

SWP

discussion
bulletin

Published by the
SOCIALIST WORKERS PARTY

116 UNIVERSITY PLACE
NEW YORK 3, NEW YORK

Vol. 24, No. 10

April 1963

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AND THE TASKS OF THE SWP

-- A Statement of Views by
the Reorganized Minority
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THE DECLINE OF AMERICAN IMPERIALISM AND THE TASKS OF THE

SWP

-- a statement of views of the Reorganized Minority Tendency

Part I - THE DECLINE OF AMERICAN IMPERIALISM

Petty-bourgeois impressionists of a socialist inclination are identifiable by their acceptance, to one degree or another, of two premises and a conclusion.

Premise a): American Imperialism, which stands as the counterrevolutionary colossus in a world seething with revolutionary energy, is based upon an economy of overpowering wealth and power.

Premise b): The overfed and immobilized American working class has been bought off by the rich crumbs left over from the super-profits of American capitalism. The trade union movement is a prison for revolutionaries; it is entered only at the risk of burial, or under sentence of solitary confinement for a long period. Those who wish to remain in political life must seek arenas other than the working class.

Conclusion: The real strategic counter-weight to American imperialism rests on an axis drawn from the colonial struggles through the Kremlin, or alternately, Peking.

Revolutionary Marxists approach the question in an entirely different way. As materialists we note that consciousness, in this case that of the American working class, often lags behind reality. At the same time, however, we understand that inevitably consciousness must reflect reality. While the SWP cannot by itself be prime mover in the process of catching up, the importance of its function cannot be underestimated without endangering both the materialist conception of reality and the very existence of the revolutionary party.

While it is necessary to begin with generalization about the materialist root of Marxist method, it must be understood as the method of probing the reality, and not as a means of ignoring it. In that direction lies an empty ultra-leftism.

American Capitalism Today

In the period of the second world war the United States inherited the role of chief world imperialist power from

which England was driven in the era of the first world war. But at the very moment of its succession to the throne, Banquo's ghost appears to haunt the American bourgeoisie. England is finished as a world power. But in her decline, just as in her ascension, she has provided the living model for the expression of the inner laws of motion of capitalism. The American ruling class, as it casts frightened glances over its shoulder, sees those classic manifestations of decay overtly asserting themselves in the American economy. It sees:

1. A certain decline in the rate of profit.
2. A stagnation in the formation of domestic real capital.
3. A flow of capital abroad.
4. Growing obsolescence of plant and equipment.
5. A decreasing share of world trade.
6. A drain on the supply of gold.
7. An absolute and relative decline in the rate of growth.

The Last Decade

The adjective "creeping" has leaped into prominence in the vocabulary of the American bourgeoisie during the last decade. Unintentionally invoking an image of advanced senility, it has been used to describe "creeping inflation", "creeping socialism", and now "creeping stagnation".

The "creeping inflation" is the reflection of the pressure on the price structure exerted by the falling rate of profit, an undefeated albeit subdued working class, and the increasing overhead cost of doing business in the imperialist world.

The hue and cry over the danger of "creeping socialism" is a reflection of the increasing reluctance and inability of the capitalist class to grant meaningful concessions to the working class as a whole, at the same time as it prepares to mount a massive offensive against present standards.

"Creeping stagnation" is a concept accepted by economists of widely differing schools advanced to describe the state of the American economy during the last decade. From the point of view of the working class, especially its Negro and youth components, it is of course not a matter of "creeping stagnation", but of active strangulation.

Recessions

Since the end of the second world war we have experienced four recessions beginning respectively in November of 1948, July of 1953, July of 1957, and May of 1960.

Indications to date continue, despite the Cuban crisis, to point to a fifth recession more serious than those preceding it.

It is noteworthy that while the time between recessions has decreased, each time since 1953 the peak of the recovery has been lower than the peak of the previous recovery. At the same time, the amount of unemployment at the high point has remained progressively higher. Even using the understated official figures, unemployment after 1954 was at the 4.4% level; after 1958 it was at the 5.5% mark. At this writing it has been around the 5.8% level. If the full time equivalent of part time employment is taken into consideration, the 5.5% figure, for example, would read instead 7.3%.

Walter W. Heller, Chairman of Kennedy's Council of Economic Advisers, estimated in April of 1961 that automation would eliminate 10 million jobs in the next five years, in a period when 6 million new people would be added to the work force. A more recent and less conservative estimate by Walter Reuther put the figures at 41 million new jobs needed in the next 10 years. Leon Keyserling, Chairman of the Council of Economic Advisers under President Truman, warned of the real possibility of 9 million unemployed by 1965. The significance of these figures to the pitch and tempo of the class struggle will be discussed in the second part.

Rate of Profit

According to a recent release by the Department of Commerce of the Federal Government, profits before taxes have declined from 21.3% of the total value of U.S. corporate production in 1948, to 15.7% in 1962. Federal Trade Commission statistics show profits after taxes for manufacturing corporations, as a per cent of net worth dropped 42% since 1950, while profits after taxes as a per cent of sales dropped 39%.

It is of course true that sharp increases in amounts set aside for depreciation and obsolescence offset the sharpness of the drop in the rate of profit, but it is nevertheless clearly in evidence.

Impressionists and reformists of all varieties look always at the mass of profits, and not at the rate. It thus appears that the central problem and contradiction in capitalism is one of distribution, not production. It becomes a question of rich and poor, not worker and capitalist. It is transformed into a problem in psychology, rather than a study of the objective needs of capitalist production. They peer with myopic suspicion on any indications of a fall in the rate of profit,

preferring to believe that it is just a trick. With infinite faith in the objective durability of capitalism, impressionists think that the problems will be surmounted if the capitalist class is either convinced not to be greedy, or forced to be more generous, despite themselves, in the overall interest of preserving if not capitalism, then "freedom".

It is unfortunate that many well meaning socialists, while decrying the conclusions, accept the methodology of the opportunists. They are the ones who can see only the lack of markets and the problem of the realization of surplus value as the overriding contradiction, and not the falling rate of profit.

Extent and Form of Internal Capital Investment

One of the concrete results of the fall in the rate of profit in the current period was that the gross national product, running at an annual rate of \$552 billions in the 2nd quarter of 1962, was at least 10 billions below expectations. According to Walter Heller, consumer buying came through as expected, but investment in plant, equipment, and inventory increased by only 8% instead of the expected 14%.

It must also be noted that while from 1947 to 1957, modernization took 52% of capital investment and expansion took 48%, from 1958 through 1964, the current and projected investment gives 65% to modernization, and only 35% to expansion. As an example, auto industry in 1962 produced at a level topped only once before. Through September of 1962, 5,781,000 cars and trucks were produced with an average employment for the period of 548,000 production workers. In the same period in 1957, production totalled 5,496,000 cars and trucks, while production worker employment averaged 603,000. Thus, a modest 5% increase was chalked up for the 5 year period, achieved with a 9% drop in production employment. Even if the additional use of overtime is taken into consideration, the example remains valid.

Despite the increasing proportion of capital devoted to modernization, however, the generally accepted figure is that 2/3 of our plant and equipment is obsolescent, as judged by the latest plant and equipment available and in use on a world scale. Thus the laws of capitalism, expressed on a world scale, are more powerful than the will and wealth of even the American bourgeoisie. There are of course periods in history when it appears superficially that the impressionists and revisionists have won the argument. There are others in which the ink has scarcely dried on the latest pronouncements before they are blown

away by the wind of events. Thus it is with the school of thought which produced volumes of statistics in governmental hearings to prove that prices in the U.S. are not decided by the law of value, but by the arbitrary decisions of the bourgeoisie through the "administered price". These gentlemen forget that capitalism is a world system, and that the effects of the law of value penetrate even the state monopoly of foreign trade in the Soviet Union.

It is of course indicative of the period that the validity of the law of value should be borne witness by President Kennedy, even above the protests of a section of the capitalist class as in the case of the steel industry, when he denounced their attempt to raise the price of steel. Kennedy is wiser than the theoreticians and practitioners of the theory of socialism in one country. He at least realizes that capitalism in one country, or even autarchy, is impossible.

Extent and Direction of External Capital Flow

The decline of the rate of profit in the United States has led to an increasing flow of capital abroad. In the six year period from 1956 through 1961, total investments abroad amounted to \$13,750 millions, while the grand total of profits returned to the U.S., excluding money left overseas for reinvestment, expansion, automation, cash reserves, etc., amounted to \$15,394 millions according to material placed in the Congressional Record by Congressman Roland V. Libonati on October 10, 1962.

In 1962, American business had increased its investment in plant and equipment abroad at the rate of 14% over the previous year, while as indicated above, its rate of expansion in domestic real capital was running at an 8% rate.

It is of interest that the major area for investment of U.S. capital abroad has shifted. In 1926 Trotsky described a pattern in which Latin America held first place, with Canada second, and Europe third. But from the end of 1950 through December 31, 1961, that is a period encompassing also pre-Castro times, the value of U.S. direct investment in Latin America rose from 4.7 billions to 8.2 billions, an increase of 74.5%. During the same period, U.S. direct investment in Canada rose by 228% and in Western Europe by 353%.

Foreign Trade

At the same time, and not surprisingly, the share of the U.S. in the total value of exports of manufactures of the industrial countries, (U.S., U.K., W. Germany, France, Japan, Canada, Italy, Belgium, Luxembourg, Netherlands,

Sweden, and Switzerland) showed a steady decrease from 27.3% in 1950, to 24.5% in 1955, to 20.5% in 1961.

The increasing share of world trade held by countries in the western bloc at the expense of the United States, has thus in part been financed by American capital. This marks the same course followed by England in her decline as a major power. An increasing share of the profits of English capital, instead of being invested at home to maintain a first class technology, were shipped out to the higher profit areas of Russia, Germany, and the United States in the period prior to the turn of the century.

This also in part explains the anxiety of the Kennedy Administration to remove some of the tax free privileges of capital invested abroad.

Gold Supply

This situation is reflected in the fact that as of May 1962, short term claims of foreigners against the U.S. supply of gold was up to 23 billions, while the current gold supply was under 16.5 billions and has suffered considerable depletion since that time. In January of 1963 Walter Lippmann estimated the annual loss as proceeding at a rate of a billion a year. This may be somewhat misleading, since the gold moves in erratic spurts, rather than smooth, constant, amounts. In any case, the hemorrhagic drain of gold has dropped the U.S. held share of the world supply from 60% in 1946 to 40% in 1962.

State Debt

Empire, and the central position in the imperialist world has its costs, as the British bourgeoisie learned to their sorrow. This circumstance, in addition to the inescapably increasing intervention of the State in the declining capitalist economy, has led to a qualitative leap in the overhead cost of running American capitalism.

Governmental expenditures for goods and services rose from 8.5 billions in 1929 to 25 billions in 1941, 39 billions in 1950, 100 billions in 1960, 102 billions in 1961.

During these 3 decades, the output of the economy was multiplied by 5 while government spending multiplied by 12. Federal debt, despite massive increases in taxation at all levels, is now running at about 300 billions, the annual interest on which alone comes to about 9.5 billions.

On a percentage basis, the 1961 figure of 102 billions

out of a gross national product of 503 billions represents roughly 20%. In 1929 only 8% of the gross national product represented governmental expenditures. Simon Kuznets, in a recent study for the National Bureau of Economic Research, says that "particularly since World War II, monetary savings of individuals and corporations have often been heavily offset by government dissavings; that is, expenditures on current uses (and on military durables) financed by borrowing rather than by current revenues." He concludes that money invested in capital formation has declined from about 13% of net national product in 1869 to below 10% in recent decades.

It would also appear, aside from the quantitative aspect, that each percentage point of capital formation results in a lower return of growth in the net national product than was true in the earlier period. That is, a greater percentage of national income would have to be utilized for capital formation today in order to maintain the same rate of growth. American capitalism has to run faster in order to stay at the same point.

The total problem is illustrated by the current difficulty faced by the Federal Government in borrowing sufficient funds through the issuance of long term bonds. The U.S. Treasury in mid September of 1962 had to propose resort to a shabby huckster's technique involving a competitive auction of about \$250 millions in long term bonds going to a syndicate offering the highest price, which then resells to other investors. The U.S. is a long way from being totally bankrupt, but it has begun to use techniques more than faintly reminiscent of bankruptcy proceedings.

The Tax Structure

The burden of American imperialism can also be illustrated by looking at the tax structure of Sweden, which by usual American standards is to the "left" of the United States.

Within the last decade, the pattern of taxation in Sweden has shifted. Corporations can fully write off machinery and equipment within 5 years. Gross investment in 1961 amounted to 1/3 of total output. The corporations profit tax has been cut from 50 to 40%, and the top individual rate from 80 to 65%. In the United States, the pattern established for the most part to meet the demands of the second world war, although eased in certain areas during the Korean police action, has maintained a 52% rate on corporations, and a top rate on individuals of 91%. The rates are scheduled, of course, to be lowered this year.

The Consumption Section of the Economy

It must be noted that this tax structure, in terms of personal income, has not changed the concentration of wealth at the top. Recent Department of Commerce figures reveal that 2% of the total personal income of 397 billions for 1961, (7.6 billions) was shared by 12% of all families (6.8 million) with incomes under \$2000 yearly. On the other hand 6% of the total (3.7 million) with incomes above \$15,000 yearly, received 23% (91 billions) of the total annual personal income.

In 1958 taxes took 11.3% of the incomes of persons earning less than \$2000, and 9.4% of incomes in the \$2000 to \$4000 range. In contrast, taxes took only 5.9% of the incomes of persons earning \$15,000 and over.

A recent study by the Tax Foundation concluded that incomes and assets of 40% of our population are insufficient to provide a minimum American standard, even by their conservative estimates. On the other hand, the number of millionaires in the U.S. jumped from 27,000 in 1953 to 100,000 in 1961. Those with above 5 millions increased from 2,000 in the same period to about 10,000. Personally held wealth jumped from about 3 billions in 1922 to 2 trillion in 1961, and the richest 1% of adults in the U.S. owned 28% of it. In 1949 the richest 1% owned 20.8%, while by 1956 the top 1% owned 26% of the personally held wealth. We turn in Part II to the significance of these figures for the form of the class struggle.

Rate of Growth

The total situation of American imperialism is summed up in the question of the rate of growth. In terms of real net national product, and even when ignoring the most explosive period of growth in American history, i.e. the post civil war period, percentage rates of growth are as follows:

From <u>1889-1909</u>	<u>1909-1929</u>	<u>1929-1957</u>
4.4%	3.5%	2.9%

In the period from 1953 to 1961, the average annual rate of increase in the gross national product has been around 2.5%. The bourgeoisie try to conceal the real state of affairs by contrasting the current rate with the long term average of 3.5% which in itself is bad enough. The important thing is that the secular, or long term tendency is a clear and unmistakable decline.

Also concealed in their approach is the change in the

qualitative character of the growth. Just as in England, an increasingly higher proportion of this growth has derived from services, rather than from the actual production of goods. It should also be noted that the period from 1929 to 1957, which includes the depression decade, nevertheless averages higher than the most recent decade.

It thus becomes apparent that the Kennedy Administration has fallen heir to the task of recognizing and dealing with the long term decline of American capitalism, and not just with a temporary period of creeping stagnation. This recognition was expressed by Walter W. Heller when he stated, in November of 1962, that "the tax cut planned by the Administration is not aimed at an imminent recession, but at fundamental weaknesses in the economy."

Relative Rate of Growth

What has made this rather belated recognition necessary; what has demanded an increasingly active intervention by Washington in all segments of the economy, what has made imperative the hewing out of a uniform and centralized economic policy, if not yet a plan, even over the objections of sections of the capitalist class, is not concern for the unemployed or for the 40% of the American people who do not enjoy even a minimum American standard of living. It is not, in an immediate sense, predicated on the rivalry with the Soviet Union, which currently offers concrete competition in a limited form only in oil.

The immediate cause for alarm is that while over the past decade our rate of growth has averaged 2.5%, it has been 4.5% in France, 5.8% in Italy, 7.5% in West Germany, 8.5% in Japan, with all the consequences outlined above which these disparities entail.

Policy of the Kennedy Administration

This is why Kennedy in his tour just prior to the 1962 congressional elections "electrified" the reporter from the New Republic by "suddenly deploring" "the lowest rate of economic growth in the last five years of any major country in the world."

This is why, in a speech to the World Bank in September of 1962 he gave due and blunt warning to the world bourgeoisie that "the United States...no longer has a disproportionate share of the free world's gold, economic strength, or economic responsibility." On the contrary, he went on to warn of the responsibility of the "free world" to the United States. The collapse of the dollar, the possibility of which the American bourgeoisie can no

longer afford to ignore, was not, Kennedy insisted, a matter of concern for the U.S. alone, but also meant the collapse of the economy of the "free world".

Of course it used to be said that when the U.S. economy sneezed, that of Europe caught pneumonia. While this relationship holds essentially over the long run, it is ironic that over the past several years Washington has dispatched study missions to Europe, especially France, to learn how to improve the U.S. rate of growth.

Part of the conclusion of these studies was voiced by Secretary of the Treasury Dillon, when he noted in October of 1961 that the countries with the highest rate of growth were "devoting twice as much of their gross national product to purchases of industrial equipment as are we in the United States."

Another verdict from the study of the French economy held that when it comes to a matter of the decisive growth area, long term capital investment, it could not remain within the scope of decisions of private capital, but had to be decided on a State level. It has been said that war is too important to be entrusted to generals. In a similar manner, the accumulation of capital is becoming too decisive and crucial an area of difficulty to be entrusted to the capitalists. Another reason involved of course, is the great amount of capital necessary at this stage for any substantial increase, or even for maintenance of the rate of growth.

Which Road?

The "fundamental weaknesses" of the American economy to which Walter Heller referred are obvious enough, if not to so-called Marxists, then at least to the bourgeoisie. Such frank admissions are nonetheless unusual, and in their own way reflect the depth and pace of the developing crisis. The question which remains, however, is which road has the bourgeoisie decided to follow in order to attempt a solution?

Two approaches, corresponding roughly to two sections of the bourgeoisie, have contended for domination, that of the classical Smith-Ricardo school, and that of Keynes. Generally speaking, each approach has conquered in consonance with the particular stage and needs of the capitalist system.

It has today become clear that even the liberal section of the American ruling class has decided that it can no longer afford substantial concessions to the working class in the liberal Keynesian welfare state manner. It has, in effect, projected the use of the Keynesian vehicle, the State, harnessed to what the classical economists

recognized as the essence and major goal of capitalism, the accumulation of capital.

The increasing tempo of the crisis and its recognition by the bourgeoisie is summarized in the sharp difference in approach advocated by Leon Keyserling, chairman of the Council of Economic Advisers under the previous Democratic Administration, and that advocated by Kennedy, and his economic adviser, Walter W. Heller.

The gospel according to Keynes received the fullest stamp of official recognition in the Full Employment Act of 1946 under the Truman Administration. In applying those concepts, Keyserling, in a report issued in the name of the Conference on Economic Progress towards the end of September, 1962 diagnosed the nation's ills as deriving from a "demonstrated insufficiency of markets." The proposed solutions called for lower taxes on the consumption section of the economy, higher wages, and increased public spending.

The Kennedy Administration, on the other hand, has returned to the classic bourgeois formula that the rate of growth and full employment derive in the longer run from the rate and amount of capital formation, which in turn depends on the rate of profit. This is the point of view which when advanced by the Republican Party and Big Business generally is condemned by the labor leadership and assorted liberals as "trickle down theory", or as transcribed by GM's Wilson, "what is good for General Motors is good for America."

Kennedy has called upon American industry to equip itself to do battle for the world market by eliminating the 2/3 of American plant and equipment which is obsolescent. He has called for a real cost cutting drive which will make American products competitive on the world market. When translated in the factories, this means not only automation, but speed-up blessed by the White House itself. Already granted in 1962 was a tax credit to industry for this purpose estimated at anywhere from 1.7 to 2 billions. At the same time, the Treasury has liberalized obsolescence requirements in write-offs for tax purposes. Further tax reductions, including reduction of the previously mentioned 52% corporate profits tax, is certain to come in 1963.

On the other hand, Kennedy has vigorously fought against any movement towards the shorter work week, and has demanded that wage increases be held within the bounds of increases in productivity. We turn to the inevitable consequences for the class struggle in the coming period flowing from these policies in Part II.

In the present circumstances of American capitalism, the more or less sustained growth of Western Europe and

Japan has evoked from the liberal wing of the American bourgeoisie a rejection of reformist theory, and a return to the more orthodox bourgeois school as adapted to current needs.

The decline of American imperialism is leading to an increase in the internal contradictions within the system itself and thus preparing the scene for a new period of increased class conflict within the United States itself. Those petty bourgeois impressionists who see only the external appearance of American capitalist opulence and solidity and thus reject a revolutionary role for the working class only show their own blindness to deeply significant processes going on around them at this very moment. Such "empiricists" have no real understanding of the empirical reality which is so dear to them.

Part II - THE TASKS OF THE SOCIALIST WORKERS PARTY

New Problems for the Class as a Whole

The relative decline of U.S. imperialism is producing a crisis of a very particular kind -- a crisis of growing stagnation. It is of extreme importance to understand this, for it is shaping the very path by which the American working class will gain its class consciousness and organization. It would be a very serious error for our movement to expect that events in the 60's will be a simple repetition of the events leading up to the great depression of the Thirties. Our task is not to run a holding operation, waiting for the depression and then hoping to move in for the kill. It is unlikely that such a depression will occur in the next general period. Rather we must participate in the general radicalization of the class under conditions in which the crisis is expressed through a growing stagnation of the economy over a sizeable stretch of time.

The crisis of stagnation will not only bring on the basic unifying forces in the class; it will also bring to the fore divisive factors which pit one section of the class against the other. Our overall strategic task must go beyond intervening in this sector or that action. We must seek to unify into a common revolutionary organization the vanguard forces from all the separate and, at times, conflicting sections of the class. We must therefore keep in the forefront of our work at all times the general, unifying interests of the class and subordinate the specific, parochial ones. This will not be an easy task.

Under conditions of growing unemployment, produced by the general stagnation of the economy as well as by automation and rationalization, the divisions within the class become exacerbated. There has emerged a new "aristocracy of labor", the organized workers in the mass production industry whose privileged position within the class as a whole is determined not by any special skills as in the case of the craft unions, but by his control over jobs in a diminishing job market. An organized worker in auto, steel or the electrical industry has an income and standard of living far closer to that of a skilled construction worker than he does to a Puerto Rican worker in an unorganized sweat shop in New York City.

Despite the trumpeters of the Affluent Society, poverty of the most extreme sort remains an important feature of American society. Current reliable but quite conservative estimates show that fully one quarter of the American population lives under conditions of real poverty. This means that their income is below \$4,000 for a family of four or \$2,000 for an individual living alone. If we add to this figure those living under what is called "deprivation" ("above poverty but short of minimum requirements for a modestly comfortable level of living") we get a grand total of 77,000,000 people, or almost one half of our population.

The stagnation of the American economy is already having a serious impact on the depressed sections of the population. The rate of the decline of poverty has been slowing down to the point where it is almost imperceptible. In the six years 1947-53, the number of poor families declined 9 per cent but in the following seven years the decline was only 5 per cent. In fact the number of those in deepest poverty, families earning under \$1,000 a year, has actually risen from 800,000 in 1953 to 1,000,000 in 1960.

Fully one quarter of the poor in the United States are Negroes and Puerto Ricans. Thus in this way discrimination directly affects the minority peoples of this country.

As the family income figures illustrate, very, very few of this extremely depressed one quarter of our nation are organized into effective trade unions. Those that work are either in non-organized small shops and service industries or organized by unions who do little or nothing for their members (laundry workers, sections of the ILGWU, etc.) An increasing number of the poor are unemployed -- both youth who face a world where the older generation controls the jobs and the middle aged workers who find themselves displaced by automation but still have 20 or more years ahead of them for productive work if they can find it. Many of these people are becoming permanently

unemployed. While unemployment is at 5.8%, 12 per cent of youth under 21 are unemployed. This figure rises to 20 to 25 per cent for Negro youth.

The most oppressed sections of the population are deeply demoralized, partially atomized, and almost totally unorganized. If this were not the case then the capitalist system could not survive. However, this section of the population can be organized and once organized can be a most powerful revolutionary force. The younger, more vital sector of the most oppressed section of the population, those who are not yet conditioned to accept poverty without battle, these will be the forces we can reach and who will play a role in organizing the oppressed as a whole. It will be the unity of these sections of the working class with the better organized, but presently more conservative workers in basic industry, that will lay the basis for the eventual revolutionary upsurge in this country. Our task in the coming period must be to begin work to develop a base in the most vital militant sections of the working class in preparation for the role we must play in the American revolution itself.

The Trade Union Movement

The declining position of American capitalism, described in Part I, has already begun to have a deep effect upon the American trade union movement. The central aspects of this impact were outlined in the amendment to the political report submitted by Comrade Philips at the June 1962 Plenum (see attachment #1).

At that time we saw a growing conflict between the capitalists and the Kennedy Administration on the one hand with the working class organized in the labor movement on the other hand. Under the pressure of growing unemployment, linked to increased automation and speed-up, and continuing inflation, the trade union movement is forced to struggle for a shorter work week, in opposition to deteriorating working conditions in the shops, and for wage increases. The capitalists for their part must struggle to maintain their profits under increasingly difficult competitive conditions through greater use of automation, a conscious drive to break down the working conditions the union movement has won in the shops, and attempting to hold down wage increases or prevent them altogether (or as in the case of the Southern meat packers settlement, a wage cut). The Kennedy Administration openly intervenes on the side of the capitalists by seeking to hold down wage increases within the level of productivity increases and by opposing the shorter work week.

Under these conditions the era of "peaceful relations"

between labor and management is swiftly coming to an end and the trade unions are being forced into a type of struggle which puts the present labor bureaucrats to a severe test and opens up the way to the development of a new militant union leadership. These trends, which we noted at the June plenum, have continued with increasing severity in the eight month period since the Plenum. We have witnessed the first large scale strike in the aerospace industry at Lockheed, followed by an even more serious strike at Boeing, a longshore strike which closed down the entire East and Gulf coasts, the outbreak of desperate, militant battle in the Kentucky mine fields, and the first strike of the ITU's "big 6" since before the turn of the century.

All these strikes have had important features which distinguish them from most strikes in the preceding period. While wage increases continue to be an important feature because of the constant pressure of inflation on the workers, automation and the speed-up have become increasingly important. The working class as a whole is feeling more and more the pressures of a growing pool of permanently unemployed workers so that some of the highest paid, most "secure" workers in the country now feel their very jobs are being threatened. Certainly this was a major factor in both the longshore and printers strikes.

Secondly, the Kennedy Administration is intervening in labor disputes with a heavy hand not seen in this country on such a scale since the World War II period. Even a strike so removed from "National Security" as the printers strike in New York City has been subjected to direct governmental intervention from the President on down. Thus the capitalists see a threat in even relatively small, localized walkouts.

Thirdly, the issues at stake in these current strikes are such that the union leaderships are finding it increasingly difficult to completely back down in front of governmental and employer pressure. Since in many cases the very future of the union itself is at stake the pressures of the rank and file on the leadership can be very great. Even rotten gangster groups like the ILA are forced under these conditions into extensive strikes in defiance of the federal government. The decision of the ITU leadership not to cooperate with the "Board of Accountability" was also a reflection of the pressure of the growing militancy of the ranks on the union leadership.

Some have assumed that the impact of automation on basic industry would be a decrease of militancy as the unions reconciled themselves to a relatively well off but decreasing membership forcing the unemployed and unorganized to bear the major brunt of the technological upheavals. Certainly the labor bureaucrats have been

seeking this sort of arrangement with the bosses and some have temporarily succeeded in securing such deals. Certainly there has been little done by organized labor to organize the unorganized or unemployed. However capitalism cannot afford to treat the labor aristocracy as perhaps it would like to and even the most economically well off workers are facing serious struggle.

The problem is that while international competition is forcing the capitalists to cut costs in order to survive, massive technological innovation as a method of cost cutting requires heavy capital investment. The Kennedy Administration knows this and thus its emphasis on capital investment as the key to the health of the economy. But as we explained in the first section, the effect of the falling rate of profit is to seriously limit the ability of the capitalist to continue capital investment at the necessary level to prevent stagnation and to put the U.S. in a solid competitive position with its rivals. The capitalists, therefore, are unable to carry through automation as much as they would like to and are forced into the more socially explosive path of seeking to break down the working conditions of the organized workers through rationalization and the speed-up. Those unions which seek to roll with the punch of automation get hit in the jaw anyway with the speed-up. Thus, paradoxically, a shrinking of the work force in basic industry accompanied by a growing disparity in income between organized and unorganized labor does not lead to a lessening of the conflict between this privileged section of labor and the capitalists. This lays the objective basis for the united struggle of the class as a whole.

In other words this new "aristocracy of labor" has one fundamental difference with the skilled worker labor aristocracy that we have analyzed in the past. Today the decisive mass of surplus value in this country still comes from these basic, organized industries. Twist and squirm as they may, utilizing unorganized sections to ease the problem, the capitalist class must still wring its decisive share of surplus value from this segment of the class. This contrasts sharply from the period of the '20s and early '30s when the bulk of surplus value came from unorganized workers and the more privileged organized workers of the skilled trades were not as central to profit accumulation.

The intensity of the present union struggles is illustrated in the fact that while the number of workers involved in strikes was less in 1962 than in any previous period in the postwar years (itself a sign of the difficulties the unions face when they strike rather than any growth of "industrial peace"), the number of days lost

per worker on strike is up from 11.2 days in 1961 to 15.2 days, a higher rate than in eight of the past 10 years.

The prospects for 1963 are for the further increase of these trends. President Kennedy began the new year with a reiteration in his State of the Union speech of opposition to a shorter work week and the AFL-CIO answered with a restatement of its aim to fight for a 35 hour week in the coming year. This is the way the Wall Street Journal (Jan. 15, 1963) assesses the situation:

This winter's chilly labor-management climate threatens to persist through much of the new year.

As 1963 bargaining gets under way, Federal officials from President Kennedy down agree that union-company dealings in coming months threaten increased strikes and tougher strikes. "This year's batch of contract negotiations looks rough as can be," groans a top Labor Department official.

Many company and union strategists voice similar fears. They reason that unions, squeezed by advancing automation and other technological change, will press harder than ever for guarantees to protect members, jobs and incomes. And they believe that management, beset by competitive pressures for costcutting and seeking maximum benefits from new equipment, will demand more freedom to abolish jobs and change long-standing work rules.

Negotiations this year may involve some 2.5 million workers in such key industries as aerospace, steel, electronics, rubber, railroads, and communications. Some of these industries face showdowns that have been put off by governmental intervention for some time now. This is true in the case of the railroads and with Boeing in the booming aerospace field. And, as the Wall Street Journal points out, the government will be in the thick of things, too: "With all this trouble threatening, the new year is likely to bring the Federal Government into labor disputes more frequently, whether as mediator or something more. Already there's talk in Congress and the Administration of new anti-strike legislation to strengthen the Government's peace-making hand."

The real radical potential in the growing conflicts between capital and labor brought on by the crisis of stagnation in the economy is well understood by both the capitalists and their governmental representatives and the labor bureaucrats. Both are deeply worried about the situation and are exerting their efforts to prevent this potential from being realized. Recently Labor

Secretary Willard Wirtz threatened the trade union movement with compulsory arbitration legislation, commenting "that the nation has been experiencing a period of labor crisis comparable to the many walkouts following World War I, the sit-down strikes of the 1930's, and the coal-rail-steel strikes of the late 1940's." Michael Quill, who has made a profession out of frightening the bosses with the specter of what the labor movement might be like if it wasn't run by fakers like him, pointed out the real potential in the situation on a nationwide TV program. If something is not done to put people to work despite automation, he stated, "they may get rough in this country and this country may have a real upheaval, a real turmoil." He went on to warn that the labor struggles in the 1930's would be "easy going" compared to what might take place in the coming period. One of these days the workers may take Brother Quill seriously -- and that will be the end of Brother Quill!

Does this mean that we can expect momentarily to see the development of class struggle militant formations in the unions? Certainly the objective conditions are preparing such a development. The unions are being forced into conflict with management and this process of conflict is testing the labor bureaucracy, is showing its weaknesses to the ranks. Rank and file bitterness towards the labor bureaucrats is widespread in the unions today and is on the upswing. An important article appearing in the May 16, 1962 New York Times commented:

A growing tendency by union members to reject contract settlements recommended by their leaders has introduced a complicating factor into labor-management relations.

There have always been cases where rank and file unionists have turned down contracts tentatively agreed to by union and company negotiators. But, according to observers of the industrial relations scene, their number recently has been rising.

As yet no statistical evidence has been given to back up this judgment. The phenomenon, however, has become so evident to the Federal Mediation and Conciliation Service that it started at the beginning of the year to collect figures. The data are not yet comprehensive enough to make public, the service says.

One of the factors causing this dissension, according to an unnamed labor lawyer quoted in the article, is:

A very unhappy and very real gap developing between the trade union leadership and the rank-and-file. Top leaders in big locals and international unions have a bureaucratic instead of

a rank and file mentality. There is not a real understanding on the part of these leaders of what the members are thinking and wanting.

So, as we see, the basis is being laid for the development of rank and file opposition movements. However, conscious formations of the working class do not spring up automatically. Conditions sometimes are overripe for such developments for a considerable period of time prior to the developments occurring. Then, once organized, the workers bound forward at a pace that startles the empiricist who has no understanding at all of the development of the class. However, it can be stated that precisely in organizing the dissatisfaction of the union ranks our own cadres can play a very important role. Even a handful of comrades with a correct orientation and rooted solidly in a union can be the organizing spark for large scale rank and file movements. Certainly the experience of our party has verified this time and time again. Such work, however, cannot be done from the outside nor by sending inexperienced comrades into unions at the last moment.

In the midst of the witchhunt and in the height of the booming prosperity in this country, a section of our party wrote off the American working class as "passive" and lacking a revolutionary potential. The party resisted this attack by the Cochranites and their Pabloite allies claiming that even during the darkest period for our movement there were deep molecular processes going on in the masses and in their day to day struggles in the shops the workers were far from completely passive. Even under the best economic conditions the workers feel the pressure of the class struggle in their daily lives. Thus our party refused to turn its back on the workers and continued an orientation towards the class in that difficult period.

Today the workers are far, far more active than they were in the fifties. Under such conditions it was shocking to hear a comrade so deeply interested in the mass movement as Comrade Breitman comment at the last Plenum: "Unlike Comrade Wohlforth, who said the other day that the American workers are not passive, I think they are passive if we use the term to mean the opposite of active." He restated this more recently, saying: "The labor movement is quiescent or worse." To Comrade Breitman the choice is either "active" or "passive" and thus he misses entirely the emergent, transitional developments all around us. If unqualified statements about the "passivity" of the American working class were incorrect in the '50s they are a hundred times more so today. Perhaps such comments are a reflection of the passivity of the party in relation to the class rather than of the class itself.

The orientation our party proposed and implemented against the Cochranite-Pabloites is much more needed today than it was then. Proper work by our movement in the trade union movement now can put us on the ground floor of the struggles of the rank and file which are beginning to develop. Failure to orient the party as a whole at this time can do us serious damage. What is demanded of our party by the objective conditions in the United States today is a serious reorientation of the whole movement from top to bottom to assert trade union work as the main task of the party. Nothing else will come close to equipping our party for the immensity of the task before it.

No one is urging that the party "bury itself" in the trade union movement or enter the trade union movement as one enters a "prison". We must enter the trade unions with an understanding that we can play some role in the unions even today. This does not mean that we can expect at this time any sizeable recruitment from the unions. But we can expect to develop contact with and help educate a layer of militant workers.

Our Party and the Unions Today

The concrete proposals we made to the last plenum outline the beginning steps the movement should take. We did not press our amendment to a vote at that time as we felt that the movement needed time to discuss these proposals and we were informed that the party would seek to implement some of these proposals as proved practical. Nothing substantial has been done by the party since the Plenum to reorient the party in this direction. A major task of the coming convention must be to tackle this problem.

The most basic, overall proposal we have made, which should guide all our work in this field, is the reactivation of our Labor Party slogan. The objective conditions are more favorable than at any time in the last decade for a receptive hearing to a political solution to the basic problems facing the working class. More and more workers are facing not only the bosses but the government itself as they seek to maintain and advance their position. Political power for the class is becoming an immediate necessity to the very survival of the trade union movement in many cases.

The Labor Party slogan has even a deeper, broader meaning for the class. It is a unifying demand as it calls for the formation of a political organization to represent the class as a whole -- the 17 million organized workers, the millions more unorganized superexploited workers, the unemployed workers, the Negroes, the Puerto Ricans, the

Mexicans, the poverty stricken, neglected aged, the low paid working mothers, etc. Thus this slogan is directly related to every sphere of work we do in the class and helps us show workers the objective necessity of the unity of the class as a whole.

The slogan must be taken off the "propaganda" shelf, become once again prominent in our press, and utilized in all aspects of our concrete work in the class. If our movement is known for nothing else in the class, let it be known as the group which fights for a labor party, for political power for the class as a whole.

There must be a decision that trade union work is to be removed from the peripheral role it presently has in party work and put back into its proper place as our central arena of work. On the national level trade union matters rarely if ever come up on the PC. There is little or no attempt made to coordinate the work of party members who are in the same trade in different parts of the country. The proposal for a trade union discussion bulletin, brought up repeatedly over the years, has not been implemented. Neither has the proposal for immediate reactivation of the post of party labor secretary or trade union director. The Militant, while showing some improvement in covering trade union matters since its expansion to eight pages, continues to be a paper written to be read by petty bourgeois radicals rather than workers as anyone who has sold the paper to workers knows. Greater effort should be made to have trade union matters covered by the workers in the party who are in the shops rather than written from ll6.

The situation on the local level is just as bad and in some cases worse. There are no more than one or two formally constituted trade union fractions left in the entire party, to our knowledge. Trade union reports to the branch executive committees, not to mention the branch membership, are very rare indeed. In most areas the Militant is not sold or distributed any longer at plant gates and union meetings and little house to house work is done in working class neighborhoods.

Over the past several years an important number of young people have joined the party. This has made one aspect of the proletarian orientation, that of industrialization, a more acute question. Student work is absolutely invaluable to our movement. It would be criminal to suggest that our students leave school to go into the plants. But a great many of these comrades are now or will shortly become ex-students. Among these comrades there is appearing a tendency to become professional ex-students, permanent youth, who pick up temporary, odd, and usually low-paying jobs completely, and in some cases

consciously disassociated from the main stream of the industrial working class. Some, in fact, are even urging this on the youth.

The aim is to give these young "professional revolutionaries" a trade that will support them while they do "party" work. This is a totally fallacious approach, for the real party work of professional revolutionaries is not to take up a "profession" but to integrate themselves in the class itself and seek to become its vanguard. Our movement must have a deeply hostile attitude to the petty bourgeois concept of the revolutionary as a footloose transient isolated from the mass. Trotsky has well described what terrible harm such a concept did to the Bolshevik party in its early days where the exigencies of illegality at least gave some sort of excuse to such an approach (see the first seven chapters of Trotsky's Stalin). Young comrades should be actively discouraged from going into fields like varityping.

The placing of young comrades in industry requires conscious and thoughtful help and direction from the party leadership. It is not a matter of placing people in "any union" but rather placing young people in unions where they can play an effective role for our party. Traditionally we have emphasized the key industrial unions, such as auto and steel, as our primary fields for such colonization. Basic industry continues to be highly important to us, though it is becoming increasingly difficult to enter. But it is not impossible and the penetration of a single qualified comrade in this period could prove to be of immeasurable importance in another period.

Our outlook must be broader than this today. In addition to building up our forces in the mass industrial unions which are playing and will continue to play a critical role in the struggles of the class as a whole, we must also urge our younger comrades to enter those industries which employ the Negro and Puerto Rican workers, the youth -- where the most exploited sections of the class are. An extremely important opportunity for our movement in this respect is the organizing drive by Local 1199 of the New York City hospital workers. Already this union has organized some 6,000 Negro and Puerto Rican workers and its struggle for real union recognition and a decent living wage has barely begun. Of course the wages are low and the sacrifice may be too much for our older comrades with family responsibilities. With younger comrades it should be a different matter. Similar opportunities exist in other localities and are not too difficult to discover where there is the consciousness to seek such opportunities out.

The relative importance of this or that trade union

will be different from locality to locality. For instance, there can be no doubt of the overriding importance of the UAW in Detroit. No matter what sacrifices are necessary, our party simply must build up a fraction once again in the Detroit auto plants; otherwise we cannot be a force at all in the Detroit working class. In New York City, however, a more diversified approach is in order. The only real industry in the city is garment and considering both its primarily Negro and Puerto Rican composition and its importance in the city, we must seek to build up a fraction in garment. However, as we have noted earlier, Local 1199 of the Hospital workers requires a special orientation even though it is organizing a subsidiary "service" industry. Also of importance is the UFT which has organized 40,000 teachers and in which it is now clear we can play an important role. Thought should also be given to entering industries which we are completely out of and which are relatively easy to enter, play a central role in the economy of the city, and which attract many younger workers. The teamsters are an excellent example of a union in this kind of industry.

With assistance and encouragement from the older cadre and with direction from the leadership every young comrade who is willing to play a role in the trade union movement can find his way into the trade union movement. The attrition of our trade union cadres has deeply eroded the very foundation of our party. Under the unfavorable circumstances of the past 10 years this could not be helped. Now, the influx of newer forces into our party offers to us the opportunity to reverse this process. It is hard to think of a single other project the party could undertake more important than this.

Organizing the Unorganized, the Unemployed

There can be no doubt that there is an important tendency on the part of the old line industrial unions in the United States to seek a solution to the problems the crisis of stagnation poses to their membership at the expense of the unemployed, the youth, the minority peoples. While it has been the labor bureaucrats who are the architects of this policy it would be an illusion to ignore the widespread support for such a policy among high seniority workers in these shops with the absence of an effective alternative policy being presented to them. Even the AFL-CIO's proposal of a shorter work week is aimed primarily at the slowing of the shrinkage of the already existent work forces in organized trades rather than at seriously dealing with the problems of the already unemployed. This conservative tendency on the part of the labor bureaucracy weakens the working class as a whole in this country and presents our movement with some very serious problems with which we will have to grapple in

the coming period.

Our party must reach the most oppressed, exploited section of the working class as well as the organized industrial worker. We must, of course, continue our long standing orientation of work in the unions in basic industry and within these unions fight for a line which unites the employed with the unemployed, the white with the Negro, and which aggressively seeks to organize the unorganized raising the standard of living of the depressed masses to that secured in the better organized industries. However, we will have to go further than this, or we, as well as the better off workers as a whole, will remain in isolation from potentially the most revolutionary sections of the class.

The organization of the unorganized is of primary importance in reaching these exploited masses. Any serious organization drive undertaken by any section of organized labor which affects this depressed strata of the population must assume a very special priority in our eyes. Of particular importance, therefore, is the drive to organize the agricultural workers in California's Imperial Valley and the organization of the hospital workers in New York City. In both cases minority peoples are directly involved. We cannot assume that such efforts will under all conditions be conducted by the official trade union movement. Historically independent organizing efforts have played an important role in our country when the official labor movement neglects the most exploited sections of labor for long periods of time. In this respect the current strike of miners in the Hazard, Kentucky area is of considerable interest. The strike was not organized through the UMW and includes UMW members, former UMW members and non-union workers in a common battle to shut down all mines, union and non-union, in the area. If the traditional labor movement continues to neglect the interests of the unorganized or tokenly organized workers we can expect such semi-independent and independent efforts to be made. Our movement can hope to play an important role in such efforts.

The organization of the unemployed also is of considerable importance. So far there has been little done in this field. However with the numbers of unemployed increasing and the proportion of those unemployed who are becoming unemployable also increasing we can expect that soon this will be a fertile field. We must demand of the labor movement that it assume its duty in organizing the unemployed. Many unions now have large sections of their membership who are themselves unemployed. These workers are a natural link between the unions and the broader layers of unemployed workers and can play an important role in forcing the unions to organize the unemployed.

However, we should not rule out independent forms of organization of the unemployed if the unions continue to neglect these workers.

In working among the unorganized and the unemployed we will be working to a large extent among young workers and among Negroes and Puerto Ricans. Thus work among the most exploited sections of the working class has a special relationship to our work among the minority peoples as a whole as well as our youth work.

In the previous sections we have sought to outline the development of the class as a whole pointing out those factors which tend to divide and those which tend to unite the class. We have sought to show that organized labor is not the entire class and in fact, under conditions of the stagnation of the economy, has become, in part, a privileged section of the class as a whole. However, because of its cohesive organized nature and central economic weight in the capitalist economy it has the central responsibility for the organization and leadership of the class as a whole. All other sections of the class tend to be polarized, disorganized, dispersed. Thus the organized workers are very much needed to organize the unorganized, the unemployed on the one hand while on the other, once organized, these more exploited sections of the population can bound ahead, revitalizing the class as a whole. For these reasons even the small beginnings of struggle on the part of the giant 17 million strong American labor movement are of central importance to the party and all aspects of its work.

Currents in the Negro Movement Today

In order to be in a position to evaluate the Negro movement as it is organized today it is first necessary to understand a little about the changes which have occurred in the position of the Negro in American life. The position of the Negro has essentially changed over the last 30 years, primarily because of World War II. In 1900 about 90 per cent of the Negroes lived in the South, largely in rural areas. By 1960 only 60 per cent lived in the South and the majority of the Southern Negroes lived in the towns and cities. Only one quarter of the Negro population in the United States remains on the farm, almost all of these being of course in the South. The Negro today is therefore primarily an urban city dweller, predominantly working class in character, almost evenly divided between North and South.

While the Negroes make up a full 11 per cent of the population now they account for around one quarter of all manual laborers, farm and non-farm and of all service

workers. As far as that section of the working class which is most highly organized in unions (the Census Bureau calls it "operative and kindred") Negroes make up 11.4 per cent or pretty much the same as their proportion in the population. In the skilled trade or foremen strata Negroes make up only 4.4 per cent (up from 2.7 per cent in 1940). There has been some growth in clerical workers and some decline in farmers. Basically the Negro continues to have predominant weight in the lowest paid and least organized section of the working class. He has, however, made certain gains in those trades that are organized and current studies show that the Negro has been able to hold his own in these fields but has not advanced appreciably since the war period. Currently earnings among non-white males are about 60% of white males and unemployment is about double.

From all this certain conclusions for our work can be reached. The Negro in his overwhelming majority is a part of the American working class. He is hit harder than white workers by the crisis of stagnation in our economy. However he has gained a serious foothold in basic industry, is today primarily an urbanized worker, and is no longer confined to a particular section of the country. Thus the objective basis is present in the very structure of the Negro community not only for its radicalization under the dual pressure of racial discrimination and economic exploitation but for the unity in common struggle of the Negro in the North and South with the organized working class as a whole.

The basic line of our movement in this critical field of work, which can be found in the 1948 resolution, "Negro Liberation Through Revolutionary Socialism," takes into account this reality. This resolution, the product of both extensive discussions with Trotsky and much concrete work in the field, rejects any simplistic conception of the Negro people as either a nation on the one hand or nothing more than the most oppressed section of the working class on the other. It recognizes both the critical role of the Negro as part of the working class and also his separate identity and consciousness which requires a special orientation, a special program, a special line of work for the party. In our present work we must keep these two aspects of the Negro people in mind at all times.

There can be no doubt that the Negro movement is today the most advanced section of the mass movement conducting a struggle of the deepest revolutionary nature. The most important feature of the Negro movement of the past decade has been the development of a mass movement of struggle in the South which has mobilized the Negro community down to its deepest layers. It is this struggle more than any particular feature of the movement in the North which marks a progressive change in the whole history of the Negro people. The Negro in the

North has been profoundly affected by the Southern struggle and this, together with the advance of the colonial struggle, accounts for the rise of self-consciousness, of national trends in the Northern Negro mass. But it is still in the nature of a reaction, a response, for the initiative of the struggle remains in the South and will probably remain there for some time hence.

This Southern struggle put to the test all strata and groupings in the leadership of the Negro people. This is producing a profound political learning process among the Negro mass and the cadres of Negro militant activists which presages the type of process we can expect to occur in the union movement in coming years. Just look at the quick succession of events since the 1954 Supreme Court decision. Within a very short period the NAACP legal methods were found wanting by the militants in the South and a new leadership was formed in Montgomery around Martin Luther King. While this leadership proved effective in winning its limited goal of bus desegregation, its hegemony over the militant wing of the Negro movement was to be surprisingly shortlived. While King became the darling of the liberals and his pacifist doctrines were given a wide hearing, Robert Williams struck out in a radically different course in Monroe, North Carolina which was to become the symbol of a militant, revolutionary solution of the problems of the Negro mass.

When the next upsurge of Negro struggle came in the South with the sit-ins and the freedom rides, a new young militant leadership sprung up throughout the South. The bulk of the young militants first looked to King for leadership and others to CORE which was ideologically similar to King. But soon a large section of these militants went beyond King, taking an independent road in the SNCC organization. While the NAACP remains and the King-CORE leadership remains, important new forces around Robert Williams and around SNCC have grown up which have broken from both leaderships. In addition we see the growth, primarily in the North, of a new nationalist leadership contending in its own way for hegemony over the black masses. Thus in a few short years Negro militants have gone through two leaderships in the process of mass struggle and are presently subjecting to severe tests three new ones.

Our cadre has the fundamental responsibility to intervene in this process and, as Trotsky stated, it will be judged by its success in this endeavor. "If it happens that we in the SWP are not able to find the road to this stratum," Trotsky stated without qualification, "then we are not worthy at all. The permanent revolution and all the rest would only be a lie." (Bulletin of Marxist Studies, No. 4, page 20).

We must begin politically with an assessment of the various forces contending for leadership of the Negro mass and guide our own intervention on the basis of such an assessment. We must judge every leadership concretely by its ability to lead and further objectively the mass struggle of the Negro people now going on in the South. As revolutionaries we can apply no other criterion. The NAACP leadership has failed this test miserably and every militant Negro knows this. The King-CORE leadership, about which there are more illusions among the Negro mass, has also failed the test of the spread and deepening of the Negro struggle since Montgomery. SNCC has shown this in the concrete in its analysis of the events in Albany, Georgia, a story the comrades should propagate throughout the movement. Pacifism of the King-CORE variety is tailored to disarm the Negro mass so that its struggles become no more than token affairs whose aim is to appeal to the good hearts of the Southern racists and of the bourgeois government. The Negro struggle in the South must begin with a repudiation of the King-CORE approach.

We are left then with the three new forces that have come on the scene: SNCC, Williams, and the Nationalists. Of the three the Nationalists stand out as being of an essentially different character. The significance of the Nationalists is that their growth is a reflection of a broader growth of Negro consciousness, that is a Negro self consciousness and pride. This consciousness is an extremely important development for before the great mass of American Negroes can be expected to seriously struggle, the Negro must be conscious of himself as a Negro, feel the Negro is as good or better than the white, and understand the power of the Negro people as an independent revolutionary force. Our movement must not only look favorably upon the development of this consciousness but must actually seek to encourage its growth and spread.

The great weakness of the nationalist movement as a whole is that it has remained primarily in the North and thus has been no real factor in the important Southern struggle and in the North has done little as yet in the line of direct struggle for the interests of the Negro people. Thus while the nationalists represent a profound and important ideological break from the compromising role of NAACP-King-CORE, they have essentially abstained from leadership of the Negro mass in concrete struggle. We cannot believe that a movement which abstains from this revolutionary struggle can really ever be a major factor in the Negro movement. Nationalism, rather, represents a stage in the development of the Negro mass in the North which has yet to engage in large scale struggle on its own. The development of this struggle in the North combined with the growing militancy of the trade union movement will have a deep impact on the

Nationalist movement. This will be especially true of those nationalist or semi-nationalist groups which are more open, less doctrinaire in their nationalism than the Muslims, such as the Afro-American Association in San Francisco, those around Reverend Cleague in Detroit, and even the small groups and currents in New York City around such figures as Calvin Hicks and Daniel Watts.

The second decisive group emerging in the Negro struggle is that revolving around Robert Williams. Harold Cruse, an intellectual apologist for the Nationalists, states that Robert Williams has no program. Never have we seen a better example of sectarianism for nothing could be farther from the truth. Robert Williams has developed in the concrete in Monroe, North Carolina many of the essentials of a transitional program for the Negro masses with revolutionary implications. Negroes With Guns, as his book is entitled, is an explosive mixture as the bourgeoisie so well knows, and that is why they are pushing King's pacifism so energetically. Robert Williams' program consists of three simple ingredients: 1.) mobilization of the black masses themselves into an independent movement not dependent on the good wishes of the Justice Department, the humble prayers of King, or the hearts of the racists; 2.) the formation of a concrete program for the Negro mass which goes beyond token integration to challenge the entire fabric of Southern racism including economic discrimination and oppression of the Negro worker, and thus lays a basis for an alliance with the trade union movement; 3.) the arming of the Negro masses in self defense which challenges the entire extra-legal terror upon which Southern racism depends. Many of the essentials of a transitional program for the Negro masses are right there in Williams' own program and his own struggle. It is our task to assist the development of a new Negro movement of struggle throughout the South around this type of program.

Of course it is important to realistically recognize that Robert Williams is essentially an anticipation of the future Negro militant leadership we seek. Williams has not been able to produce a significant regional organization -- that is he has had no way of giving the type of leadership given in Monroe to other areas in the South. His forced exile in Cuba retards such a development. However, the crucial point is not whether Williams himself will be able to develop such a movement. It is that Williams has shown in the concrete in Monroe the way in which a militant struggle must be conducted. His persecution and exile cannot stamp out this example. Despite the lack of an organized movement around Williams it is correct to see in Williams the personification of a militant trend which is cutting deeper and deeper into the Negro mass of the South every day.

The SNCC grouping represents an important break on

the part of a section of student youth first affiliated to the CORE-King grouping in the direction of the Williams type program. The break is not complete of course for there still exists in the leadership important carryovers from the pacifist baggage of the CORE-King people. But SNCC has conducted itself admirably in the Southern struggle and it is our specific duty to participate in SNCC, help to build it and within SNCC to urge upon it the Monroe program.

The Work of our Party in the Negro Movement

The central unifying thread which should run through all our work in the Negro movement North and South must be our struggle to help develop a new independent revolutionary movement of the Negro people. The basic idea for such a movement was broached by Trotsky in 1940 and Comrade Breitman deserves considerable credit for bringing it up again recently. It is not our task to try to pick which of several existent groups will take the leadership of the Negro movement. It is rather to facilitate a process which fuses the best elements in each organization into a new revolutionary Negro movement with deep roots in the Negro masses and with a program of struggle for the liberation of the Negro people.

The nationalists' concern with the self respect and consciousness of the Negro people as a people will be an important ingredient in such a movement. The methods of militant struggle and armed self-defense developed in Monroe will be another ingredient. The coordinated spread of the struggle throughout the South initiated by SNCC is also an essential part of such a movement. The concrete link of the independent Negro movement with the trade union movement found in an embryonic form in the NALC is another such element. We must work in all these organizations and among the Negro masses directly to facilitate the coalescence of revolutionary militants into such an organization.

The question of an independent revolutionary Negro organization cannot be raised without raising the question of the nature of its leadership. The question is not a matter of what individuals lead the organization but rather of what class. The nationalists at present have their own answer to this question. They see the movement under the leadership of a black bourgeoisie, a bourgeoisie which they are in fact seeking to create within the economy of the ghetto. We must reject this concept of the nationalists as it is both utopian and deeply harmful to the interests of the Negro people as a whole. The Negro people have not produced a sizeable black bourgeoisie in their hundred years of "freedom" and it is utopian to

feel that they will be allowed to create such a bourgeoisie now in the isolation of their ghettos. To the extent that Negro capitalists develop they become absorbed into the capitalist class as a whole and the creation of a separate Negro economy proves to be as illusory as the black belt or re-settling Africa. Such a leadership would be harmful for the whole experience of the NAACP shows the traitorous role even the petty bourgeois strata of Negroes has played. We can expect leadership from this class no more among American Negroes than internationally in the colonial areas.

Our party must clearly state that a revolutionary Negro movement must be led by the Negro working class, not by the Negro bourgeoisie or petty bourgeoisie. We must seek to develop a leadership in the Negro movement which is made up of Negro workers and intellectuals who base themselves on the Negro working class and who are seeking to develop a working class program for the Negro people as a whole. Only a working class leadership of the Negro people can be expected to struggle uncompromisingly even for the basic demands subscribed to by the Negro people as a whole. This is not to say that such a leadership must of necessity be composed only of our own comrades. In fact, it does not have to have a Marxist program in the early stages of its development -- but it must be a working class leadership.

Our party has made it clear that it is the task of the Negro people, not ourselves, to decide whether or not they wish separation in one form or another or integration. However, whichever goal the Negroes themselves choose (which, of course, we will unreservedly support) can be realized fully, ultimately only through an alliance with the working class. Alone, dispersed as they are throughout the country, the Negro people cannot win against the overwhelming might of the American capitalist class and its allies. No other force, outside the working class, has the capacity to seriously struggle against the real oppressors of the Negro people, the capitalist class. Thus, the linking of an independent Negro movement, even if it should favor separation, with the working class as a whole, is essential to the success of the Negro struggle and we should say so.

The link between the separate struggle of the Negro people and the struggle of the working class as a whole can be established in several ways. The first and most basic way is within the trade union movement which must unite both Negro and white workers in a common struggle against the bosses. The second form is to unite the Negro and white worker politically in a common party - the labor party. Thus the slogan of a labor party must be a critical part of the transitional program of such an independent Negro movement. However, we must make it

clear that such a party, if it is to seriously rally the Negro people, must recognize the right of the Negro people to their own representation and autonomy within the party itself -- even to the point of recognizing the right of the Negro people to have their own party which is affiliated to the labor party in the manner that the Cooperative Party is affiliated to the Labor Party in England.

Finally, and most fundamental of all, our party must become the living link of the advanced elements of all the oppressed sections of the American population. Only such a party can lead a victorious American Revolution. It is through the unity of the Negro and white worker in common struggle to overthrow the capitalist system that the Negro struggle for democratic rights goes over into the general struggle for socialism. This is the way the permanent revolution will work itself out on American soil.

As we carry out our Negro work, we will be under continuing pressure to give in to temporary sentiments within the Negro movement which essentially pit the Negro against the white working class. Just as we must struggle in the trade unions for the rights of the Negro people so within the Negro movement we must counter those sentiments that accentuate the conflict between black and white worker. The interests of the unorganized Negro worker will not be advanced by attacking the gains made by organized white and Negro workers. We must vigorously reject Comrade Breitman's views that move in the direction of an attack on the seniority system which is so essential to the very fabric of the organized trade union movement in our country. For us to advocate such a change would only further the antagonism between white and black workers and undercut the basic unity of the class as a whole.

Comrade Breitman's suggestion that we support the intervention of the capitalist state to decertify segregated trade unions is simply shocking. Our movement has defended even gangster trade unions like the teamsters and the ILA against state intervention. Such action tends to make it look as if we seek to advance the interests of the Negro people at the expense of the organized working class and with the aid of the capitalist government. That such a concept is even put forward in our party is a sign in itself of the disorientation of the movement.

The Negro people simply cannot win their liberation without an alliance with the white working class and certainly not by pitting themselves against the white worker. Similarly the white working class needs the aid of the minority peoples as an essential revolutionary ingredient in the struggle against capitalism. The white worker must realize that the Negro and other minority peoples will want their own organizations -- but the struggle must be a united one for the enemy is the same.

This is the truth and we must say it in our press for only with the truth can we expect to win.

We must intervene in all sections of the Negro movement in a dual way. That is, we must function as positive builders of the Negro movement under its present leadership with all its weaknesses, solidarizing ourselves with all the progressive features of the particular Negro organization. At the same time we must criticize the shortcomings of the present leadership of the Negro movement -- both the integrationist and nationalist variety -- and propose an alternative line and type of leadership to the existing leadership and its line. If we approach the Negro movement in an uncritical spirit then of course we will never build a Negro cadre. If we offer the Negro no alternative to what exists in the Negro movement, that is if we see no need for our own party itself in the Negro struggle, then the Negroes will see no need for our party either and will not join the party.

Our work among the Negro people involves more than political intervention into existing Negro organizations. No matter how correct our line may be, unless we come in contact with the mass of the Negro people themselves in their day to day existence and in their concrete struggles we cannot expect to make a serious impact even among the more organized, conscious strata of the Negro people. We must intervene in those organizations like SNCC and the Monroe Movement which do have contact with the Negro mass and which do participate in direct struggle in the interests of the Negro masses. We must urge those organizations which do not have such contact to develop contact with the Negro masses and also urge groups like the Nationalists which have contact but generally refrain from action to involve themselves in serious struggle.

It may also be necessary to go outside of these organizations, working in more temporary formations or even assisting the development of new organizational forms of one sort or other ourselves. However we do it, we must have direct contact with the Negro workers in the trade unions, the Negro masses in the South in their heroic struggles and the exploited Negroes in the Northern ghettos.

The work among the Negro masses thus falls into three basic categories. First is our work with Negro militants in the trade union movement. This is very vital work for with the development of militancy once again in the trade union movement we can expect that the Negro trade unionist will be the organic link between the mighty struggle of the working class as a whole and the special battle of the Negro people. Our work in the trade unions on this question becomes increasingly important as unemployment and other pressures mount upon the worker. There can be no doubt that one effect of such pressures is the growth

of racial antagonisms within the class. Without outspoken conscious opposition such racist trends can do great damage to the working class as a whole by driving a wedge between black and white workers and even between Negro and Puerto Rican or Mexican workers.

The second major arena of Negro work is in the South. We must begin our understanding of the Negro question today with the understanding that the battlefield of the revolutionary struggle is in the South and will remain in the South for some time to come. If our party is to be a force in this struggle, and it must if it is to be a revolutionary force on the American scene, then we simply must develop a Southern cadre. That means we must begin by sending qualified comrades into the South on a long term basis. The possibility to do this is now opening up to us through our youth work and it must be seized upon.

The third major field of work must be the Negro communities in the large Northern cities where our branches exist. We must root ourselves in the daily life of the Negro masses, and begin political work on whatever level and through whatever organizations are open to us. We cannot have even a drop of sectarianism in this work. Nothing must be allowed to stand in our way in reaching the Negro masses even if we must work through community groups, the NAACP, the Nationalists, or whatever other organizations exist.

In the course of all this work the small Negro cadre we have must bear the main burden of work. The task of the party is to relieve them of all other assignments, help them in every way in their work, assign other comrades to work with them, etc. It would be wrong, however, to exaggerate the weakness of our Negro cadre to the point where nothing is done in this field because of this weakness. Where we do not have Negro comrades, white comrades must do the best they can. That's how our work got started in Brooklyn. A Negro cadre will not be created through moaning about its smallness. Only consistent work in this field over a period of years can lead to the development of a sizeable party Negro cadre. There is no other road, no magic shortcut.

There is a deep feeling in the cadre of the party that we have been neglecting this critically important field of work. It should be given primary attention in every branch in this country with the branches specifically geared to assist Negro comrades in this work or to work with Negro contacts when the branch has no Negro comrades. We feel that the party nationally needs a Negro department or secretary to assist all the local branches in this work and to develop, as a national party task, our work in the South.

Mexican and Puerto Rican Minorities

While the Negro is by far the largest and most important racial minority, there exist two other minority groups which in certain regions of the country play an extremely important role, the Mexican and the Puerto Rican. Sometimes there is a tendency to view these groups as but the last of a long line of immigrant groups to enter the country and become assimilated. But in reality their situation is much different from that of national minorities like the Italians or Poles. In addition to being distinguished from the rest of the population by a different language and a different culture, they also stand out as a racial minority being predominantly of Indian or mixed Indian-Negro blood. Thus they share many of the problems of racial discrimination faced by the Negro but are more separate from American life because of a different language and culture.

While these two groups have much in common they are in reality quite separated, living in different parts of the country and having somewhat different problems and history. Thus it is not possible for the party to develop a single orientation towards the two groups but rather branches in regions where the groups are strong must develop special work. Certainly work among the Mexicans must be a central part of the work of the Los Angeles branch at all times and similarly work among Puerto Ricans must be a central part of the work of the New York branch at all times. Thus the two largest branches of the party, containing a half of our national membership, must be directly involved in work with Spanish speaking minorities.

The Mexican minority in the Southwest was first predominantly made up of a rural population -- agricultural laborers and small farmers. While it is still far more rural than is the case with the Puerto Rican, the postwar years have seen the growth of sizeable Mexican communities in the large industrial cities in Southern California, Texas and elsewhere in the Southwest. There are presently well over half a million persons of Mexican descent in Los Angeles alone. Thus an orientation towards the Mexican community must consist of both work among the agricultural workers and small farmers as well as work in the industrial working class communities of the larger cities. So far every attempt to organize the agricultural worker has met with failure. But the attempts still go on and there can be no doubt that in time the agricultural worker of the giant "factories in the fields" of the Imperial Valley in California will be organized and that the process of organization itself will be one of militant struggle and violence not unlike the struggles developing in the South. Our movement must seek to do its best to play a role in this process beginning at such a basic level as a supporting

movement to the Agricultural workers' organizing drives in the cities. Work in the Mexican communities themselves in the cities will be similar to the work we must do among the Puerto Ricans. In the past our party has done extensive work in this field in the Los Angeles area and this experience will be of great help to branches in the whole region.

There are somewhere around one million Puerto Ricans in the United States at the present time. Around 700,000 of these live in New York City, more than double the number living there in 1950. There are also Puerto Rican communities of over 40,000 in Chicago, Philadelphia and Northern New Jersey. Interestingly, a full one third of those listed as Puerto Ricans in the United States were born in this country and not in Puerto Rico. Work among the Puerto Ricans, who are the most exploited section of the working class in the cities where they exist, is of extreme importance to our movement and cannot be put off indefinitely. This work has special problems and will require a somewhat different type of operation than is true of Negro work.

Like Negro work in the North, we must begin with intervention into the Puerto Rican communities themselves. There is simply no other way. We must colonize comrades into areas like Spanish Harlem and begin work on the most basic level. Since our work must be conducted in the Spanish language, the main responsibility must fall on comrades of Latin American extraction with other party comrades assisting as best they can. We can and must seek to reach the young Puerto Rican worker in his own community and on his own terms. This work must begin on a very basic level -- even the simple act of assisting young Puerto Rican workers to learn English can be a very vital part of our work as can social activities. We also must work through whatever Puerto Rican organizations are open to us.

We take it for granted that our work in the trade unions will immensely strengthen our general work in this field. In this respect special attention in our trade union work should be paid to those industries which have sizeable Puerto Rican work forces like the hospitals and the garment industry. Our objective in the long run must be the creation of a special Spanish language branch in the heart of the Puerto Rican community itself. This is the only way we can expect to bring this generation of Puerto Ricans into the movement. Otherwise we will have to wait until capitalism in its own way partially assimilates these people. This we cannot afford to do if socialism to us is more than a hazy, far off dream.

Luckily we do not have to start completely from scratch in this field, though the party's experience in it is nowhere as developed as in Mexican work. We have a few

comrades in the New York local of Latin American extraction and a few more fluent in the Spanish language. The beginnings of work in the Puerto Rican community have been initiated. This work deserves the full support of the New York local and national encouragement. In addition branches in cities like Philadelphia and Chicago should start looking in this direction.

In the course of this work it will become very important for us to develop a feel of the Puerto Rican community, its moods, its outlook, its structure, for it is not a simple carbon copy of the Negro community. The Puerto Rican lacks the sense of inferiority drummed for centuries into the Negro and which the Negro only now is getting rid of. The Puerto Rican is proud of himself and his culture. He feels he is as good or better than the "gringo" and his world. While this gives him an audacity in struggle which will be a very revolutionary factor, it also has a negative side. There is a tendency to reject the whole "gringo" society and to retreat into the community and identify with Puerto Rico rather than aggressively to struggle at the side of the Negro and white workers against the ruling class. This is a tendency we will have to watch in our work in the Puerto Rican community.

Within this general framework the problem of Puerto Rican nationalism requires a special type of approach from us which is distinct from our approach to Negro nationalism. Here we are dealing with a genuine, though numerically small, trend favoring independence for a subjected nation. We have a special responsibility as American revolutionists to give support to this nationalist movement because it is our bourgeoisie which is exploiting Puerto Rico. Within this framework we must seek to work with these Puerto Rican national revolutionaries.

However, it would be a big mistake to limit our work just to this small trend or feel that its aspirations will ever be the only aspirations of the whole Puerto Rican community in this country. The bulk of Puerto Ricans are here to stay and are beginning to concern themselves with American as well as Puerto Rican affairs. It is our task to assist them in becoming integrated into American society as a revolutionary force here in this country. Thus while we work with nationalist elements we must also prepare a base for work in the Puerto Rican working class which is becoming a permanent part of American society. Unless we develop this work now we will miss a whole generation of young revolutionaries. This we cannot afford to do.

The Student Movement

While the main arena of party work must at all times be the mass movement, the party should, within the limits

of its forces, intervene in all fields open to it. In particular there are two fields in which the party has done a considerable amount of work over the past few years -- petty bourgeois radical circles and the student movement.

Petty bourgeois radicals, in the main formerly in or around the CP, have populated a number of organizations over the past period. The party did extensive work with these people during regroupment. Following regroupment much the same people became involved in the Fair Play for Cuba activities around the country. Many more of this stratum are the key activists in the "Peace Movement" today where the party is only beginning to intervene.

While work in this milieu should be carried on, our experience with this work has not been encouraging. Very few individuals have come into the party from this activity. We cannot expect serious gains from this older radical generation and whatever gains we do make will result from the impact of the increasing tempo of the class struggle on such people.

The situation with the younger generation is entirely different. Our work in the student movement is primarily with newly radicalized youth with deep revolutionary convictions and the spirit to overcome their predominantly petty bourgeois backgrounds and play a constructive role in the revolutionary party. The creation of the Young Socialist Alliance as an effective national revolutionary youth organization with its primary base of operations the American campus is an extremely important achievement of our party. The most serious growth of our party in the past period has come out of this work, not from the tired radicals upon which the party has exerted almost as much if not more effort. The party must continue to expand its policy of actively assisting and supporting the work of the YSA.

The situation we now face is not at all an unusual one for a revolutionary party. The most important work the party is or should be doing is directly in the mass movement itself. But the work which is most fruitful in terms of direct recruitment is not in the mass movement at this time but on the campuses. Some comrades who have a very narrow empirical conception of "party building" as simply the addition of members would therefore simply conclude that student work should be our main arena for the party. But party tasks must be related to our historic responsibility to develop a movement which is deeply integrated in the mass movement as its most advanced vanguard section. From this point of view work which may produce little or no immediate recruitment is just as important in preparing the party for the tasks ahead as work which is much more fruitful in terms of recruitment. The party must be judged not simply by its numerical growth but rather by its

qualitative development of roots and influence in the class itself. As Trotsky was constantly telling the American party, the recruitment of a single Negro or white worker with contact or the ability to develop contact with the masses is worth many dedicated students or intellectuals. Let any comrade who doubts this consider the effectiveness of a single young Negro in Southern work as against a half dozen or more white comrades no matter how earnestly these latter comrades work. Serious students certainly understand this and are quite willing to function in the party so as to assist in the growth of the party's influence in the class itself.

In fact the main thing we can offer students and the petty bourgeoisie in general is not an orientation towards them, but rather a way by which they can link up with the tremendous potential power of the working class in motion. Thus to the extent that our party deepens its work in the mass movement, to that extent it will increase its attractive pulling power among the petty bourgeoisie.

Student work offers us the opportunity to take young, dedicated revolutionaries and, as they leave the campus, integrate them in the trade unions and in other fields of mass work. As long as we do this our student work will greatly strengthen our party. If, on the other hand, large groups of middle class youth come into our party and are not given any direction into contact with the class itself we can well have develop in the party a petty bourgeois current which can only result in the type of situation which preceded the 1940 split. The problem is not with the students themselves but with the basic orientation of the movement they are entering. This question is becoming increasingly important as many of the older cadre drop out of the party and the youth make up a larger proportion of the membership. The actual class composition of the party is in gravest danger of dilution.

The Party's Real Orientation

In the period following the Cochranite split the party proceeded, under the most difficult of circumstances, to continue its major task of work in the mass movement. This was difficult and thankless work as the times were very hard for radicals -- but the party survived. Starting in 1957 the party inaugurated a fundamental turn in the very nature of party work and concentrated virtually its entire energies for some two and a half years on work with the CP and its periphery. It was of course our revolutionary duty to seek to deepen the political crisis within the Stalinist movement and to try to win over as many forces as possible from this milieu. In the initial period of this work we were able to win over two small CP oppositional groups on the West Coast, primarily of working class

character, and the YSL left wing group, itself a product of student work in large part. After this initial work, which strengthened our party, most of our energies were directed to the essentially petty bourgeois periphery of the Stalinists whose organ was and is the National Guardian. No serious assessment of this work has been made by the party. However most of the cadre realizes that, despite tremendous work on our part, not more than a handful of individuals came into the party from out of this petty bourgeois "progressive" milieu and that this handful generally had little or no contact with the mass movement. The experience was the same in the youth movement which, after the initial fusion with the YSL left wing, did not begin serious growth until it developed its campus work.

The 1959 convention brought regroupment to an end. Comrade Dobbs stated in his political report: "The regroupment experience has confirmed our contention against the Cochranites in 1953 that we can't expect big gains from ex-Stalinist circles. Some people we have won, some we can still hope to win, but it will be relatively few in terms of building a strong revolutionary party. We have been confirmed in our estimate that the new radical forces must come mainly from the mass movement, and more accurately, from among the young workers and student youth." (We might note in passing that this contention about the futility of work in the ex-Stalinist circles was far from the party's consciousness during the preceding two years of regroupment work.) Comrade Dobbs reiterated this outlook in his political report to the 1961 Convention: "As the 1959 Convention decided in assessing the regroupment experience, the new radical forces must come mainly from the mass movement."

While this is the line which the party formally has supported since the conclusion of the regroupment experience, every comrade in the party is aware that since 1959 work in the mass movement has not been the central task of the locals nor of the national leadership. At the very convention which enunciated this line in 1959 both trade union and Negro work were relegated to panels. The 1961 convention continued this policy as regards Negro work while the Trade Union report, which was a step forward, did not reflect much concrete party work in this field.

The truth is that since 1959 the party has been drifting from event to event, from campaign to campaign, lacking any central orientation at all. The only section of party work which has been governed by a central orientation has been youth work and this work has borne fruit. Lacking any clear directing line, the party has not really broken from work in the very milieu which was characterized as hopeless in 1959. Where do the people come from who attend party meetings? What is the actual composition of

the adult Fair Play branches into which the party put so much effort until recently? What is the composition of the "Peace Movement"? To whom have our national and local campaigns been addressed? For whom is the Militant written and who reads it? The answer in every case is basically the petty bourgeois radical circles, the remnants of our old regroupment milieu.

This whole approach is expressed most clearly of all in the political report of Comrade Dobbs in the June 1962 Plenum and this is why we felt it so necessary to propose an amendment. Party work here is simply categorized in a number of separate fields, one of which just happens to be the trade union movement (always toward the end of the list). There is much talk of "newly radicalized forces", "new left wing patterns", "leftward moving currents" and the battle for "radical" leadership. Lacking is any clear class analysis, clear class approach. Our task is not simply to reach "radical forces" or "currents" nor to gain leadership of "radicals". Our task is to lead the working class and the Negro people in their revolutionary struggles. Work in petty bourgeois radical circles is important as an attempt to get some of these radicals to involve themselves in the real struggle of the class. As such this work can be a subsidiary part of our total tasks but we cannot put it ahead of our main work in the class.

Thus we see that the turn in our work projected at the 1959 convention simply has not taken place and our party, outside of important youth work, has not grown significantly either qualitatively or even quantitatively. It will not proceed a single serious step forward unless and until there is a total reorientation of party work from top to bottom. Thus we are placed in the anomalous situation that in a period of growing possibilities in the mass movement, we are doing less concrete work in this field than in the height of prosperity and the witchhunt. Let us pull our heads out of the comfortable sand and look at this disturbing fact.

Perhaps one of the most serious indications of the real difficulties the party is in, is, paradoxically, the deeply complacent attitude many in the party have towards our movement. Pride in the accomplishments of our movement in the past is a good thing. But past accomplishments, no matter how fine, do not automatically prepare a cadre for dealing with current realities -- certainly after the long period of deep isolation our embattled cadre has passed through. There never was any complacency in Trotsky's attitude towards our party even during periods when the party was far more immersed in mass work than it is now. In his discussions with Johnson in 1939 he stated:

The characteristic thing about the American workers' parties, trade unions and organizations, and so on, was their aristocratic character. It is the basis of opportunism. The skilled workers who feel set in the capitalist society help the bourgeois class to hold the Negroes and the unskilled workers down to very low scale. Our party is not safe from degeneration if it remains a place for intellectuals, semi-intellectuals, skilled workers and Jewish workers who build a very close milieu which is almost isolated from the genuine mass. Under these conditions our party cannot develop -- it will degenerate.

Our party has gone through a very difficult period in which prosperity and the witchhunt (primarily the former) has deeply isolated us from the masses. Such a period cannot help but have degenerative effects upon the party and a conscious leadership should openly face up to this problem and counter it with a proper application of the Marxist method and constant work, flowing from correctly applying that method, to deepen our roots in the mass.

Comrade Cannon in the introduction to his new book The First Ten Years of American Communism (this section written in 1954) described a similar period in the history of the American Communist party. In the 1920s the capitalist boom had a deep effect on the cadres and leadership of the American Communist Party, eating away at their confidence in the capacity of the American working class to carry through a socialist revolution. Such a loss of confidence was never openly admitted but its effect cut deep nevertheless. The bulk of the leadership did not have a correct enough grasp of Marxist method to see in the very events of the '20s the preparation for the crisis of the '30s. This crisis took them completely by surprise. Seeing little hope for a revolution in this country they were easily won over to a view which substituted a revolution in another country for the revolutionary struggle here. For these reasons, Comrade Cannon correctly felt, the prosperity of the '20s prepared the American party for Stalin's "socialism in one country" theory.

Today Pabloism is but a new form under different circumstances of Stalin's thesis. The Pabloites see little hope of a revolution in the advanced capitalist countries, seeking to substitute for the revolutionary struggle in their own countries an objective tide of leaderless revolution in Latin America, the Soviet orbit, etc. Anything is acceptable so long as they do not need to concentrate their efforts on building serious roots among the masses in the countries in which their small groups exist. The result of this policy has been the disintegration of our movement in Europe under Pabloite direction -- nowhere on

the continent do the Pabloites have a group with any serious working class roots or mass work.

Just as prosperity prepared the CP of the '20s for Stalin's "socialism in one country", so the capitalist boom of the fifties has partially prepared the SWP for Pablo's onrushing tides of leaderless revolution in other countries. It is no mere coincidence that the growth of Pabloite ideas in our own country occurs at a time when the party is drifting without perspective, when its links to the class are so weak. The growth of Pabloite ideas in our party presents a direct threat to the very revolutionary heart of our movement. In our basic platform issued to the 1962 party Plenum our tendency made clear the alternative which faces our party (See: "In Defense of a Revolutionary Perspective", Discussion Bulletin, Vol. 23, No. 4). Either Pabloite revisionism which the party supports internationally will destroy the party's perspective for an American revolution much as Stalin's "socialism in one country" thesis destroyed the CP's revolutionary perspective, or the line of the "Theses on the American Revolution" will prevail and Pabloism in all its forms will be rooted out of our party.

The drift of the party on the American scene is a warning of how serious the sickness within the party is. But the party contains within it the recuperative forces to turn the party towards the American working masses and to return the party's international line to the working class revolutionary views of Trotskyism. Our belief in the ability of the party to do this is made clear in our "Call for the Reorganization of the Minority Tendency" (see appendage #2). But such a major turn will not be accomplished without struggle, without political conflict. It is the duty of every revolutionist in the party to struggle uncompromisingly for a return of the party to a working class line internationally and an orientation of intervention into the mass movement within this country.

March 14, 1963

CALL FOR THE REORGANIZATION OF THE MINORITY TENDENCY

1. The tendency expresses its general political agreement with the tendency of the International Committee which has agreement around the 1961 International Perspectives Resolution presented by the Socialist Labour League. It must, therefore, begin from the standpoint of its responsibilities towards the political struggles of this tendency in relation to the construction of the revolutionary party in the United States.

The tendency recognizes that the building of the SWP as a revolutionary party depends on and derives from its adherence to the revolutionary international perspective and approach.

2. The tendency must pay particular attention to the development of a perspective for work in the United States in relation to the trade unions and the Negro movement. The main political work of the tendency within the party will be to patiently explain the nature of Pabloite revisionism and liquidationism as a method, and its relation to the problem of developing a concretely revolutionary perspective for work in the trade union and Negro movement.

3. The tendency must recognize that the SWP is the main instrument for the realization of socialism in the U.S. There is no other organization outside the party which can decisively aid the struggle for socialism at the present time. Our comrades must therefore work as loyal party members; contribute to all aspects of the work, literary and practical, taking part in all the party's electoral activity and sub drives and accepting the administrative decisions of the leadership even though we might be very much against them.

Members of the tendency must recognize that the SWP is their party and they must speak as people who are responsible for their party. The difficulties of the party must not be exploited in a factional way. These must be seen as the overhead price for lack of political clarification. Since the responsibility for this clarification now rests squarely on the shoulders of the tendency, to make factional capital out of the party's difficulties would be nothing more than shelving that task which is the main purpose for the existence of the tendency.

The tendency must not make premature characterizations of the leadership of the SWP except of those, such as Weiss and Swabeck, who have clearly revealed their Pabloism in theory and practice.

The center group which is, of course, the majority cannot be described as a finished tendency in the same way as the Pabloites.

To be sure there are elements of centrism in its thinking and activity, but these do not predominate. To characterize the SWP majority as a finished centrist tendency is to give up the political battle before it has begun.

We must believe that by common work and political discussion it will be possible to win a majority of the party to adopt a correct line on Pabloism and for the building of the revolutionary party in the United States.

4. The present tendency shall dissolve and shall re-establish itself on the basis of the preceding points.

5. Only those comrades who accept this outlook can be considered a part of the tendency.

Jack Arnold (New York)
Martha Curti (New York)
J. Doyle (Philadelphia)
Danny F. (Seattle)
Edith F. (Detroit)
Steve F. (Detroit)

Margaret Gates (Philadelphia)
Fred Mazelis (New York)
Sylvia Mazelis (New York)
Albert Philips (Detroit)
Tim Wohlforth (New York)

-- November 13, 1962

Statement to June 1962 Plenum

by A. Philips

The present administration in Washington has denounced simple and elemental economic aims of the labor movement more crudely and publicly than any other peacetime Democratic regime.

The AFL-CIO has restated a position of labor, so often repeated that it has become a commonplace of its economic philosophy. It has called for wage increases in excess of productivity increases in order to correct the growing imbalance between productive capacity, production, and the consumer market.

It has called for a drive for the shorter work week, which has also become a commonplace, but which has been given urgency by the growing problem of mass and permanent unemployment, and by rank and file pressures.

Kennedy on the other hand, has demanded that labor restrict its gains to the average annual increase in productivity, while he has more than once insisted on his opposition to the shorter work week in any form.

This unprecedented confrontation between state and labor is not a result of a personal foible on the part of a millionaire President. Its roots lie in the unprecedented economic crisis building up in the American economy of which the recent stock market collapses were the advance expression.

Its causes lie in the tendency of the rate of profit to fall, a tendency which holds even though concealed by inflation and large masses of profit; in the inflation itself, in part caused by huge expenditures for military purposes both here and abroad, and in the continued imbalance between productive capacity and market.

It finds expression in the continued drain of gold from the United States despite a certain favorable balance of trade, and in the growing competitive stature of Western Europe, Japan and the Soviet Union.

The decision to encourage and to enter into competition with the European Common Market, which was reached from both political and economic consideration, has brought the inner nature of the problem of American capitalism into sharp focus.

Secretary of the Treasury Douglas Dillon, speaking before the American Bankers Association in October of 1961, put it this way:

"More rapid equipment modernization by industry is vital to the success of our efforts to remain competitive in world markets and to achieve the rate of growth needed to assure us prosperity and reasonably full employment.

"I think it highly significant that all the industrial countries of Western Europe except Belgium and the United Kingdom are now devoting twice as much of their gross national product to purchases of industrial equipment as are we in the United States. And Belgium and the United Kingdom, the two European countries whose economic growth has lagged in comparison with the rest of Western Europe, are devoting half again as much of their G.N.P. to the purchase of equipment as we are."

In the U.S., economic growth as measured by the rise in G.N.P., has averaged 3% over the last decade as compared with 8.5% in Japan, 7.5% in Germany, and 5.8% in Italy.

While Kennedy's successful stand against any increase in steel prices got the headlines, behind the scene the income tax credit for U.S. Steel alone for investment in new plant and equipment comes to \$25 millions, with an additional \$10 millions to come from an increased obsolescence allowance.

Thus, in fact, the program of the Kennedy administration is to force the workers to bear the entire brunt of the necessary increase in the accumulation of new and competitive capital.

This situation, has all the elements of a direct clash between labor and the Democratic administration even prior to the outbreak of an actual crisis.

The labor hierarchy, especially the "progressive" section headed by Reuther and McDonald which is most deeply committed to political action and the Democratic Party, will

continue to do everything in its power to avoid or limit the clash. On the other hand, it is caught between the mounting pressure of unemployment and the rank and file, and Kennedy's insistence on forcing the issue.

In such a situation, it is no accident that the winning of the 25 hour week by just one local of the IBEW in New York became a topic of conversation throughout the nation: positively on the lines and in the factories, and negatively in the offices of union officials and corporations.

The continuing and successful defiance by the Teamsters Union of both the labor hierarchy and Washington is, despite its limitations, another means through which rank and file can widen the crack in the solid front of Washington and the labor officialdom.

The important and unprecedented teachers strike in New York City demonstrates both the ravages of inflations and the defiance of the labor leadership.

The defiance of Reuther by the GM and the AMC workers during the recent contract negotiations is another augury of things to come, despite the dull and routine nature of the recently concluded UAW convention. As the steel and auto workers begin to realize the extent of the fraud perpetrated on them during the last contract negotiations, and as their problems -- speed-up, unemployment, increased taxation -- continue to mount, greater opportunities for the development of a class struggle left wing must develop.

In this connection it is important to note the existence of the NALC, which in many areas can serve as the physical spark and link between the Negro struggle and the problems of the working class.

The party must, therefore, gear itself to the real possibilities for important developments in the mass movement:

(1) The party and its press must take a conscious turn towards the main arena of our work, the politically unawakened workers of the mass production industries.

(2) The "Build a Labor Party Now" slogan must become a central and more agitational slogan.

(3) The party must consciously and consistently encourage comrades, especially the younger ones, to seek jobs in key industrial areas.

(4) The party must lay greater stress on consistent work with our press and other suitably prepared pamphlets and leaflets in front of selected factory gates and union meetings.

(5) A beginning should be immediately made of publication of an internal bulletin for the exchange of information and ideas of comrades in the trade unions, unemployed committees, NALC and similar groups.

(6) The national post of Party Labor Secretary, or Trade Union Director, should be immediately re-activated.