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I N T R O D U C T I O N

In this, the first, issue of COMpass, the theoretical journal of the COMMUNIST LEAGUE we print edited versions of six articles which retain their relevance to the contemporary political situation but which have long been out of print. The articles were originally published in 1966-67 in HAMMER OR ANVIL and RED FRONT, the organs respectively of the Action Committee for Marxist-Leninist Unity (ACMLU) and the Marxist-Leninist Organisation of Britain (MLOB), the predecessors of the COMMUNIST LEAGUE.

Further reprints will be published in later editions of COMpass, but the next issue will consist of a documented report on the role of Leon Trotsky in relation to the Russian Revolution, entitled "Trotsky against the Bolsheviks"; this will be published in March 1975.

The Communist League

In addition to COMpass, the Communist League also publishes:

COMbat : its journal of topical political analysis, and
InterCOM : its journal of international news.

The first issues of both these journals will appear in March 1975.

The March 1975 issue of COMbat will carry articles on:

Election Two 1974
National-Democratic Revolution in Portugal
Terrorism or Revolution?
The Great American "Comeback"
Theses on the Anti-Fascist United Front
Socialism and Marriage
Statement of the MLOB on the Expulsion of
Mike Baker

The March 1975 issue of InterCOM will carry a detailed summary of world news over the period January-June 1974.

The aim of the COMMUNIST LEAGUE is the establishment of a Marxist-Leninist Party in Britain free of all revisionist trends.

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C L A S S E S I N M O D E R N B R I T A I N

1

Those sociologists who serve ideologically the interests of the capitalist class have long been engaged in "refuting" Marx by arguing that the British proletariat has become and is becoming relatively smaller, while the non-proletarian strata of the British working people have become and are becoming relatively larger.

Revisionism is a system of ideas which serves the interests of the capitalist class while claiming to be "Marxism-Leninism brought up-to-date". Revisionism in Britain is not confined to the Communist Party, but shows itself in the thinking of some of the groups which claim to be "Marxist-Leninist" and opposed to the revisionism of the CPGB. It is clearly discernible, for example, in a pamphlet on class relations in Britain published by the "Finsbury Communist Association" in 1966 and entitled: "CLASS AND PARTY IN BRITAIN". This pamphlet puts forward the above conception of bourgeois sociology, clothed in "Marxist-Leninist" phraseology: that the proletariat in Britain has become and is becoming relatively smaller, while the non-proletarian strata of the working people have become and are becoming relatively larger.

The FCA pamphlet goes so far in the direction of bourgeois sociology as to use, without inverted commas, the fashionable description of Britain as an "affluent society" (p. 9) and to state that the British proletariat is "not sufficiently large to form a solid base for" a Marxist-Leninist Party (p. 15).

It is because a correct analysis of classes in modern Britain is so vitally important for mapping the road to socialism in Britain that it is necessary to criticise the revisionist concepts that appear in this pamphlet.

Classes

Classes are large groups of people which differ from each other:

- 1) by their relation (of ownership or non-ownership) to the means of production;
- 2) by the method in which they obtain their income (i.e., by means of their own work or by means of the exploitation of others); and
- 3) by their role in the social organisation of work.

"Classes are large groups of people which differ from each other by the place they occupy in a historically definite system of social production, by their relation (in most cases fixed and formulated by laws) to the means of production, by their role in the social organisation of labour, by the dimensions and method of acquiring the share of social wealth which they obtain".

(V. I. Lenin: "A Great Beginning", in: "Selected Works", Volume 9; London; 1946; p. 432-3).

The Classes in Modern Britain

On the basis of the above definition, Marxist-Leninists recognise three classes in a developed capitalist country, such as Britain:

- 1) the capitalist class or bourgeoisie;
- 2) the petty bourgeoisie; and
- 3) the working class or proletariat.

"Every capitalist country . . . is fundamentally divided into three main forces: the bourgeoisie, the petty bourgeoisie and the proletariat". (V. I. Lenin: "Constitutional Illusions", in: "Selected Works", Volume 6; London; 1946; p. 183).

The "Finsbury Communist Association" lists the three classes recognised by Marxist-Leninists, but denies that the term "working class" is synonymous with the term "proletariat". Thus, the three classes listed by the FCA as existing in modern Britain are:

- 1) the capitalist class (p. 4);
- 2) the petty-bourgeoisie (p. 8); and
- 3) the working class (p. 3), made up of two sections:
 - a) the "proletariat" (p. 5), which forms a minority of the working class; and

b) the "labour aristocracy" (p. 5), which forms a majority of the working class.

The Capitalist Class

The capitalist class or bourgeoisie is that class whose members own or rent means of production and obtain their remuneration by means of the exploitation of employed workers.

"By bourgeoisie is meant the class of modern capitalists, owners of the means of social production and employers of wage-labour".
(F. Engels: Note to 1888 English edition of "Manifesto of the Communist Party", in: K. Marx & F. Engels: "Selected Works", Volume 1; Moscow; 1951; p. 33).

The capitalist class includes persons whose remuneration may come nominally in the form of a salary, but in fact as a result of their position in the employing class (e.g., company directors).

It includes persons who may or may not be employers, but who serve the capitalist class in high administrative positions in the capitalist state:

"The latter group undoubtedly contains sections of the population who belong to the big bourgeoisie: all the rentiers (who live on the interest from capital and real estate . . .), also a section of the intelligentsia, high military and civil officials, etc."
(V. I. Lenin: "The Development of Capitalism in Russia", in: "Selected Works", Volume 1; London; 1944; p. 313).

It includes the dependents of these persons.

On the basis of the above definitions, it is possible to calculate from the 1961 Census statistics that the capitalist class in modern Britain comprises about 1 million persons, out of a total population of 52 millions, i.e., about 2%.

The Petty Bourgeoisie

The petty bourgeoisie is that class whose members own or rent small means of production, but whose remuneration comes primarily from their own work (often assisted by that of their families).

"A petty bourgeois is the owner of small property".

(V. I. Lenin: "To the Rural Poor", in: "Selected Works", Volume 2; London; 1944; p. 254).

As a worker, the petty bourgeois has interests in common with the working class; as an owner of means of production he has interests in common with the capitalist class. In other words, the petty bourgeoisie has a divided allegiance towards the two decisive classes in capitalist society:

"Vacillations among these strata are inevitable. As a toiler, the peasant gravitates towards socialism, and prefers the dictatorship of the workers to the dictatorship of the bourgeoisie. As a seller of grain, the peasant gravitates towards the bourgeoisie".

(V. I. Lenin: "Greetings to the Hungarian Workers", in: "Against Revisionism"; Moscow; 1959; p. 501).

This divided allegiance towards the two decisive classes of capitalist society applies also to a section of employed workers: those involved in superintendence and the lower levels of management, e.g., foremen, chargehands, departmental managers, etc. On the one hand these persons are exploited workers, with interests in common with the working class (from which class they largely spring). On the other hand their position as agents of management in supervising the efficient exploitation of their fellow-workers gives them interests in common with the capitalist class:

"The labour of supervision and management, arising as it does out of an antithesis, out of the supremacy of capital over labour, and being therefore common to all modes of production based on class contradictions like the capitalist mode, is directly and inseparably connected . . . with productive functions which all combined social labour

assigns to individuals as their special tasks".
(K. Marx: "Capital", Volume 3; Moscow; 1959; p. 379).

"The labour of supervision and management . . . has a double nature. On the one hand, all labour in which many individuals cooperate necessarily requires a commanding will to coordinate and unify the process. . . This is a productive job. . . On the other hand, . . . this supervision work necessarily arises in all modes of production based on the antithesis between the labourer, as the direct producer, and the owner of the means of production. The greater this antagonism, the greater the role played by supervision".
(K. Marx: *ibid.*)

"An industrial army of workmen, under the command of a capitalist, requires, like a real army, officers (managers) and sergeants (foremen, overlookers), who, while the work is being done, command in the name of the capitalist".
(K. Marx: "Capital", Volume 1; Moscow; 1954; p. 332).

Hence, those employees involved in this role of supervision and management have a dual role, as worker and as slave-driver. This divided allegiance towards the two decisive classes of capitalist society places them objectively in the class of the petty-bourgeoisie, in which this divided allegiance is a basic factor determining its social behaviour.

For the same reasons, the petty-bourgeoisie also includes persons in the middle and lower ranks of the coercive forces of the capitalist state (e.g., members of the police and armed forces).

It also includes the dependents of these persons.

On the basis of the above definitions, it is possible to calculate from the 1961 Census statistics that the petty-bourgeoisie in modern Britain comprises about 7 million persons out of a total population of 52 millions, i.e., about 14%.

The Working Class

The working class is that class whose members do not own or rent means of production, but whose remuneration comes from the sale of their labour-power. It is

". . . the class of modern wage-labourers who, having no means of production of their own, are reduced to selling their labour-power in order to live".

(F. Engels: Note to the 1888 English edition of "Manifesto of the Communist Party", in: K. Marx & F. Engels: "Selected Works", Volume 1; London; 1950; p. 33).

According to the FCA, however, the "proletariat" is not the same thing as the working class, the class of wage-workers as a whole:

"Emile Burns . . . persistently translates the correct word 'proletariat' into the incorrect word 'working-class'" (p. 3).

But Marxist-Leninists have always used the terms "proletariat" and "working class" as synonymous:

". . . of the proletariat, i.e., of the working class".

(K. Marx: "Wage-Labour and Capital", in: "Selected Works", Volume 1; London; 1943; p. 267).

"By proletariat (is meant) the class of modern wage-labourers who, having no means of production of their own, are reduced to selling their labour power in order to live".

(F. Engels: Note to the 1888 English edition of the "Manifesto of the Communist Party", in: K. Marx & F. Engels: "Selected Works", Volume 1; London; 1950; p. 33).

"I have continually used the expressions working-men . . . and proletarians, working-class, propertyless class and proletariat as

equivalents"

(F. Engels: Preface to the 1845 German edition of "The Condition of the Working Class in England", in: K. Marx & F. Engels: "On Britain"; Moscow; 1962; p. 5).

"... a class struggle, a struggle between the working-class, the proletariat, and the capitalist class, the bourgeoisie".

(V. I. Lenin: "Draft and Explanation of the Programme of the Social-Democratic Party", in: "Selected Works", Volume 1; London; 1944; p. 477).

What is the purpose of the "Finsbury Communist Association" in revising Marxism-Leninism to deny that the term "proletariat" is synonymous with the term "working class"?

Its purpose is to argue that the proletariat is only a minority of the working class, that minority which receives wages at or below subsistence level:

"The proletariat consists of the workers on subsistence wages, or below" (p. 5).

The FCA defines "subsistence wages" as the level of remuneration paid by the Social Security Department (then the National Assistance Board):

"The National Assistance Board undertakes to pay subsistence wages to anyone positively unable to find work" (p. 4).

But the majority of British workers receive more than this level of "subsistence wages". Thus, according to the FCA, the overwhelming majority of the British working class belongs, not to the proletariat, but to the "labour aristocracy":

"The overwhelming majority of Britain's workers belong to the labour aristocracy" (p. 5).

It is implicit in the argument of the FCA that "subsistence wages" represent the value of the average worker's labour-power. It follows, therefore, that the overwhelming majority of the British working class receive more in wages than the value of their labour-power. From where does this excess come? From the super-profits of colonial exploitation, says the FCA:

"The British workers involved, whether productive or non-productive, receive a good deal more than their subsistence wages. In effect, they receive their subsistence wages out of the values produced in Britain, and the extra bit out of the surplus value created by the colonial or neo-colonial worker.

This extra chunk of surplus value is given by the capitalist class to the working class for a very reasonable purpose, namely, to keep the workers sweet, and ensure that they continue to support imperialism.

This tactic of British imperialism affects nearly all workers" (p. 4).

Thus, the "Finsbury Communist Association" finds itself in agreement on this question with such a Labour imperialist as the late Ernest Bevin:

"If the British Empire fell . . . it would mean that the standard of life of our constituents would fall considerably".
(E. Bevin: Speech in House of Commons, February 21st., 1946).

"British interests in the Middle East contributed substantially not only to the interests of the people there, but to the wage packets of the work-people in this country".
(E. Bevin: Speech in House of Commons, May 16th., 1947).

It is necessary to examine the argument of the FCA in some detail.

The Value of Labour-Power

In the first place, the FCA implies that "subsistence wages" (i.e., the bare cost of keeping the worker and his family alive) represent the value of the average worker's labour-power. This is quite false. On the contrary, Marx stressed that a worker who was receiving mere "subsistence wages" was being

paid below the value of his labour-power:

"The minimum limit of the value of labour-power is determined by the value of the commodities, without the daily supply of which the labourer cannot renew his vital energy, consequently by the value of those means of subsistence that are physically indispensable. If the price of labour-power falls to this minimum, it falls below its value, since under such circumstances it can be maintained and developed only in a crippled state".

(K. Marx: "Capital", Volume 1; Moscow; 1954; p. 173).

The value of labour-power, in fact, varies from country to country, and from year to year in the same country, in accordance with the prevailing "degree of civilisation" -- a concept which bears some relation to the volume of production of consumer goods in a country at a particular time:

"The value of labour-power is determined by the value of the necessities habitually required by the average labourer".

(K. Marx: "Capital"; Volume 1; Moscow; 1954; p. 519).

"The number and extent of his so-called necessary wants, as also the modes of satisfying them, are themselves the product of historical development, and depend therefore to a great extent on the degree of civilisation of a country, more particularly on the conditions under which, and consequently on the habits and degree of comfort in which, the class of wage-labourers has been formed. In contradistinction therefore to the case of other commodities, there enters into the determination of the value of labour-power a historical and moral element".

(K. Marx: *ibid.*; p. 171).

In recent decades there has been a significant increase in the value of labour-power in Britain, as a result of many items previously regarded as "luxuries" coming to be regarded as "necessities". Television has come to be accepted as a "necessity" for most working-class families, to whom it carries nightly the ideological propaganda of the capitalist class. In 1965 more than 80% of British families had a licensed television set. The fact that more women are now in employment (about 50%) has transformed many household appliances previously regarded as "luxuries" -- vacuum cleaners, washing machines, refrigerators -- into "necessities". More than 75% of households now have a vacuum-cleaner, 40% a refrigerator, 50% a washing machine. The increasing distance required for travel to work as a result of housing developments, the increase in shift work, the decline in public transport facilities, have combined to transform for many working class families a car from a "luxury" into a "necessity". At the end of 1964 there were about 8 million cars (an increase of 5 million in ten years).

Thus, the fact that the majority of British workers receive wages above bare subsistence level, the fact that they receive a significantly higher level of real wages than a few decades ago, by no means indicates that they are receiving wages in excess of the value of their labour-power.

On the contrary, the fact that hire purchase debt increased from £450 million in 1958 to £1,205 million in 1965 (an average in this last year of more than £75 per family) strongly suggests that average wages lag behind the higher value of labour-power. This view is endorsed by the statement of the 1959 Report of the committee of "independent experts" set up by the Organisation of European Economic Cooperation, referring to Britain:

"These studies suggest that, other things being equal, the unions are not able to get full compensation for price increases".

(Cited in: "Marxism Today"; Volume 8, No. 12; December 1964; p. 373).

In fact, the share which the average British worker receives of the value he produces is less than it was a hundred years ago. Since 1850 industrial output per head has increased by 357%, real wages by only 235%.

(ECA Mission to the United Kingdom: "Economic Development in the United Kingdom, 1850-1950").

Let us now look at the question from another angle: that of super-profits.

Super-Profits

6

Super-profits are profits obtained by the capitalist class of a particular country by means of the exploitation of workers in other countries, principally in colonial-type countries.

Lenin speaks of

" . . . super-profits (since they are obtained over and above the profits which capitalists squeeze out of the workers of their 'home' country",

(V. I. Lenin: Preface to the French and German Editions of 'Imperialism, the Highest Stage of Capitalism', in: "Selected Works", Volume 5; London; n.d.; p. 12).

and of

" . . . super-profits which the bourgeoisie of the oppressing nations obtain by the extra exploitation of the workers of the oppressed nations".

(V. I. Lenin: "A Caricature of Marxism and 'Imperialist Economism'", in: "Selected Works", Volume 5; London; n.d.; p. 291).

The Amount of Super-Profits

Although the importance of super-profits to British imperialism is stressed in the FCA pamphlet, no figure is given of the amount of super-profits obtained by the British capitalist class.

In 1964 -- the last year for which official statistics are at present available -- the total of interest, profits, dividends and income from "other services" (royalties, etc.) coming to Britain from abroad was £1,507 million after payment of foreign taxes.

(This figure is taken from the "UK Balance of Payments, 1965", p. 1. Since the item "other services" includes payments for certain exports, the actual figure of super-profit is somewhat lower than the figure given).

But a considerable part of these gross super-profits are re-invested abroad and are not available for "bribery" at home. In 1964 net investment abroad (i.e., the excess of investments made abroad by British investors over those made by foreign investors in Britain) was £228 million.

(This figure is taken from "National Income and Expenditure, 1965"; p. 14).

Furthermore, a considerable sum of super-profits was extracted from British workers by foreign capitalists. These super-profits represent surplus value produced by British workers but lost to the British capitalist class. In 1964 the total of interest, profits, dividends and debits on "other services" paid from Britain to foreign capitalists was £760 million.

(This figure is taken from "UK Balance of Payments, 1965"; p. 1).

Subtracting these two debit items from the total of gross British super-profits gives a net figure of £519 million.

The Amount of "Bribery"

What proportion of these net super-profits is passed to the British working class as "bribes"?

Lenin speaks variously of:

" . . . crumbs"

(V. I. Lenin: "A Caricature of Marxism and 'Imperialist Economism'", in: "Selected Works", Volume 5; London; n.d.; p. 291);

"a part (and not a small one at that!)"

(V. I. Lenin: "Imperialism and the Split in Socialism", in: "Selected Works", Volume 11; London; 1943; p. 757);

and of a figure of 10% or so:

"The bourgeoisie of an imperialist 'Great' Power can economically bribe the upper strata of 'its' workers by devoting a hundred million francs or so to this purpose, for its super-profits most likely amount to about a billion".
(V. I. Lenin: *ibid.*; p. 758).

So that we may be sure not to under-estimate the amount of the "bribe", let us assume that the British imperialists now devote five times as much of their super-profits as Lenin estimated -- namely, 50% -- to "bribery". This gives a figure for 1964 of £260 million.

But the imperialists are able to obtain their super-profits from abroad only at the expense of large sums for military purposes overseas. In 1964 overseas military expenditure amounted to £334 million.

(This figure is taken from "Labour Research", Volume 54, No. 5; May, 1965; p. 69).

But approximately two-thirds of the revenue required to meet this overseas military expenditure was raised from the working class.

(This figure is obtained from an analysis of taxation statistics in "Britain: An Official Handbook, 1966"; p. 405).

Thus, in order to receive a maximum possible "bribe" of £260 million, the British working class in 1964 had to pay extra taxation of £223 million.

It follows that the maximum possible "bribe" to the British working class from imperialist super-profits amounted in 1964 to £37 million.

Divided among the 44 million members of the working class, this gives a maximum possible net "bribe" from super-profits of 0.84 p. per head per year, or 1 $\frac{1}{2}$ p. per head per week.

How Big is the Labour Aristocracy

Since it is clearly impossible for the working class as a whole to gain materially from imperialist super-profits, how big is the "labour aristocracy" which could gain materially from distribution of this "bribe" of £37 million?

If we assume that the minimum possible "bribe" likely to affect significantly the social and political outlook of a member of the working class is £50 a year, or just under £1 a week, it is clear that the maximum size of the British labour aristocracy which could benefit from imperialist super-profits is 740,000 out of a working class of 44 million.

Far from constituting, as the FCA hold:

"... the overwhelming majority of Britain's workers" (p. 5),
the labour aristocracy represents at most less than 1.7% of the British working class.

In fact, Marxist-Leninists have invariably talked of a minority of the working class of a developed capitalist country as benefitting from imperialist super-profits. Lenin speaks of:

"... an insignificant minority";
(V. I. Lenin: "Under a False Flag", in: "On Britain"; Moscow; n.d.; p. 211-12).

"... certain strata of the working class";
(V. I. Lenin: "Imperialism and the Split in Socialism", in: "Selected Works", Volume 11; London; 1943; p. 752).

"... the upper strata of 'its' workers";
(V. I. Lenin: *ibid.*; p. 758).

"... the labour leaders and the upper stratum of the labour aristocracy";
(V. I. Lenin: "Imperialism, the Highest Stage of Capitalism", in: "Selected Works", Volume 5; London; n.d.; p. 12).

and

"... a stratum of the 'labour aristocracy'"
(V. I. Lenin: *ibid.*; p. 12).

as gaining materially from imperialist super-profits.

Furthermore, Lenin emphasised that the size of this "bribed" stratum was becoming smaller:

"Every imperialist 'Great' Power can and does bribe smaller (compared with 1848-68 in England) strata of the 'labour aristocracy'" (V. I. Lenin: "Imperialism and the Split in Socialism", in: "Selected Works", Volume 11; London; 1943; p. 758).

The Working Class - Summary

The working class or proletariat -- the terms are synonymous -- includes all wage workers except those who -- for objective reasons already stated -- must be included in the petty bourgeoisie.

It includes the dependents of these persons.

On the basis of the above definition, it is possible to estimate from the 1961 Census statistics that the working class in modern Britain comprises about 44 million persons, out of a total population of 52 millions, i.e., about 84%.

Summary

The classes in modern Britain are as follows:

- 1) the capitalist class or bourgeoisie, comprising about 1 million persons, or about 2% of the population;
- 2) the petty-bourgeoisie, comprising about 7 million persons, or about 14% of the population; and
- 3) the working class or proletariat, comprising about 44 million persons, or about 84% of the population.

This is the broad objective position. It takes no account of strata within these classes -- for example, of the distinction, of vital importance, between monopoly capitalists and non-monopoly capitalists, or that between industrial and non-industrial workers.

Above all, it is an objective picture. It takes no account of the subjective class consciousness of members of these classes, for example, of the fact that many members of the working class have been persuaded to regard themselves as members of a "middle class".

However, Marxist-Leninists understand that in the long run it is objective reality which determines ideas, that in the long run it is objective class position which determines class consciousness. It is the task of the Marxist-Leninist vanguard to lead the British working class in its day-to-day struggles in such a way that its members learn, from their own experience, that they belong to the working class, to that class which is destined to rule the Socialist Britain of the future.

(First published in HAMMER OR ANVIL, April/May, 1966)

P O S T S C R I P T

The September 1966 issue of "The Communist", organ of the "Marxist Forum Group", carries a review of the "Finsbury Communist Association" pamphlet "Class and Party in Britain" by "F.E.S.", who criticises the concepts dealt with in the article "CLASSES IN MODERN BRITAIN".

However, the "Marxist Forum Group" is careful to make it clear that their criticism of the pamphlet is not one of principle but merely of "terms" (p. 30). They find the pamphlet "a very courageous attempt" (p. 34) with "good intentions" (p. 14), "one of the most serious pieces of work done by the anti-revisionist movement in Britain" (p. 30), one which makes "valuable contributions" (p. 12), the service of which "cannot be overestimated" (p. 34).

On the other hand, Mr. Brendan Clifford -- writing in the same issue of "The Communist" -- finds our criticism of the FCA pamphlet "confused" and

"harmful", putting forward views which "distort the nature of imperialism and seriously underestimate its exploiting role in the present" (p. 34).

Mr. Clifford gives two reasons for alleging that our article underestimates the exploiting role of British imperialism in the present: firstly, that it relies on "bourgeois figures"; secondly, that it "ignores entirely a major source of imperialist exploitation, unequal exchange" (p. 33).

"Bourgeois Figures"

Certainly the statistics cited in our article are "bourgeois figures", in that they are issued by the capitalist state; "bourgeois figures" are the only statistics available in a capitalist country. Mr. Clifford errs grossly, however, when he assumes that the masses of statistics which every capitalist state pours out are issued for the purpose of misleading the working class with falsified figures (perhaps Mr. Clifford is out of touch with the breakfast reading of the workers!). They are issued for the purpose of enabling capitalists and their economic advisers to operate as profitably as possible -- and this can hardly be done on the basis of falsified figures.

In fact, Lenin analysed imperialism solely on the basis of "bourgeois figures". Since, as will be shown, Mr. Clifford's picture of imperialism -- produced, it would appear, by inspired contemplation of his navel -- differs fundamentally from that drawn by Lenin, he may perhaps argue that Lenin was "misled" by "bourgeois figures". However, to Marxist-Leninists Lenin's analysis of imperialism remains the incontrovertibly correct basis for all study of imperialism. Mr. Clifford's rejection as "falsified" of all statistics which do not fit in with his mental picture of imperialism reminds one only of a shipwrecked navigating officer arguing that his vessel could not possibly have run aground since his calculations proved conclusively that it was in the middle of the Atlantic!

Profits from Foreign Trade

Mr. Clifford alleges, secondly, that our article unjustifiably omitted from the fund available for "bribery" of the British working class part of the profit which the British capitalist class obtains from foreign trade, namely, that part which comes from "unequal exchange" with underdeveloped territories.

However, our article was a critique of the FCA pamphlet, which is quite explicit as to the source from which, in its view, this "bribery" fund comes. It comes, they say,

"... out of the surplus value created by the colonial or neo-colonial workers" (p. 4).

But it is an elementary principle of Marxist economics that trade, i.e., the buying and selling of commodities, creates neither value nor surplus value:

"No value is produced in the process of circulation, and, therefore, no surplus-value. . . .

If surplus-value is realised by the sale of produced commodities, it is only because that surplus-value already existed in them. . . .

Seeing that merchant's capital itself does not produce any surplus-value, it is evident that surplus-value appropriated by it in the shape of average profit must be a portion of the surplus-value produced by the total productive capital".

(K. Marx: "Capital", Volume 1; New York; 1906; p. 329, 331-2).

Thus, when a British capitalist sells a commodity in an underdeveloped territory, the surplus value he realises is not created by the customer and thus has no relevance to "surplus value created by the colonial or neo-colonial workers".

Similarly, when a British capitalist buys a commodity from an underdeveloped territory, the act of buying does not create any surplus value. If the commodity concerned has been produced by a non-employed producer, no surplus value is created. If the commodity is produced by a worker in the underdeveloped territory who is employed by a native capitalist, then surplus

value is created; but this is retained by the native capitalist and is not remitted to British capitalists as buyers.

If, however, the commodity is produced by a worker in the underdeveloped territory who is employed by a branch or subsidiary of a British company, then surplus value is produced and part of it is remitted to the parent company in Britain. This is super-profit, and it is included in the figure cited in our article -- £1, 507 million for 1964.

Thus, in terms of the source of the "bribery" fund as defined by the FCA, it would have been quite incorrect to have included profit from foreign trade in this fund.

"Unequal Exchange"

However, if the capitalist class of a developed country is able to make extra profit by "unequal exchange" with underdeveloped countries -- by selling its commodities there at an artificially high price and/or by buying commodities from there at an artificially low price -- then the capitalist class of the developed country certainly gains at the expense of the people of the underdeveloped territory. This extra profit may legitimately be included in the proceeds of "imperialist exploitation" -- in the broad, non-technical sense in which Mr. Clifford uses this term.

Mr. Clifford, however, regards "unequal exchange" as

"... a major source of imperialist exploitation" (p. 33),
and it is desirable to determine if this is, in fact, so.

It is certainly true that Marx drew attention to such unequal exchange:

"Capitals invested in foreign trade are in a position to yield a higher rate of profit, because, in the first place, they come in competition with commodities produced in other countries with lesser facilities of production, so that an advanced country is enabled to sell its goods above their value even when it sells them cheaper than the competing countries".

(K. Marx: "Capital", Volume 3; Chicago; 1909; p. 278).

But Marx wrote this passage a hundred years ago, before capitalism had developed to its imperialist stage, and when Britain was the only developed capitalist country in the world. Today British goods come into competition on the world market with goods produced in other developed capitalist countries, the technical level of production of which is in many cases significantly higher than that of Britain.

Lenin, who made the classical Marxist analysis of capitalism in its imperialist stage of development, pointed out that one of the distinctive features of this stage was that profits from foreign trade generally had become a minor factor compared with profits from the foreign investment of capital:

"Under the old type of capitalism, . . . the export of goods was the the most typical feature. Under modern capitalism, . . . the export of capital has become the typical feature".

(V. I. Lenin: "Imperialism, the Highest Stage of Capitalism", in: "Selected Works", Volume 5; London; n.d.; p. 56).

Lenin defined one of the five essential features of imperialism as that

". . . the export of capital . . . has become extremely important, as distinguished from the export of commodities",
(V. I. Lenin: *ibid.*; p. 81).

and noted that in Britain by 1915

"the revenue of the bondholders is five times greater than the revenue obtained from the foreign trade of the greatest trading country in the world".

(V. I. Lenin: *ibid.*; p. 92).

Lenin also emphasised that, in the imperialist stage of capitalism, the

predominant tendency in the foreign trade of a developed capitalist country is not, as it had been in Marx's day when Britain was unchallenged "workshop of the world", to sell dear abroad, but on the contrary to sell dear on the home market and cheap on the foreign market where, even in dependent territories, greater competition has to be faced from imperialist rivals:

"The cartels and finance capital have a system peculiar to themselves, that of . . . 'dumping', as the English call it: within a given country the cartel sells its goods at a high price fixed by the monopoly; abroad it sells them at a much lower price to undercut the competitor".
(V. I. Lenin: *ibid.*; p. 105).

The recent trend towards neo-colonialism, where direct political control of underdeveloped countries has given way to more subtle forms of domination, has reinforced this predominant tendency.

This tendency is revealed in the figures for Britain's terms of trade over the last three-quarters of a century; the terms of trade are favourable to Britain when the average prices of its exports are high relative to the average prices of its imports, and are unfavourable when the average prices of its exports are low relative to the average prices of its imports. In the first instance the index is high, in the second instance the index is low:

1802:	228
1880:	100
1947:	94

(B. R. Mitchell: "Abstract of British Historical Statistics";
Cambridge; 1962; p. 331-32).

It is clear, therefore, that in speaking of "unequal exchange" as "a major source of imperialist exploitation" (p. 33), Mr. Clifford is a hundred years behind the times!

However, some "unequal exchange" still occurs in Britain's trade with certain underdeveloped countries, and it would be of interest to estimate the maximum conceivable gain to the British capitalist class which could accrue from this.

In 1964 British exports to and imports from underdeveloped territories together totalled £2,092 million.

(This figure is taken from "Annual Abstract of Statistics, 1965",
p. 219-220).

Lenin estimated $2\frac{1}{2}\%$ on turnover as the average rate of profit from foreign trade, taking this figure as a constant over the years.

(V. I. Lenin: *ibid.*; p. 92).

But we are concerned with the extra profit resulting from unequal trade with underdeveloped countries. Let us assume that the rate of profit resulting from such "unequal exchange" is at the maximum conceivable figure of 50% above the average rate of profit on foreign trade generally, i.e., at 3.75% on turnover. This would give a maximum conceivable extra profit from "unequal exchange" of 1.25% on turnover, i.e., £26 million in 1964.

Assuming, in an effort to avoid underestimation, that the British imperialists now devote five times as high a proportion of this to "bribery" as Lenin estimated (see original article), this gives a figure for "bribery" from this source of £13 million for 1964.

Divided among the 44 million members of the working class in Britain, this gives a maximum conceivable extra "bribe" from "unequal exchange" of 30p. per head per year, or 3p. per head per week.

Added to the proportion of super-profit proper which is available for "bribery", this gives a maximum possible total "bribe" of £1.14 per head per year, or 2p. per head per week.

If we assume, as in the original article, that the minimum possible "bribe" likely to affect the social and political outlook of a member of the working class is £50 per year, or just under £1 a week, it is clear that

the maximum size of the British labour aristocracy which could materially benefit from imperialist "bribery" is 1 million out of a working class of 44 million, or at the most 2.3% of the British working class.

It is clear, then, that the addition of the maximum conceivable profit from "unequal exchange" does not materially alter the conclusion of our original article: that the overwhelming majority of the British working class receive no material benefit from imperialist super-profits.

It is unfortunate that Mr. Clifford's distaste for this conclusion leads him to distort it into the shape of a pink herring:

"The conclusion that suggests itself is that it is more trouble to Britain to remain an imperialist power than it is worth to her in economic gains, . . . that Britain would lose nothing . . . if she gave up the imperialist game; . . . that Britain gains only marginal benefits from overseas exploitation" (p. 31).

But even the most elementary student of Marxism-Leninism does not speak of "Britain" in such a connection. Britain is a class-divided society and what is in the interests of one class is usually contrary to the interests of the other class. The British monopoly capitalists receive, as was stated in the original article, some £1,500 million a year in super-profits as such, in addition to the surplus value they receive from the exploitation of the British working class. The latter pays the greater part of the cost of securing this imperialist super-profit; a tiny percentage receive some small economic gain.

A New Situation

Since it is this "bribery" which forms the principal objective basis for opportunism among the British working class, it is clear that the objective basis for opportunism -- except among a tiny minority of the working class -- does not now exist.

If, therefore, opportunism is still widespread among British workers, this is not because the objective basis for it still exists, but because there is always a lag between a change in material conditions and the ideas reflected by those material conditions:

"Economic conditions change first and the consciousness of men undergoes a corresponding change later".

(J. V. Stalin: "Anarchism or Socialism?", in: "Works", Volume 1; Moscow; 1952; p. 322).

Marxist-Leninists understand, even if Mr. Clifford does not, that we face in Britain a qualitatively new situation where widespread opportunism among the British working class is in process of being swept away by a change in the material conditions of British imperialism. The strategy of Marxist-Leninists can only be correct when it is based on a correct understanding of this new situation.

The viewpoints of the "Finsbury Communist Association" and of the "Marxist Forum Group" are, despite their superficial differences, two sides of the same counterfeit coin. The FCA reduces the British "proletariat" to a mere handful of, mainly immigrant, workers living on subsistence level, a "proletariat" not even large enough to form a solid base for a Marxist-Leninist Party. The MFG is concerned to exaggerate the strength of the most immediate enemy of the British working class -- British imperialism.

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THE NATIONAL QUESTION IN BRITAIN

This article is concerned with two aspects of the national question in Britain:

- 1) whether the peoples of Scotland, Wales and England constitute separate nations, or whether they form part of a single British nation; and
- 2) whether separate Marxist-Leninist Parties should be formed in Scotland, Wales and England, or whether there should be a single Marxist-Leninist Party for the whole of Britain.

The Nation

The classical Marxist-Leninist work on the nation is Stalin's "Marxism and the National Question", in which he gives the following definition of a nation:

"A nation is a historically constituted, stable community of people, formed on the basis of a common language, territory, economic life, and psychological make-up manifested in a common culture. . . It is only when all these characteristics are present together that we have a nation".

(J. V. Stalin: "Marxism and the National Question", in: "Works", Volume 2; Moscow; 1953; p. 307-8).

In order to determine, therefore, whether Scotland, Wales and England are separate nations, one must determine whether each of these communities of people possesses all these characteristics together. If it does not, it is not a nation.

Firstly,

"A common language is one of the characteristic features of a nation".

(J. V. Stalin: *ibid.*; p. 304).

Clearly, the people of England possess a common language: English. The minority languages which once existed in England -- Cornish and Manx -- have been extinct for some considerable time.

The people of Wales, for the most part, possess a common language. This is not, however, Welsh, which is spoken by a small and declining minority of the population only, mainly in the rural areas (in 1931 by 37%, in 1961 by 26%, of the population). The common language of the people of Wales is, for the most part, English.

The people of Scotland, for the most part, possess a common language. This is not, however, Gaelic, which is spoken by a very small and declining minority of the population only, mainly in the Hebrides (in 1961 by 1.5% of the population). The common language of the people of Scotland is, for the most part, English.

Secondly,

"A common territory is one of the characteristic features of a nation".

(J. V. Stalin: *ibid.*; p. 305).

Clearly, the peoples of Scotland, Wales and England each have a common territory. The people of Britain -- that is, of Scotland, Wales and England combined -- also possess a common territory.

Thirdly,

"A common economic life, economic cohesion, is one of the characteristic features of a nation".

(J. V. Stalin: *ibid.*; p. 306).

As Stalin makes clear, a community possesses "economic cohesion" when its economic life is welded together by well-established physical ties (means of communication, division of labour, financial bonds, etc.) so as to form a single economic whole which, if it does not exist at a particular moment in the form of a separate state, is capable of such separate existence without significant disruption of its economic life.

If, on the other hand, one community is welded with another by well-established physical ties which date back to the rise of capitalist society or beyond, so that they form in combination a single economic whole and their separation would cause significant disruption of the economic life of both, then neither of these communities considered separately possesses economic cohesion.

Scotland, Wales and England have been welded together for many centuries by well-established physical ties, so that they form a single economic whole -- Britain. London is the financial, communications and cultural centre of Britain. There is a common market throughout Britain -- the same branded goods are on sale in branches of the same multiple stores in Inverness, Swansea and Manchester. Scottish, Welsh and English capital is inseparably blended -- it is British capital which owns the mines of South Wales, the shipbuilding yards of the Clyde and the car factories of the Midlands. There is no "English monopoly capital", no "English imperialism"; there is British monopoly capital and British imperialism. The separation of Scotland, Wales and England would cause great disruption of the economic life of all three communities, as a result of these long-established physical ties. Thus, Scotland, Wales and England taken separately do not possess economic cohesion, and so are not nations. Britain, however, does possess economic cohesion.

Fourthly,

"A common psychological make-up, which manifests itself in a common culture, is one of the characteristic features of a nation". (J. V. Stalin: *ibid.*; p. 307).

Clearly, England has a common culture. Scotland and Wales too have, for the most part, a common culture -- and one which is common to England also. In Scotland and Wales, however, elements exist which appear to be distinctively "national" in character. In the case of Scotland, one thinks immediately of the Highland "national" dress, of the bagpipes, of such Highland sports as tossing the caber; in the case of Wales one thinks immediately of the harp, and of the Eisteddfods. It must be noted, however, that these "national" elements in the cultures of Scotland and Wales are of significance mainly in the rural areas, and that they are survivals from the past which are declining in importance in relation to the cultures of Scotland and Wales as a whole.

For the most part, therefore, Britain has a common culture.

To sum up: Scotland, Wales and England do not possess all the essential characteristics which go to make up nations, and so are not separate nations. Britain, however, does possess all the essential characteristics which go to make up a nation. Despite declining survivals of "national" languages and cultures in Scotland and Wales, Britain is a nation, a single nation.

That Britain forms a single nation is not only a logical deduction from Stalin's general principles on the nation, it is the explicit view of Stalin:

"The British, French, Germans, Italians and others were formed into nations at the time of the victorious advance of capitalism and its triumph over feudal disunity.

But the formation of nations in these instances at the same time signified their conversion into independent national states. The British, French and other nations are at the same time British, etc., states. Ireland, which did not participate in this process, does not alter the general picture.

Matters proceeded somewhat differently in Eastern Europe. Whereas in the West nations developed into states, in the East multi-national states were formed, states consisting of several nationalities. Such are Austria-Hungary and Russia. . .

This special method of formation of states could take place only where feudalism had not yet been eliminated, where capitalism was feebly developed, where the nationalities which had been forced into the background had not yet been able to consolidate themselves economically into integral nations".

(J. V. Stalin: *ibid.*; p. 313-4).

"Modern nations are a product of a definite epoch of rising capitalism. The process of the abolition of feudalism and the development of capitalism was also the process of formation of people into nations. The British, French, Germans and Italians formed into nations during the victorious march of capitalism and its triumph over feudal disunity. Where the formation of nations on the whole coincided in time with the formation of centralised states, the nations naturally became invested in a state integument and developed into independent bourgeois national states. Such was the case with Great Britain (without Ireland), France and Italy. In Eastern Europe, on the other hand, the formation of centralised states . . . took place prior to the break-up of feudalism and therefore prior to the formation of nations. Here, as a result, the nations did not, and could not, develop into national states, but formed into several mixed, multi-national bourgeois states, consisting usually of one powerful dominant nation and several weak, subject nations. Such are Austria-Hungary and Russia".
(J. V. Stalin: Theses on the Immediate Tasks of the Party in Connection with the National Problem, in: "Marxism and the National and Colonial Question"; London; 1936; p. 88).

"The first period is the period which saw the break-up of feudalism in the West and the triumph of capitalism. The formation of people into nations occurred during this period. I am referring to such countries as Great Britain (without Ireland), France and Italy. In the West -- in Great Britain, France, Italy and partly in Germany -- the period of the break-up of feudalism and the formation of people into nations on the whole coincided in time with the period which saw the appearance of centralised states, and as a result the nations in their development became invested in state forms. And inasmuch as there were no other national groups of any considerable size within these states, such a thing as national oppression was not known".
(J. V. Stalin: *ibid.*; p. 99).

Of course, as the British state extended its rule over other nations, it ceased to be a state embracing a single nation and became a multi-national state:

"In this second period, the old national states in the West -- Great Britain, Italy and France -- ceased to be national states; by virtue of the seizure of new territories they became converted into multi-national, colony-owning states, and thereby come to be an arena for that national and colonial oppression which already exists in Eastern Europe".
(J. V. Stalin: *ibid.*; p. 100).

The Formation of Nations

"A nation, like every historical phenomenon, is subject to the law of change, has its history, its beginning and end".
(J. V. Stalin: "Marxism and the National Question", in: "Works", Volume 2; Moscow; 1953; p. 307).

Nations are a product of the development of capitalist society:

"Nations are an inevitable product, an inevitable form in the bourgeois epoch of social development".
(V. I. Lenin: "Karl Marx", in: "Selected Works", Volume 11; London; 1943; p. 35).

"Modern nations are a product of a definite epoch -- the epoch of rising capitalism. The process of the abolition of feudalism and the development of capitalism was also the process of formation of people into nations".
(J. V. Stalin: Theses on the Immediate Tasks of the Party in Connection with the National Problem", in: "Marxism and the National and Colonial Question"; London; 1936; p. 88).

Nations did not exist prior to the development of capitalist society:

"There were no nations in the pre-capitalist period, nor could there

be, because there were as yet no national markets and no economic or cultural national centres and, consequently, there were none of the factors which put an end to the economic disunity of a given people and draw its hitherto disunited parts together into one national whole". (J. V. Stalin: "The National Question and Leninism", in: "Works", Volume 11; Moscow; 1954; p. 351).

The development of communities towards nationhood occurs in three fundamental stages:

- firstly, that of the tribe;
- secondly, that of the pre-nation or nationality;
- thirdly, that of the nation.

The typical form of community under primitive classless communism is that of the tribe, based on blood relationship.

With the development of tools and techniques, classes appear and primitive communism gives way to slavery and then to feudalism. As the tribal community disintegrates, tribes come together into federations and kingdoms; a common language based on one of the tribal languages appears; a common psychology and a common culture emerge. This process leads to the eventual development of a new type of community: the pre-nation or nationality (there is no precise English term for the Russian term "narodnost"). A pre-nation is a community based no longer on blood relationship, but on geographical location: it has a common territory, a common language and a common culture; it does not, however, possess economic cohesion. A pre-nation is the typical form of community under slavery and feudalism.

"Of course, the elements of nationhood . . . did not fall from the skies, but were being formed gradually, even in the pre-capitalist period. But these elements were in a rudimentary state and, at best, were only a potentiality, that is, they constituted the possibility of the formation of a nation in the future, given certain favourable conditions. The potentiality became a reality only in the period of rising capitalism, with its national market and its economic and cultural centres".

(J. V. Stalin: "The National Question and Leninism", in: "Works", Volume 11; Moscow; 1954; p. 351).

With the development of capitalism within the framework of feudal society, the development of pre-national characteristics is accelerated, and alongside this the process of establishing economic cohesion throughout the territory of the pre-nation. This latter process transforms the pre-nation into a nation.

The characteristics of a nation have already been described.

"With the appearance of capitalism, the elimination of feudal division and the formation of national markets, nationalities developed into nations".

(J. V. Stalin: "Concerning Marxism and Linguistics", in: Supplement to "New Times", June 28th., 1950; p. 6).

As Stalin said, the development of a pre-nation into a nation does not take place inevitably, but only

" . . . given certain favourable conditions".

(J. V. Stalin: *ibid.*; p. 351).

When, for example, two or more pre-nations are in course of development on adjacent territories, their development towards separate nationhood may be arrested at a certain stage and give way to fusion, to their merging into a single nation. This single nation will have the language and culture of one of the pre-nations participating in this fusion; the languages and cultures of the other nationalities participating in the fusion will gradually disappear:

"Language crossing cannot be regarded as the single impact of a decisive blow which produces its results within a few years. Language crossing is a prolonged process which continues for hundreds of years.

Further, it would be absolutely wrong to think that the crossing of, say, two languages results in a third new language. . . As a matter of fact, one of the languages usually emerges victorious from the cross, retains its grammatical system and its basic word stock and continues to develop in accordance with its inherent laws of development, while the other language gradually loses its virtue and gradually dies away". (J. V. Stalin: "Concerning Marxism in Linguistics", in: op. cit.; p. 14).

As will be shown, this has been the pattern of development of the British nation, which has evolved from the fusion of three developing pre-nations in Scotland, Wales and England.

The Development of the British Nation

For geographical and ethnical reasons, the development of pre-nations in the British Isles took place in four distinct regions: in Ireland, in Scotland, in Wales and in England.

The English pre-nation had evolved by the 9th. century to the point where the old tribal kingdoms had been united under Egbert, who is regarded as the first monarch of all England.

The Welsh pre-nation had evolved by the 11th. century to the point where the old tribal kingdoms had been united under Gruffyd ap Llewelyn, who is regarded as the first monarch of all Wales.

The Scottish pre-nation had evolved by the 11th. century to the point where the old tribal kingdoms had been united under Duncan I, who is regarded as the first monarch of all Scotland. This Scottish kingdom endured for some six hundred years.

The development of the English pre-nation was interrupted in the 9th. century by the Danish invasion, and again in the 11th. century by the Norman Conquest. The feudal system which the Normans imposed upon England was a unique one in that it gave the king, the central state, much greater power and the feudal lords much less power than on the continent of Europe; this feature contributed greatly to the early rise of capitalist society in England. During the 11th. and 12th. centuries, the Marcher lords, whose estates lay along the Welsh border, were given a free hand to extend their domains into Wales, and by the beginning of the 13th. century most of the territory of south and central Wales had been incorporated in their estates. The conquest of the princes of north Wales by the forces of the English Crown followed, and by the end of the 13th. century virtually the whole of Wales was under the control of the Anglo-Norman nobility. The formal declaration of this control was symbolised by the title of "Prince of Wales", which Edward I bestowed on his heir in 1301.

Scotland was never conquered, yet here too the process of anglicisation went on everywhere except in the Highlands. One factor which facilitated this development was that south-eastern Scotland was peopled by an English-speaking population, taken over in the 11th. century from the Anglian kingdom of Northumbria, the boundaries of which extended before that time up to the Forth. During the 12th. and 13th. centuries, the Scottish kings proceeded to remodel the church on English lines, with English bishops; to establish English monasteries in place of the Celtic Culdees; to replace the old system of land tenure by a feudalism modelled on the lines of that of England; and to remould the legal and political system on the English pattern. The Scottish kings granted large estates to their English friends, and Scottish landowners came to hold extensive lands in England; intermarriage between the royal families and aristocracies of both kingdoms was common. Furthermore, the development of trade, which was mostly with England, brought many English merchants to live in the towns of Scotland. By the end of the 13th. century, therefore, the influence of church, court, laws, political institutions and commerce had combined to bring about an almost complete anglicisation of the language and culture of the Scottish Lowlands.

Thus, by the 15th. century, distinctions of nationality between the Scottish, Welsh and English nobility had become impossibly blurred. The rise to influence of the new class of merchant-capitalists about this time created a new force tending towards national unity. But this new class, though strong-

est in the towns of England, was also an inseparable blend of Scottish, Welsh and English elements, and the economic cohesion they sought to bring about was a British economic cohesion.

The fusion of the development of the three abortive pre-nations of Britain into a single British nation is illustrated by the manner in which the three pre-national regions were formally brought together into a single state.

The union of Wales and England was brought about when the Welsh-born feudal lord, Henry Tudor, with large Welsh support, defeated the English king Richard III at Bosworth Field in 1485, to become Henry VII, the first of the Tudor monarchs. The Act of Union which followed in 1536 formally incorporated Wales into the realm of England.

The union of Scotland with England and Wales was brought about when the Anglo-Scottish nobles persuaded their southern cousins, on the death of Elizabeth I in 1603, to invite James VI of Scotland (descended from both the Scottish and English royal houses) to become James I, the first of the Stuart monarchs and the first monarch of Great Britain. The full Act of Union -- which was resisted for a hundred years by English merchants -- was finally adopted in 1707.

The civil war which broke out in Britain in 1640 was in no way a war between regions of Britain, although the Parliamentary strength was greatest in the towns of England while the Royalists had their greatest strength in Scotland and the North of England. It was basically a class war between the forces representing the emerging British capitalist class and the forces representing the British nobility. By this revolution the British capitalist class became the dominant class in Britain.

Ireland

In Ireland, separated from Britain by a sea barrier, the development of the Irish pre-nation proceeded independently, with little tendency to fuse with the pre-nations emerging across the Irish Sea.

The British conquest of the 17th. century and the imposition of British landowners on the Irish people did not divert the development of the Irish pre-nation and, with the rise of the Irish capitalist class and a capitalist society, its further development into an Irish nation, distinct from the British nation.

Because Ireland developed into separate nationhood, Marxist-Leninists have always regarded British rule over Ireland (or any part of Ireland) as colonial rule, as oppression. The status of Ireland as an oppressed nation has given rise to a movement for national liberation in Ireland:

"The ousted nations, aroused to independent life, could no longer shape themselves into independent national states; they encountered the powerful resistance of the ruling strata of the dominant nations, which had long ago assumed the control of the state. They were too late. In this way the Czechs, Poles, etc. . . formed themselves into nations in Austria. . . What had been an exception in Western Europe (Ireland) became the rule in the East. . ."

In the West, Ireland responded to its exceptional position by a national movement".

(J. V. Stalin: "Marxism and the National Question", in: "Marxism and the National and Colonial Question"; London; 1936; p. 14).

British Marxist-Leninists do not merely recognise the right of the Irish nation to independence and pledge that -- if this independence has not been achieved by the time a socialist state has been established in Britain -- it will be put into effect by the government of socialist Britain:

"In proposing to the International a resolution of sympathy with the Irish nation . . . , Marx advocated the separation of Ireland from England".

(V. I. Lenin: "The Right of Nations to Self-Determination", in: "Collected Works", Volume 20; Moscow; 1945; p. 440).

British Marxist-Leninists recognise that the Irish movement for national liberation is, objectively, the ally of the movement for socialist revolution in Britain, an ally with which they must work in the closest possible cooperation against their common enemy, British imperialism:

"The revolutionary movement in the advanced capitalist countries would indeed be a mere deception if complete and close unity did not exist between the workers fighting against capital in Europe and America and the hundreds of millions of 'colonial' slaves who are oppressed by that capital".

(V. I. Lenin: "The Second Congress of the Communist International", in: "Selected Works", Volume 10; London; 1946; p. 160).

The question of whether an Ireland which has become independent will associate in some form of federation with a British socialist state will depend on the wish of the Irish nation.

Scottish and Welsh "Nationalism"

There are, within Britain, no national tasks to be fulfilled:

"In those advanced countries (England (i.e., Britain -- Ed.), France, Germany, etc.) the national problem has been solved for a long time; . . . objectively, there are no 'national' tasks to be fulfilled. Hence, only now in those countries is it possible to 'blow up' national unity and establish class unity".

(V. I. Lenin: "A Caricature of Marxism and 'Imperialist Economism'", in: "Selected Works", Volume 5; London; n.d.; p. 295).

"(In) the advanced countries of Western Europe . . . the bourgeois, progressive, national movements came to an end long ago".

(V. I. Lenin: "The Socialist Revolution and the Right of Nations to Self-Determination", in: *ibid.*; p. 275).

But if Scotland and Wales are not nations, are not oppressed nations under the "foreign rule" of the "English", if there are no national tasks to be fulfilled within Britain, what is the character of Scottish and Welsh "nationalism"?

Clearly, Scottish and Welsh "nationalisms" are spurious nationalisms.

In a genuine struggle for national liberation, workers and national capitalists of the oppressed nation have a certain common interest. But workers and capitalists in Scotland and Wales, which are not oppressed nations, have no such common interests. The political effect of Scottish and Welsh pseudo-nationalism is, therefore, to preach class collaboration to the workers of Scotland and Wales in circumstances which make such class collaboration the opportunist surrender of the interests of the working class to those of the capitalist class:

"From this it is not a far cry to 'common ground' for 'joint action' on which the bourgeois and the proletarian must stand and join hands as members of the same 'nation'".

(J. V. Stalin: "The Social-Democratic View of the National Question", in: "Works", Volume 1; Moscow; 1952; p. 38).

Marxist-Leninists understand that the cause of the special social problems of the petty bourgeoisie and working class of Scotland and Wales is the existence of British monopoly capitalism, which inflicts special hardships on these regions of Britain -- although not solely on these regions. The aim of British Marxist-Leninists is thus to lead a united British working class to overthrow the rule of British monopoly capital.

The political parties which put forward the concepts of Scottish and Welsh "nationalism" -- such as the Scottish National Party and Plaid Cymru --- place the blame for the special social problems of the petty bourgeoisie and working class of Scotland and Wales on "England". Objectively, therefore, this pseudo-nationalism has the aim of diverting the Scottish and Welsh working class from building class unity with their class brothers in England, and of diverting them away from struggle against their real enemy, British monopoly capital, towards an imaginary enemy, "England".

Scottish and Welsh "nationalisms" are thus not only spurious nationalisms, but are thoroughly reactionary movements. The task of British Marxist-Leninists is, therefore, to expose the spurious and reactionary character of these movements. To give them the slightest support -- because, for instance, they are, like the Liberal Party in England, experiencing a temporary upsurge in support -- would be the worst kind of opportunism.

Of course, British Marxist-Leninists must take into account the existence of pre-national survivals among the petty bourgeoisie and working class of Scotland Wales in determining their strategy and tactics, ensuring, for example, that their programme for a socialist Britain includes:

"... regional self-government for those localities which are differentiated by their specific habits, customs and populations".
(J. V. Stalin: *ibid.*; p. 44).

At the same time, they must lead the working people of Scotland and Wales in day-to-day struggle in such a way that they learn from their own experience that the parties which preach Scottish and Welsh pseudo-nationalism are, like all the political parties which exist at present in Britain, political instruments which objectively represent the interests of British monopoly capital.

A Single British Marxist-Leninist Party?

The second question to be discussed in this article is: whether separate Marxist-Leninist Parties should be formed in Scotland, Wales and England, or whether there should be a single Marxist-Leninist Party for the whole of Britain.

This second question is in no way dependent on the first question already dealt with, namely, whether the peoples of Scotland, Wales and England form separate nations, or whether they form parts of a single British nation.

This is because Marxist-Leninists have always held that there should be one -- and only one -- Marxist-Leninist Party for each state (excluding any geographically separated colonies):

"Experience has shown that the organisation of the proletariat of a given state according to nationality only leads to the destruction of the idea of class solidarity. All the proletarians of a given state must be organised in a single, indivisible proletarian collective body".

(J. V. Stalin: "Marxism and the National Question", in: "Marxism and the National and Colonial Question"; London; 1936; p. 66).

This principle applies equally in the case of multi-national states (states which include within their frontiers more than one nation) as in the case of states which embrace a single nation. Tsarist Russia, for example, was a multi-national state, and Lenin and Stalin fought unreservedly for the principle of a single Marxist-Leninist Party for the whole of Russia:

"The Social-Democratic (i.e., Marxist-Leninist -- Ed.) Party which functions in Russia called itself Rossiiskaya (i.e., all-Russian, of the Russian state -- Ed.) and not Russkaya (i.e., of the Russian nation -- Ed.). Obviously by this it wanted to convey to us that it will gather under its banner not only Russian proletarians, but the proletarians of all the nationalities in Russia and, consequently, that it will do everything to break down the national barriers that have been raised to separate them".

(J. V. Stalin: "The Social-Democratic View of the National Question", in: "Works", Volume 1; Moscow; 1952; p. 41).

"How is national isolation to be eliminated in order to draw the proletarians of all Russia together and to unite them more closely?

Divide up into several national parties and establish a loose federation of these parties -- answer the Federalist Social-Democrats."

As you see, we are advised not to unite into one all-Russian party with a single directing centre, but to divide up into several parties with several directing centres -- in order to strengthen class unity! We want to draw together the proletarians of the different nations. What should we do? Divide the proletarians from one another and you will achieve your aim!, answer the Federalist Social-Democrats.

Instead of breaking down the national barriers we shall reinforce them with organisational barriers; instead of stimulating the class consciousness of the proletariat, we shall stultify it.

But since our aim is not to 'reinforce national barriers', but to break them down; since we need not a rusty, but a sharp weapon to uproot existing injustice; since we want to give the enemy cause not for rejoicing but for lamentation and want to make them bite the dust, it is obviously our duty to turn our backs on the Federalists".
(J. V. Stalin: *ibid.*; p. 36-40).

In accordance with this principle, Lenin and Stalin consistently expressed strong opposition to similar moves to establish separate national Marxist-Leninist Parties in other multi-national states:

"The idea of national autonomy creates the psychological conditions that make for the division of a united workers' party into separate parties built on national lines.

Austria, the home of 'national autonomy', provides the most deplorable example of this. Since 1897 . . . the one-time united Austrian Social-Democratic Party has been breaking up into separate parties. The break-up became still more marked after the Brunn Congress (1899), which adopted national autonomy. Matters have finally come to such a pass that, in place of a united inter-national party, we now have six national parties, of which the Czech Social-Democratic Party will even have nothing to do with the German Social-Democratic Party".

(J. V. Stalin: "Marxism and the National Question", in: "Marxism and the National and Colonial Question"; London; 1936; p. 34).

And, of course, once the principle of separate national Marxist-Leninist Parties within a multi-national state is accepted, it becomes logical to work for the splitting of other organisations of the working class, including the trade unions, into separate national bodies:

"The break-up of the party is followed by the break-up of the trade unions, and complete isolation is the result. In this way a united class movement is broken up into separate national rivulets.

In Austria . . . there was reason to fear that separation in the party would lead to separation in the trade unions and that the trade unions would also break up. That, in fact, has been the case; the trade unions have also been divided according to nationality. Now things frequently go so far that the Czech workers will even break a strike of the German workers.

We know whither the division of workers along national lines leads. The disintegration of a united working-class party, the division of trade unions along national lines, the aggravation of national friction, national strike-breaking, complete demoralisation within the ranks of the social-democratic movement".

(J. V. Stalin: *ibid.*; p. 34-5, 59).

The Marxist-Leninist principle is thus quite clear: there should be one -- and only one -- Marxist-Leninist Party for each state (excluding any colonies geographically separated from it). And this principle applies equally in the case of multi-national states as in the case of states which embrace a single nation.

But Scotland, Wales and England are not separate states; they form parts of a state, the United Kingdom of Great Britain and Northern Ireland, which is composed of Scotland, Wales, England and Northern Ireland. Of these, Northern Ireland is a part of the Irish nation and is a colony geographically separated from Britain.

It follows that, according to Marxist-Leninist principles, there should be one -- and only one -- Marxist-Leninist Party for the whole of Britain, embracing Scotland, Wales and England.

Conclusions

According to Marxist-Leninist principles:

- 1) Scotland, Wales and England are not separate nations, but form parts of a single British nation; and
- 2) there should not be separate Marxist-Leninist Parties for Scotland, Wales and England, but a single Marxist-Leninist Party for the whole of Britain.

(First published in HAMMER OR ANVIL,
November/December 1966)

A NEW SURFACE ON

"THE BRITISH ROAD"

WHEN THE COMMUNIST PARTY OF GREAT BRITAIN FIRST PUBLISHED ITS NEW PROGRAMME, "THE BRITISH ROAD TO SOCIALISM", IN 1951, A GREAT MANY SOCIALISTS WERE DECEIVED BY IT.

Since then a great many eyes have been opened to the reformist, revisionist character of the programme propounded by the leadership of the CPGB.

The revised draft of "The British Road to Socialism" to be presented to the 30th. Congress of the CPGB in November 1967 has been prepared because conditions have made it necessary to disguise their betrayal of the British working class somewhat more subtly than was thought necessary in 1951.

But beneath its new, bright surface "The British Road . . ." remains the road, not to socialism, but to a new form of state-monopoly capitalism which, at some time in the future, the British monopoly capitalists may deem it opportune to bring about with the assistance of the revisionists in the leadership of the CPGB.

The draft begins with a quotation, not from Marx, Engels or Lenin, but from William Morris. No doubt its authors would have liked to quote from Khrushchov, but that would have been too revealing!

"The Parliamentary Road"

In a sentence which sounds like a paraphrase of "Old Moore's Almanack", it is claimed that

"In the course of this many-sided struggle, the labour movement will be able to throw off right-wing leadership. New political alignments will come about, and it will become possible to elect a Parliamentary majority and government pledged to a socialist programme" (p. 7).

It is all so easy, if only the "legal", "constitutional", "parliamentary" road is followed, for

"We believe socialism may be achieved in Britain by peaceful means and without armed struggle, and this is our aim" (p. 7).

The reason given for this unhistorical, anti-Marxist-Leninist statement is that

"Many countries, covering a population of millions, are today socialist states.

This new balance of forces in the world opens up new possibilities for the advance to socialism elsewhere. Formerly it was only possible to envisage a forcible taking of power. Today the advance to socialism can take place by other means.

That is why the Communist Party envisages a different road to socialism" (p. 24).

Unfortunately, most of these "socialist states" are socialist no longer, having been betrayed on to the road of the restoration of capitalism by the leaders of the revisionist parties.

In fact, the "peaceful, parliamentary road to socialism" presumes that the members of the capitalist class are such democrats that if the working people express a wish for socialism through parliamentary channels, they will step aside, allowing their state machinery of force to remain neutral and ready to be "taken over".

These are the dangerous, false illusions which revisionism strives to create in the minds of the workers, who thus become infected with "legalism" and an easy prey to reactionary violence. It should never be lost sight of that the Bolsheviks were successful in achieving working class power because they were, from their inception, a party which conducted revolutionary struggle.

The Myth of the "Labour Left"

The revisionists of the CPGB pledge themselves that

"... the aim of the Communist Party is not to undermine, weaken or split the Labour Party" (p. 25),

and they pay tribute to

"... the struggle of the socialist forces within the Labour Party to make it a party of struggle and socialism" (p. 25)

This renders a great service to social-democracy. Instead of exposing it as an ideology which serves the interests of Big Business within the working class movement, it plays up the myth of a "Labour Left" which will transform the Labour Party into a genuine party of socialism, thus helping to keep alive within the working class illusory faith in social-democracy.

"Socialist Democracy"

To the extent that the revisionism of "The British Road . . ." is accepted by the working class, it can lead to two possible results:

By fostering illusions in "parliamentary democracy" and by damping down the movement for organised, revolutionary struggle, it may facilitate the imposition by monopoly capital of a repressive fascist dictatorship;

or, in different circumstances, it may lead to the establishment of a new form of state-monopoly capitalism masquerading, with the help of the revisionists, as "socialism".

Certainly, the revisionists envisage the establishment of

"... a socialist state machine" (p. 32).

But this "socialist state machine" is far removed from the dictatorship of the working class, which suppresses the overthrown capitalist class, envisaged by Marxist-Leninists.

True,

"The Communist Party and the Labour Party, in which the right wing has been defeated, will be the political organisations of the working class primarily responsible for the success of building socialism" (p. 33-4),

and they will fill

"... the leading positions in the ministries and departments, the armed forces and police, the nationalised industries and other authorities . . . by men and women loyal to socialism" (p. 32),

but the capitalist class will be free to operate their own political parties, newspapers, etc.:

"Democratically organised political parties will have the right to maintain their organisation, publication and propaganda, even if hostile to socialism. . . ."

Newspapers and periodicals will be owned and controlled by political parties and social groups" (p. 31, 33).

A "Socialist Economy"

The revisionists of the CPGB propose that their "socialist" government will bring about

"... the nationalising of large-scale industries and trades" (p. 35) in order to

"... assist small owners who have hitherto been progressively squeezed out by the monopolies" (p. 35-36).

Just as the "socialist democracy" proposed by the CPGB will be the "parliamentary democracy" with which we are familiar, so the "socialist" economy which it proposes will be the "mixed economy" with an extension of state ownership into large-scale industry and commerce which has long been featured in the programme of the Labour Party.

War and "Peaceful Co-existence"

The new draft of "The British Road . ." claims that

"The vast destructive of modern nuclear weapons makes the prevention of a third world war the most important issue facing humanity" (p. 19).

But unless imperialism is destroyed, a third world war is inevitable. The struggle against a third world war cannot be separated from the struggle against imperialism. But the revisionists of the CPGB do precisely this, implying that classes and nations oppressed by imperialism should abandon revolutionary struggle "in the cause of preserving peace". It is under this cloak of "saving the world from war" that the Soviet revisionists are exerting pressure upon the Vietnamese people to capitulate to US imperialist aggression.

The revisionist distortion of "peaceful co-existence" merely helps the imperialists in their aims of trying to intimidate peoples into capitulation under threats of nuclear blackmail. The CPGB seeks to intimidate the British people into acquiescence in imperialist aggression by warning them that

"... a war could result in the annihilation of Britain" (p. 18).

But history proves beyond any doubt that appeasement of imperialist aggression does not preserve world peace but, on the contrary, makes world war inevitable.

A Programme of Betrayal

Every Communist Party member, every worker, must seriously consider what he or she is supporting when asked to promote the programme and policy which the revisionist leaders of the CPGB are presenting to the working class.

There is not one word of Marxism-Leninism in it.

It is a programme of betrayal of the revolutionary class interests of the working class.

It is a programme which can never bring about socialism.

It is a programme which can only lead the working class away from the path of revolutionary struggle on to the road of reformism and class collaboration; and so to defeat before its class enemy.

The Only Road to Socialism in Britain

There is only one road to socialism in Britain. It is the road of revolutionary struggle of the working class. It is the road charted by Marxism-Leninism, the road of the revolutionary smashing of the capitalist state and the establishment of the dictatorship of the working class.

And this revolutionary struggle can only reach its goal of working class power and the building of a socialist society when it is led by a Marxist-Leninist Party of the working class.

It is our cardinal task to build such a Party.

(First published in RED FRONT, October 1967)

ON THE CULTURAL FRONT:

T H E C . P . G . B . S U R R E N D E R S

ART IS A FORM OF PRODUCTION IN WHICH THE PRODUCER (THE ARTIST) STRIVES THROUGH HIS PRODUCT (THE WORK OF ART) TO INDUCE CERTAIN THOUGHTS OR FEELINGS IN THE MINDS OF ITS CONSUMERS. NOW IT IS CLEARLY OF GREAT IMPORTANCE WHAT KIND OF THOUGHTS OR FEELINGS ARE INDUCED IN THE MINDS OF PEOPLE -- WHETHER THESE SERVE THE INTERESTS OF THE CAPITALIST CLASS OR OF THE WORKING CLASS.

THE STRUGGLE BETWEEN THESE TWO CLASSES IS REFLECTED IN A STRUGGLE OF IDEAS.

THAT IS WHY MARXIST-LENINIST PARTY OF THE WORKING CLASS MUST DO EVERYTHING IN ITS POWER TO ENCOURAGE AND SPREAD ART WHICH SERVES THE WORKING CLASS, AND TO DISCOURAGE ART WHICH SERVES THE INTERESTS OF THE CAPITALIST CLASS.

As Lenin put it, art and literature must serve

"... the millions and tens of millions of working people. . .

It must become party literature. . . The socialist proletariat must put forward the principle of party literature, must develop this principle and put it into practice as fully and completely as possible. . .

Down with non-partisan writers! Down with literary supermen! Literature must become part of the common cause of the proletariat. . . Literature must become a component of organised, planned and integrated Social-Democratic party work".

(V. I. Lenin: "Party Organisation and Party Literature", in: "Lenin on Literature and Art"; Moscow; 1967; p. 23).

These fundamental Marxist-Leninist principles of aesthetics were put into practice by the leadership of the Communist Party of the Soviet Union during Stalin's lifetime, being raised to a new level by Zhdanov.

The Revisionist Betrayal.

It is no accident that the revisionists in the leadership of the Soviet Union and other former socialist countries of Eastern Europe (excluding People's Albania) have made it their business to throw overboard these Marxist-Leninist principles on art and literature.

As a result of the adoption by these revisionists of the anti-Marxist-Leninist concept of non-partisanship in the cultural field, the art and literature of these countries have ceased to be socialist in content, and art and literature which serve the capitalists have rushed in to fill the vacuum. In place of art and literature which serve the working people, which elevates them and inspires them to the building of a classless society, is to be found all the "modern" products created in imitation of fashionable bourgeois trends in the decaying capitalist "west": cynical and despairing novels, with anti-hero in place of hero; atonal music and Mersey "pop"; abstract painting; poems without meaning . . .

This degeneration in the cultural field has gone hand in hand with, has both assisted and been assisted by, the destruction of the economic, social and political structure of working class power and the restoration of all the essentials of a capitalist, profit-motivated society.

It is no accident that the seeds of the Hungarian counter-revolution of 1956 first sprouted above ground in the club of the reactionary petty-bourgeois intellectuals: the Petöfi Club.

Gollan Joins the Petöfi Club

The revisionist leadership of the Communist Party of Great Britain follows the Soviet revisionists on cultural questions, as on most others, and their views are put forward in "Questions of Ideology and Culture"

(adopted by the Executive Committee on March 11th., 1967, and published in "Marxism Today" of May 1967).

It is a common practice of demagogues to put up a distorted picture of the reality they wish to attack. And Lenin pointed out long ago that "freedom" was often the battle-cry of those who wished to attack the discipline of the working class or its vanguard party. It is not surprising, therefore, that the Gollan revisionists attack the Marxist-Leninist principles of aesthetics under the slogan of defending the "free development" of art (p. 135), and that the picture they present of those Marxist-Leninist principles is a false one:

"We do not think that, under socialism, painting, sculpture, literature, music, must comply with a single standard, congenial to all, or immediately comprehensible without effort and study. . . The Communist Party, during the fight for or under socialism, does not see its task as being to direct what should be written, painted or composed -- either in terms of subject or of style; it does not see its role as laying down laws governing literary and artistic creation. We reject the concept that art, literature or culture should reflect only one (official) school or style" (p. 135-6).

Thus, the concept that the vanguard party should encourage art and literature which, in content and form, serve the working class is distorted into rigid "direction", the imposition of "a single standard", of "only one (official) school or style". In fact, within the broad framework of "art which serves the working class" lies scope for infinite variation, for limitless experiment.

The principle of partisanship in art is presented in the form of this travesty in order that the unthinking reader may be led to the view that art which serves the working class is unacceptably restricted in content and form, whereas art which serves the capitalist class is without these restrictions and so gives the artist "creative freedom".

Also implicit in the EC statement is the concept that the artist is so superior to his fellow-workers that he should be supported by them even when he produces works which have no meaning for them, or which have a meaning they find repellent. This concept is dear to the heart of the liberal petty-bourgeois artists who advise the Executive Committee on artistic questions.

It is notable that the revisionists speak of their viewpoint on art as "Marxist", and not as "Marxist-Leninist" -- for Lenin's views on aesthetics were very clear and precisely opposite to those put forward by the leadership of the Communist Party. By repudiating Lenin, the revisionists draw a line between themselves and Marxist-Leninists and hope, no doubt, to appeal to liberal petty-bourgeois intellectuals and artists for whom Marx is a "sociologist" to be discussed in academic terms, while Lenin -- who applied Marx's teaching to lead a successful revolution of the working class -- is a less appealing figure. They also, doubtless, seek to further convince the monopoly capitalists that they have thrown overboard all the revolutionary teachings of Marxism-Leninism and are worthy of being treated as a "respectable" party, whose talk of "Marxism" is as safe as Wilson's occasional mention of "socialism"!

Gollan has indeed joined the Petöfi Club!

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THE OCTOBER REVOLUTION BETRAYED

FIFTY YEARS AGO THE FIRST SOCIALIST REVOLUTION TOOK PLACE WHEN, IN NOVEMBER 1917, THE WORKING CLASS OF RUSSIA SEIZED POLITICAL POWER UNDER THE LEADERSHIP OF THE MARXIST-LENINIST BOLSHEVIK PARTY HEADED BY LENIN. THE FIRST SOCIALIST STATE IN THE WORLD CAME INTO BEING AND WAS BUILT INTO A MIGHTY POWER.

Under capitalism, production is unplanned and is regulated by the market through the profit motive. Under socialism, on the other hand, production is centrally planned by the state of the working class in the interests of the working people.

During the lifetime of Stalin, Soviet production was centrally planned in a socialist way, transforming the USSR from an economically backward country into one of the most advanced industrial states in the world. But the revisionists who succeeded Stalin in the leadership of the Soviet Party and state have in recent years been dismantling the socialist system and transforming it into a form of state capitalism, with the development of a new bourgeoisie.

The first steps in this direction were taken ten years ago under Khrushchov, with the scheme to transfer the management of industry from the Soviet state to regional "economic councils", under the guise of "reducing bureaucracy".

This created such obvious chaos that Khrushchov's revisionist successors -- who had noisily supported "decentralisation" as "creative Leninism" -- were compelled to annul the measure and transfer the management of industry back to the Ministries, again in the name of "creative Leninism".

The economic "reforms" of the Brezhnev-Kosygin clique, adopted at a meeting of the Central Committee of the Communist Party of the Soviet Union in September 1965, are designed to destroy the socialist system in a more radical way. By these "reforms" centralised planning was abolished, except in the form of laying down (as British governments have long done) a series of desirable targets for the economy as a whole.

"It has been found expedient to put a stop to excessive regulation of the activity of the enterprises".

(Resolution of Central Committee, CPSU, September 25th., 1965: "On Improving Management of Industry").

"The economic situation now obtaining in the USSR already makes it possible to dispense with a number of centrally planned indicators". (B. Rakitsky: "Bourgeois Interpretation of the Soviet Economic Reform", in: "Voprosy Ekonomiki" (Problems of Economics), No. 10, 1965).

"The state plan merely endorses the most essential indicators, ensuring balanced economic development, on the basis of which the enterprises independently organise their economic activity. . . A series of measures are being taken to give enterprises a wider margin of economic independence".

(S. Khavina: "In the Crooked Mirror of Bourgeois Theories", in: "Ekonomicheskaya Gazeta" (Economic Gazette), No. 44, 1965).

"Centralised planning . . . can and should determine general proportions, growth rates and optimum ration. . .

Control figures will be drawn up . . . in a generalised, value form, to be given to Ministries. In the same form these control figures will be handed down to the enterprises, not as precise directives, but rather as guidelines for drawing up their plans".

(Y. Liberman: "Plan, Direct Ties and Profitableness", in: "Pravda" (Truth), May 21st., 1965).

"It is essential for centralised management, which is a salient feature of modern industrial development, to be combined with economic independence of the enterprises".

(A. Mozalevsky: "A Firm Improves its Khozraschot", in: "Izvestia" (News), October 14th., 1965).

"Enterprises will themselves plan the volume of production and the detailed assortment of goods on the basis of the plan targets given them by the higher organisations as well as orders accepted directly from consumers or sales and trading organisations".

(N. Baibakov: "Under the New Conditions", in: "Kommunist" (Communist), No. 7, 1966).

"The enterprise shall exercise the rights of property, utilisation and disposal of the property under its operational control (Clause 8);

The enterprise shall not be responsible for meeting the commitments of the body to which it is subordinated. . . The body to which the enterprise is subordinated shall not be responsible for the enterprise's commitments. . . The state shall not be responsible for meeting the commitments of the enterprise, nor shall the enterprise be responsible for the commitments of the state (Clause 9);

The enterprise shall carry out capital construction or reconstruction of its fixed assets (Clause 49);

The enterprise may take out bank credit and shall be responsible for its adequate application and timely repayment (Clause 72);

The enterprise shall set, in accordance with the law, prices and rates for different products (or work or services) which are not subject to approval by superior bodies (Clause 74);

The enterprise shall have the right:

to set piece rates, time rates and job rates for the different groups of workers;

to set indicators and terms for the payment of bonuses, based on standard rules" (Clause 81).

("Statute of the Socialist Industrial Enterprise", approved by the USSR Council of Ministers, October 4th., 1965, in: "Ekonomicheskaya Gazeta" (Economic Gazette), No. 42, 1965).

The economic independence accorded to the Soviet Khozraschot enterprise (the term is an abbreviation for "Khozyaistvenny-raschoi", meaning "economic management") gives its management powers roughly equivalent to those of the management of an enterprise in an orthodox capitalist country, except that the director of the Soviet factor has somewhat greater powers than his managing director counterpart:

"The enterprise shall be managed on the principle of one-man responsibility (Clause 4);

The enterprise shall be headed by a director (Clause 89);

The rights of the enterprise stemming from its production and economic activity shall be exercised by its director (Clause 41);

The director shall organise the entire work of the enterprise and shall bear full responsibility for its operation" (Clause 90). (Ibid.).

In the absence of centralised planning, the management of the Soviet Khovraschot enterprise plans its production on the basis of its estimate of market needs, this assessment being made as far as possible on direct contracts negotiated with trading organisations:

"Without utilising the mechanism of the socialist market and such of its categories as the current business situation, prices, supply and demand, it is impossible to ensure the operation of enterprises on the basis of complete Khovraschot".

(D. Rakitsky: "Bourgeois Interpretation of the Soviet Economic Reform", in: "Voprosy Ekonomiki" (Problems of Economics), No. 10, 1965).

"Trade must become a more effective economic lever in regulating production. . .

This is the underlying principle of the new experimental system of production planning introduced at the 'Bolshevichka' and 'Mayak' clothing establishments in Moscow and Gorky respectively. Planning proceeds from the orders of trading organisations and shops, which now deal directly with the clothing manufacturers. The business done by these enterprises is judged in terms of fulfilling sales and profit targets".

(S. Trifonov: "Direct Business Dealings or Through an Intermediary?", in: "Pravda" (Truth), November 17th., 1965).

"The 1965 economic reform makes planning of output and direct contract ties between enterprises compatible and essential. . .

The important stages of this development have already been mapped out: the release of enterprises from limitations of the wages fund, release from centralised planning of the entire list of products, and as a consequence the organisation of supply on the basis of wholesale trade".

(Y. Liberman: "Plan, Direct Ties and Profitableness", in: "Pravda" (Truth), November 21st., 1965).

"An enterprise producing consumer goods shall organise production thereof on the basis of orders from trading organisations and contracts concluded with them".

("Statute of the Socialist Industrial Enterprise", approved by the USSR Council of Ministers, October 4th., 1965, in: "Ekonomicheskaya Gazeta" (Economic Gazette), No. 42, 1965).

The economic incentive which binds the production plans of the Khozraschot enterprise to the market is that of profit:

"Let us consider profit, one of the economic instruments of socialism. A considerable enhancement of its role in socialist economy is an indispensable requisite for Khozraschot. . . The profit of an enterprise and material incentives based on the profitableness indicator are economic means designed to achieve the aim of socialist production".
(Editorial: "Pravda" (Truth), January 14th., 1966).

"Profit is the main form of the enterprise's net income. For this reason greater economic stimulation of production means at the same time enhancing the role of profit in the incentive system. . .

The utilisation of profit to achieve the aims of socialist production, its adaptation to the planned guidance of the economy . . . inevitably presupposes the elaboration of a special mechanism".

(B. Sukharevsky: "New Elements in Economic Incentives", in: "Voprosy Ekonomiki" (Problems of Economics), No. 10, 1965).

Of course, say the revisionists of the Soviet Union, this is not capitalist profit, but "socialist profit":

"Under socialism profit differs fundamentally in socio-economic content and role from profit under capitalism. Capitalist profit . . . is a form of capitalist exploitation. . .

In contrast to this, profit under socialism is a form of surplus product which accrues to the working people, and to them only".

(Editorial: "Pravda" (Truth), January 14th., 1966).

The "socialist profit" which is retained by the Khozraschot enterprise is retained by the "working people", but this latter term includes the director and the management:

"Profit turns into an important source of the bonus fund, the fund for rewarding workers for improving the operation of their enterprise. This fund will be used to pay all bonuses to management, engineering and technical personnel for the results of their economic activity and also the bonuses to workers in addition to those that are paid from the wages fund".

(R. Sukharevsky: "New Elements in Economic Incentives", in: "Voprosy Ekonomiki" (Problems of Economics), No. 10, 1966).

Since this profit is

". . . an economic instrument for developing socialist enterprises and materially stimulating their activity",

(Editorial: "Pravda" (Truth), January 14th., 1966),

it is distributed between director, management, foremen and shop-floor workers in proportion to their assessed "responsibility" for stimulating the economic activity of the enterprise. And it is, of course, the director and management who assess this "responsibility".

Khovraschot managements naturally tend, as do the managements of enterprises in orthodox capitalist countries, to attribute the greatest responsibility for the making of profit (and so the largest share of that profit) to

themselves. And this view is endorsed by the revisionist leaders of the Soviet Party and state:

"The director shall organise the entire work of the enterprise and shall bear full responsibility for its operation" (Clause 90). ("Statute of the Socialist Industrial Enterprise", approved by the USSR Council of Ministers, October 4th., 1965, in: "Ekonomicheskaya Gazeta" (Economic Gazette), No. 42, 1965).

"The recent economic reform . . . offers the managers of industrial enterprises broad opportunities to display their initiative, organisational talent and ability". (P. Tabalov: "Switching Over to the New System", in: "Pravda" (Truth), October 27th., 1965).

Next priority in the rewards from profits goes to the "non-commissioned officers" of the management, the foremen. It is recommended that the foreman should not only share in the enterprise's profit in proportion to his increased responsibility, but that he should receive higher wages in addition:

"It has long been suggested that a foreman be given more responsibility and higher wages. . . . Sometimes workers earn more than the foreman. Since the foreman now contributes more to production, directors now have the right to raise the wages of highly skilled foremen and technical personnel in order to provide an additional incentive, this increase amounting to up to 30% of their fixed salaries, to be paid out of the planned wages fund". (A. Volkov: "Profit and Personal Incentive", in: "Pravda" (Truth), November 14th., 1965).

At the lowest rung of the ladder come the largest number of the "working people" of an enterprise, the workers on the shop floor, who share among themselves what remains of the "socialist profit" of the enterprise.

Clearly, A SOVIET KHOVRASCHOT ENTERPRISE DIFFERS LITTLE FROM A FACTORY UNDER ORTHODOX CAPITALISM. ITS OWNERSHIP BY THE STATE IS MADE NOMINAL BY ITS "ECONOMIC INDEPENDENCE". ITS MANAGEMENT PLAN THE ENTERPRISE'S PRODUCTION ACCORDING TO THEIR ASSESSMENT OF THE MARKET. THEY HAVE BECOME, IN FACT, STATE CAPITALISTS WHO EXPLOIT THE WORKERS OF THE FACTORY FOR THEIR OWN PROFIT, WHILE OPERATING (like many "progressive" managements under orthodox capitalism) A PROFIT-SHARING SCHEME FOR THE WORKERS IN ORDER TO

". . . enhance their interest in accelerating the growth of production and labour productivity, in increasing the rate and amount of profit".

(N. Baibakov: "Under the New Conditions", in: "Kommunist" (Communist), No. 7, 1966).

THE TREACHERY OF THE REVISIONIST LEADERS OF THE SOVIET UNION HAS ACHIEVED WHAT THE TERROR OF THE WHITE GUARDS AND THE GERMAN FASCISTS FAILED TO BRING ABOUT: THE RESTORATION OF AN ESSENTIALLY CAPITALIST SOCIETY IN THE SOVIET UNION.

BUT THIS PROCESS IS SETTING UP NEW FERMENTS WITHIN THE SOVIET WORKING CLASS WHICH WILL LEAD TO THE FORMATION OF A NEW, UNDERGROUND MARXIST-LENINIST PARTY WHICH WILL CARRY FORWARD THE REVOLUTIONARY PRINCIPLES OF LENIN AND STALIN, WHICH WILL LEAD TO A NEW OCTOBER SOCIALIST REVOLUTION AND THE ESTABLISHMENT OF A NEW -- THIS TIME PERMANENT -- SOCIALIST SOCIETY.

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