches in countries where we presently have sections, but new sections where we presently have no supporters at all.

Our influence in Russia was built up almost exclusively on the basis of a political correspondence that we carried out with various people between 1989 and 1992. In a political environment, our very small magazine found a response. A large section of people in Russia politically active on the left know about the International Committee. I would say that we are better known in Russia than we are in the US.

We propose, therefore, to end the publication of The International Workers Bulletin. I’m not in favor of making some half hearted compromise between the Web and the IWB. The construction of a Web site is an enormous and complicated enterprise. We must use our resources effectively. The time has come, now that an alternative is available, to stop the depressing and unsustainable drain on cadre energies and resources demanded by the publication of a newspaper that is presently read by only a thousand people.

That does not mean that we propose to abandon printed media. We must take advantage not only of the technological advances associated with the Web, but with the tremendous developments in output technology associated with desktop publishing. I believe that leaflets and brochures produced either on the Risograph or, when necessary, on large presses will play a much greater and effective role in our work in the future.

As a matter of fact, the single-minded devotion to the newspaper often has prevented us from the effective use of smaller and more economical media. Often an important intervention at a factory, at a demonstration or some other gathering could have been served far more effectively by a leaflet or brochure than a newspaper. Often there is no leaflet because it is seen as a lower form of political literature, less exalted than the IWB, and even perhaps in competition with it. Or it may be that we simply didn’t have enough time to produce it.

But some of our most effective interventions have been with those less exalted, and, I should point out, far less costly, forms of political literature. In the future, leaflets and brochures can be used to advertise and build the audience for our Web site. For example, we can prepare a special brochure for a mass demonstration, containing a statement that addresses the issues of the day, along with an advertisement for our Web site, and we can track the response it produces through the number of hits on our Web page.

We also propose to initiate a new political and theoretical printed journal, either on a monthly or a bimonthly basis, in conjunction with our comrades in the International Committee. This would feature longer articles on politics, history, culture, the very sort of material which appears in the IWB, but which then disappears very quickly, forgotten about, unfortunately, before it has even begun to play a role in the education of the working class. The circulation of this journal would be built up through bookstores, the Internet, libraries and also public sales.

Finally, another crucial aspect of our work must be the development of Labor Publications and its publishing program. Books are a crucial means for expanding the influence of the party and altering the political culture within which the development of the working class takes place. In this regard, I wish to make reference again to the political situation.

There are definite signs of a change in the political climate. This is indicated by a sudden increase in the number of articles and books highly critical of the unfettered operation of the capitalist market, a sort of neo-Keynesian, neo-New Deal critique of market capitalism. Much of it is devoted to scary scenarios of the revolutionary consequences of existing trends of development. We must be in a position to intervene in such discussions from the standpoint of developing a Marxist interpretation of the crisis and fighting against the influence of the bourgeois liberals, in collaboration with the trade union bureaucracy and the radicals, over the working class.

Our views must be widely known. They must be read. They must be followed. Tradition is a good thing, but there is a point at which it becomes a handicap on development. “The tradition of all the dead generations,” wrote Marx, “weighs like a nightmare on the brain of the living.” There is no question that the Web is going to be used by countless political organizations. On the right, to be sure, but also on the left. There will be all sorts of groups, even individuals, who lack the resources we presently have as an international movement, who cannot think of publishing a newspaper, and therefore are not bogged down by all the traditions associated with it. They will purchase a computer, set up a Web site, work very aggressively, and begin winning international contacts.

Comrades will begin to notice, all of a sudden, that groups of which we’ve never heard are suddenly operating internationally. And then the question will arise, why did we not exploit the opportunity that existed?

We have comrades who are devoted exclusively to writing the newspaper. That work is often disassociated from every other form of activity. Those who are not involved in the writing of the newspaper are largely confined to episodic sales of the paper, sales which by their very nature are extremely limited. It is one thing to defend and maintain a practice as long as there does not exist an alternative. It is not that we were not aware at an earlier stage of the tremendous difficulties associated with the maintenance of a newspaper, but there was no alternative. Now there is an alternative.

We are not suggesting that this is some easy escape from practical problems. But a new stage is opening up in the history of the International Committee. There is no predetermined path of development. We made this point as forcefully as we could in June 1995 when we proposed that we initiate the transformation of the League into the Socialist Equality Party. We said at the time:

Marxism is a science. But there exists no set of formal instructions which can explain, in advance, the precise steps which must be followed in the building of a revolutionary party. Moreover, it is in the nature of the historical process that the past provides no exact guide to the future. One can draw lessons and inspiration from the traditions of the past. But the future will not take shape as a pale imitation of the past.

The development of the International Committee requires of its cadre a creative response to the specific problems of the present epoch. We yield to no one in our defense of the historic program upon which the Fourth International is grounded. But that program was itself continually enriched in an unrelenting struggle to create the organization through which the working class would finally establish socialism. [The Workers League and the Founding of the Socialist Equality Party, p. 15]

We are not suggesting that the Internet is a panacea that will solve all of our problems overnight. Its effective use requires the mastering of complex and rapidly evolving technology. The state of the Web is unsettled, even chaotic. Of course, all sorts of new costs and charges may be imposed, not to mention the imposition of political controls aimed at regulating or limiting its use. But I doubt that these limitations compare to the daily problems we encounter in selling or attempting to sell the IWB. So far, at least, no one can be arrested for dialing up the Web and posting the IWB. At any rate, none of the possible obstacles and pitfalls should prevent us from making the most aggressive use of this technology, and
It must be added that the International Committee drew strength from its understanding of the irreconcilable antagonism between Stalinism and Marxism. The Fourth International has insisted throughout its history that the survival of the USSR depended, in the final analysis, upon the overthrow of the Soviet bureaucracy by the working class. Therefore, the collapse of the USSR did not come as a surprise to our movement. We have to master the forms and aesthetic of the Web. To write for it requires consciousness of this technology—articles that can be downloaded in perhaps a page-and-a-half on a laser printer. It is also possible to prepare an entire journal that is formatted for eventual downloading. Leaflets can be written in such a way that they can be downloaded as formatted documents, for mass circulation in any part of the country or the world. The possibilities are endless. The Web site will, over time, attract growing attention, from regular supporters, sympathizers, and even opponents who feel obliged to follow what we are saying. We never before had this opportunity.

I feel this is a necessary and vital proposal for our movement. We want to have the broadest discussion on this question, and I hope that we can come to an agreement that will enable us to move vigorously on this new technology, this new medium, and exploit it most effectively for the development of our international movement and the Socialist Equality Party.

The proposal to transition to an Internet-based publication was followed by extensive discussion. We post below David North’s remarks at the end of the first day of the National Committee meeting.

Comrades, the strong support for this proposal shows that you agree that it is time for a fundamental change in the Party’s practice. This cadre does not want the movement merely to survive, but rather to develop and grow. Those who have spoken recognize that the extraordinary developments in technology provide us with an opportunity to expand the audience for the political line of our movement.

The perspective upon which this proposal is based is infused with historical optimism. This is in sharp contrast to the outlook of the petty-bourgeois groups who are, as Comrade Fred Mazelis has pointed out, deeply demoralized. It is one thing to recognize the political limitations which arise in different periods out of objective circumstances. It’s another thing entirely to abandon a historically developed perspective based on a scientific understanding of the laws of social development. The petty-bourgeois groups adapt themselves to the endless declarations that Marxism is dead. These declarations are to be found in countless contemporary journals and books, including those which are critical of the movement.

The authors of these works generally take great care to reassure their readers that Marxism has “failed.” But then they proceed to plagiarize one or another element of Marx’s critique of capitalism. This striking contradiction is neither acknowledged nor explained.

Our movement is grounded—historically, theoretically and politically—in the understanding of the irreconcilable antagonism between Stalinism and Marxism. The Fourth International has insisted throughout its history that the survival of the USSR depended, in the final analysis, upon the overthrow of the Soviet bureaucracy by the working class. Therefore, the collapse of the USSR did not come as a surprise to our movement.

Moreover, we did not take the post-1991 triumphalism of the international bourgeoisie all too seriously because the International Committee understood that the crisis which brought about the collapse of the USSR was an aspect of a systemic crisis of the world economy. It must be added that the International Committee drew strength from its ability to see the political and intellectual crisis of the international working class in a rich and textured historical context. Notwithstanding the setbacks suffered by the working class, the period through which we are passing is not without certain revolutionary characteristics.

During my last visit to Russia, I met with Avner Zis, a close friend of Vadim Rogovin, who has written many works on philosophy and culture, of which he possesses an encyclopedic knowledge. Now in his late eighties, Zis is very pessimistic. He sees in this period only the disintegration of culture, the disintegration of past intellectual achievements.

It is understandable that a man of Zis’ age and culture would become deeply discouraged by the present course of events in the former USSR. I would not compare him to the radicals. His pessimism is not the product of cynicism, but of a genuine and humane distress over the consequences of the collapse of the USSR. It is not the demise of Stalinism that he laments, but the ensuing destruction of all the positive social and cultural achievements of Soviet Union. Moreover, he is distressed by the international character of the apparent degeneration of thought and culture. He stated that he could not see anything encouraging in the present situation. In reply I said the following to him:

“Everything you say about the decline of culture is true. It seems to be the case that mankind has taken a step backward, from the conquests that it made intellectually in a previous period.

“You are, however, a great student of Hegel. Didn’t Hegel teach us that we must examine human thought in all its aspects and dimensions? The level and capacity of human thought finds expression not only in the spoken word and printed page, but also in the whole opus of human activity, which includes his science and technology.

“From that standpoint one has to acknowledge that notwithstanding the evident decline in many areas of culture—literature, the fine arts, music, cinema, and, of course, politics—the last few decades have witnessed an extraordinary explosion of human creativity.”

What does this development mean for the working class? When we consider the power and liberating potential of the microchip—this extraordinary product and catalyst of human intelligence—we find fresh grounds for historical optimism. It would be myopic to see the past period simply as one of universal reaction. To be sure we are passing through a period of political confusion whose historical source can be traced back to the unresolved problems of the Russian Revolution, the colossal defeats inflicted on the working class in the 30s and 40s, and the tremendous difficulty in reviving the culture which was so grievously injured by the combination of Fascist Holocaust and Stalinist terror, directed against the advanced elements within the working class.

Human culture is fragile, and the wounds that are inflicted upon it during one decade of counter-revolutionary reaction may require many more decades to heal. But during the last half-century the creative energy of human intelligence did not stagnate. It found other means of expression, perhaps more prosaic and practical, but nonetheless revolutionary in their long-term implications.

The advances in technology have opened up new possibilities. The globalization of capitalist production, notwithstanding the misery that it has brought in its wake, carries within itself the seeds of revolutionary progress. It is rendering national boundaries obsolete and depriving the national state of any rational justification for further existence. Furthermore, the globalization of production, all but completing the restructuring of capital into every portion of the globe, has resulted in a vast increase in the size, socio-economic significance and potential political power of the working class. Only a few decades ago, the great struggles to which the revisionists pointed were taking place in countries in which the dominant social force was still the peasantry. That was the basis of a pandemic of revisionist, petty-bourgeois, and anti-Marxist politics that repudiated the heritage of scientific revolutionary
thought—above all, the theoretical legacy of Leon Trotsky. Led by Mandel and Hansen, the Pabloite opportunists discarded the theory of permanent revolution, which had established the decisive historical role of the working class in the struggles of the backward countries, as a “dead dog.”

But now, as a result of globalized and integrated capitalist production, there exist powerful contingents of the proletariat in countries and regions where, only 15 or 20 years ago, modern industry hardly existed, if at all. Twenty years ago, Singapore, Malaysia, Indonesia, Thailand, South Korea and Taiwan could hardly be considered significant factors in world economy. Now all these countries are vital components of capitalist industry and finance, and it is only a matter of time before a rapidly growing and maturing working class challenges the political power of the bourgeoisie.

And the significance of the developments in these countries is overshadowed by the implications of the economic and social transformations that are underway in India and China.

At the same time the tremendous advances in communications technology provide our movement with the ability to reach and address an international audience.

Twelve years ago, modems were operating at 300 baud. Now relatively inexpensive devices operate at 28,800 baud. The advances have been at an extraordinary rapid pace. It would hardly be outlandish to predict that, within a decade, conventional modems will be superseded by international networking systems that will make the transfer of information a virtually instantaneous process. This interaction of technology with the vast expansion of the working class is creating extraordinary possibilities for the development of Marxism and the revival of the international socialist movement.

Above all, these developments impart to the internationalism of our movement a degree of concreteness that was previously unattainable, if not unimaginable. The international character of capitalist production, which our movement has insisted upon as the theoretical foundation of the socialist movement, is now the inescapable and increasingly obvious practical reality confronting the entire working class. A new international practice and movement of the working class must emerge from this objective situation. The international program of our movement will find ever more numerous points of support in the struggles of the working class.

Thus, our perspective, based on a realistic appraisal of the world situation, is imbued with optimism. We have never approached history subjectively, as the radicals invariably do. History does not “owe” us anything, and, therefore, cannot disappoint us. We seek to understand the objective forces which find expression through its movement, and, through such an understanding, transform our party into one of the most powerful of those motivating forces. The proposal which we are making is based, in the final analysis, on a recognition of objective historical processes that provide us with the opportunity to expand the influence and authority of the Fourth International.

We revere and treasure the heritage of the past. As we approach the end of this century, we remain convinced that Leon Trotsky towers over the political history of the 20th century. The study and assimilation of his writings remain the essential prerequisite for the rebirth of international socialism.

But it would be wrong, and even against the spirit of the Marxist method, to expect to find in the writings of Trotsky an answer to every practical problem which we confront. We must be bold and innovative in our practice. We must be prepared to take risks.

The response to this proposal is encouraging. It provides fresh proof that the comrades of the SEP and the ICFI—despite all the difficulties we have passed through—are still determined to turn outward and find a fresh approach to the working class.

I believe that this proposal will open up enormous possibilities for the