THE ECONOMICS OF GENOCIDE PART 3

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GENOCIDE-NO!

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Introduction

In the home of industrial capitalism a transformation is taking place. A shrunken distorted version of a once-powerful economy residing in a radically altered landscape is created, prey to the depredations of multinational and finance capital. A design appalling in its implications is pursued by the ruling class. To produce a climate fit for capitalism, capitalism as it has developed over the past 200 years must be destroyed. In the name of "fighting inflation" the solution to the problem of how to deal with the most obdurate and highly organised working class is to remove their source of strength and power - industry itself. A counter-industrial revolution has been declared.

Britain stands at the crossroads. The class struggle being waged in this country will determine not only whether capitalism has a future here but also in other advanced industrial countries. For Britain, most afflicted by capitalist decay, is the laboratory for testing the new methods of political economy and authority which are needed in the era following the collapse of the great post war boom.

The inadequacy of the response of the working class to this onslaught stands in contrast to the ruthlessness of the capitalist class and its political instrument, the Thatcher government. Divided and fearful for too long the Labour Movement must embrace a unity of purpose to sweep this most reactionary of governments from office and embark upon the revolutionary transformation of British society which alone can rescue the country from painful and accelerating decline.

Many nations have died in the past. Famine, pestilence, invasion from without, civil strife from within, have been the instruments of destruction. Yet nothing like the decline of Britain has been witnessed in the modern world. By the hand of its own ruling class the country is being dismembered and laid to waste in the pursuit of the destruction of its opposing force - the working class. The "common ruin of the contending classes" has taken on a new and nightmarish possibility.

Thatcherism

Thatcherism is no aberration. Nor is it an accident that theories which attribute so much importance to financial flows, interest and exchange rates and money supply should have come to dominate policy making so totally since the late 1970 s. Monetarism in all its guises is the ideology of the banks and financial institutions, placing as paramount the financial sector at the expense of production - the only real source of value. Significantly, this absurd theory which neither describes nor explains the British economy has been embraced so wholeheartedly in Britain where the flight from production is furthest advanced.

Thatcher represents the thinking of the financial and multinational interests who see no place in the world for a Britain with a strong productive base and who hate and fear those productive and skilled workers who create the value which makes that financial parasitism possible. Her government has concentrated the long decline of Britain, accelerated it, and by so doing irrevocably changed the situation. A slump of unprecedented proportions grips the land out of which a Phoenix is supposed to rise. Yet only ashes are created. A resurgent capitalism was to spring spontaneously into life but all that can be promised for the 1980s is unemployment and poverty. "Leaner and fitter" is the misnomer attached to the emaciated corpse of British industry, starved of investment and orders and hope.

All governments by the nature of the crisis afflicting Britain must utilise the rhetoric of rebirth and modernisation and so it was with Thatcher. Inevitably, in a country where the ideology of the ruling class is leading so inexorably to disaster, bourgeois politics must disguise the fact. Equally inevitably the predictable "failures" of successive governments produce a new stage in the process of de-industrialisation. The bright promise of prosperity wanes before the stark reality. There never was any prospect of an economic miracle based upon the policies of Thatcherism. If the years since 1945 have shown anything it is British capitalism's consistent refusal to invest in the basic industries, to risk capital on new technologies and to expand production whatever the incentives dangled before it.

The Slump

Britain has experienced an unprecedented slump. It is far worse than after the Great Depressions of 1873 and 1929. Between 1878 and 1879, manufacturing output declined by 5½% and between 1930 and 1931 output declined by 6.9%. The corresponding figure between 1979 and 1980 was 10% (between the fourth quarter of 1979 and that of 1980 it was not less than 13.5% and from December to December it was 15%). Nothing like it has happened before. This situation is worse by far than anywhere else in the world. Unemployment increased in the twelve months ending January 1981 by 3.9% in Italy, by 13% in France, by 26% in Germany, and by 64½% in the UK.

If we take total industrial production, the fall averaged 2.3% in the industrial countries and 14% between 1979 and 1981 in Britain - including North Sea Oil. Britain now finds itself in the remarkable position of producing less at the beginning of 1982 than during the three-day week of 1974.

What is occurring is not the usual cyclical downturn of capitalist economies but a radical departure. Plant, equipment and work forces are not being under-utilised or laid off until the next upturn. Capacity is being scrapped, plants closed, never to reopen and labour retired never to be reemployed.

As industry decomposes, scavengers flood to Britain to purchase unwanted machinery and ship it abroad. We are witness to the dismal, secretive auction of plant at Linwood and the export of textile and carpet machinery from depression-wracked industries.

Capital Outflow

Since exchange controls were abolished in 1979 an avalanche of capital has fled Britain. In the third quarter of 1980 £1 billion were sent out of the UK compared to £300 million and £500 million in the first two quarters. In the first quarter of 1981 alone, an estimated £2.6 billion were sent abroad.

In just two years a major shift in investment strategy has taken place. A growing percentage of financial institutions' portfolios are being invested abroad. Insurance and pension funds have shifted half

their equity cash to overseas stock markets from just 20%. Of the Prudential's £500 million in new money received in 1979 one third went abroad. The destination of the overwhelming bulk of these funds was the developed countries, with half going to the USA and 25% to Japan.

If the financial institutions are showing their traditional distaste for investing in making things in Britain, they are being joined in the headlong gallop out of this country by the increasing trend of manufacturing industry to invest abroad. In one small illustration, in the spring of 1981 Cadbury Schweppes and Rowntree Mackintosh asked their shareholders for a total of £100 million new funds to finance projects abroad.

Why is so much long term money being invested abroad, not to modernise British industry? Given the right climate capitalists have claimed they would invest in Britain, but not so under Thatcher, industry and commerce are doing the opposite. (In 1980 the net outflow of funds into overseas stocks and shares increased over three times to £2 billion from £600 million in 1979, representing 15% of net intake of financial institutions.)

After two years of Thatcher, pessimism for new capital investment has reached new depths. The CBI has forecast a 15% fall in capital investment up to mid-1982 and a steep fall after that. The Department of Industry has warned of a 15-20% decline in investment in 1981. With the UK's industrial base badly in need of rebuilding, the sacrifices being forced on workers are so that firms may more freely invest abroad.

An Upturn?

Thatcherism sold a promise to a gullible electorate who had lost confidence in progress. By a simple remedy - control of the money supply - inflation would subside. Public spending cuts would reduce the money supply and leave more savings for the private sector to invest. Government would cease to intervene and the workings of the free market would miraculously produce prosperity. Tax cuts would provide incentives for businessmen to work harder and invest more.

This ragbag of fantasies was seriously proposed as a solution to the long term decline of the British economy. Undaunted by the most rapid drop in economic activity of all industrial countries the government's Budget of 1981 deepened the deflationary trend. In the summer of 1981 Thatcher strengthened her position by appointing more hardliners to her cabinet and sacking the 'wets'. Thatcher bemoans in a radio interview in January 1982 that she hasn't been allowed to go far enough.

Nevertheless, Sir Geoffrey Howe has been predicting an upturn nearly every month of 1981. John Biffen contributes a masterly summation of the government's long term strategy - "There will be an upturn. We don't know when or how it will take place, but it will occur." Leon Brittan, the new Treasury genius, invents the anti-gravity theory of economics - "What goes down must come up."

The problem is that Thatcher's vision of how the economy works is hopelessly wrong and her main instrument of economic manipulation - the money supply - has been remarkably resistant to control. Perhaps it is because, as Galbraith has pointed out, "there is terrible uncertainty in the modern economy as to what is money". Inflation still remains higher than the 1979 level and this was identified as the main enemy.

Recently, figures indicating increases in productivity and output have been seized upon to demonstrate that the recession is at an end. The figures show no such thing. Most of the rise in productivity is attributable to companies closing down unprofitable lines or whole factories, not increasing production. The government forecasts GDP recovering by 1% in 1982 and hails this as the advent of the economic miracle. The problem is, no such thing will take place under anything like the policies of Thatcher. The severe pressure applied to the economy will depress demand, output, investment and increase unemployment so that any hiccup in the general downward trend cannot be sustained. The government lacks any kind of coherent industrial strategy of support for industry. Education and industrial training are cut. Help to new companies and technologies is haphazard, ill-coordinated and delayed. Vital investment by state industries is prevented and private investment discouraged by high interest rates and depressed demand. None of this could be called paving the way for sustained economic prosperity.

But there is one section of British society for whom Thatcherism has been successful - finance capital and the multi-national corporations. Monetarism and the devastating recession it has caused has been a convenient cloak under which the long term strategy of British capitalism can be pursued, and at a quicker pace.

For most of the 20th century the forces controlling capital and their governments have systematically sacrificed the productive base of the British economy. The City and big business have pursued a policy of moving funds and production out of the country, motivated by profit and lack of confidence in Britain as a production centre. Thatcher's onslaught has enabled a massive rationalisation to take place and a severe weakening of the trade union movement. Trade unions are portrayed as the main cause of Britain's economic decline and must be prevented from challenging the redistribution of resources from labour to capital now taking place.

Britain could now almost be called a tax haven, so generous have governments become to business but little of the entrepreneurial spirit has been kindled. British capitalists have other plans for this country.

Solutions

As the promised economic miracle fails to materialise a plethora of demands for various forms of reflation has arisen. Groping in the gloom of the British economy the CBI's pathetic proposals vie with the Tory 'wets' and the Liberals' more ambitious package, whilst the Labour Party battles it out for one or more definitions of the "Alternative Economic Strategy". The unifying thread of all these schemes is their completely unwarranted faith that progress can be made on the basis of the political and economic relations of capitalism.

It is instructive to recall Heath's reflation of the 1970s when pumping more purchasing power into the economy led to massive inflation and little increase in investment, as firms took advantage of fiscal and monetary expansion to raise their profits and keep ahead of wage demands. Nowadays, reflationary measures beyond the very mildest are usually greeted with paranoia if they are unaccompanied by a proposed incomes policy, preferably draconian. Constantly reflation

is rejected because, the argument goes, it would increase inflation. The truth is that conventional remedies, with or without incomes policies, are utterly inadequate to deal with the disaster now overtaking the British economy. Increased demand does not of itself lead to sustained increased supply nor to increased investment and produces an acute dilemma for capitalists in the growing wage demands of workers. It is obvious that capitalism cannot reconcile stable prices, full employment and rising living standards.

A conventional reflation might increase output and reduce unemployment for a time but the limits to expansion would quickly be reached and the long term problems would reappear. Only "unconventional" remedies are now adequate to tackle the crisis. Nothing short of a plan to rebuild the economy and produce a sustained expansion will do. An investment-led programme which will have to be the most ambitious and massive ever mounted is needed to rebuild basic industries, develop the new ones of the late 20th century and expand the service sector in order to build a balanced economy capable of creating the jobs needed. Public investment on housing, schools, hospitals, transport and energy must be vastly increased; manufacturing industry must receive a massive injection of funds to develop the products that British people need; a new commitment to the welfare services must now be made. A coherent strategy to rebuild industry accounting for every aspect of economic activity will have to be devised, including protection from import penetration for threatened industries. There is no shortage of funds for regeneration - North Sea Oil revenues, defence cuts, and the accelerating revenue from the additional people at work, provide the means. What is needed most of all is the political will. People in productive work will create all the necessary value for further advances.

It will not be possible to create a national consensus of industrialists, financiers and workers as some naive people hope. The history of the Callaghan government's Sector Working Parties and the voluntary planning agreements are a salutary reminder of the failure of voluntarism. British capitalists will not be persuaded into expansion no matter what the incentives. The alternative must be coercion. The only possible measure which can be successful is the wholesale takeover of industry and finance by the working class to run them in the interests of the vast majority. This socialist vision

of a commonwealth of workers is more relevant than ever to the needs of Britain.

Fond hopes of partial nationalisation and accords with the remaining financial and industrial capitalists must be cast aside. Illusions that socialism will be achieved through Parliament must be discarded. They betray an inadequate grasp of the forces at work within Britain and an inordinate faith in a "left-wing" Labour government's ability to break out from capitalist encirclement. The process of regeneration must become a mass movement, starting with resistance to the capitalist enemy's plan for Britain, and developing into a clear strategy of total defeat for capitalism. Anything less invites disaster.

Power in Britain.

Marxists are often accused of having an unjustified antagonistic attitude to the institutions of the British state. Yet a tiny unrepresentative minority controls Britain, irrespective of the party in power. A few thousand people at most control the increasingly concentrated financial institutions and industrial corporations. They form an interlocking group who decide what is produced and where, how resources are allocated and also how the surplus is used. They are supported by the judiciary, police, army and government bureaucracy but their continued ability to rule depends on the unwillingness of the majority - the working class- to eject them.

The ideology and strategy of this ruling class deeply commits them to rejecting expansion because they see it as responsible for creating a powerful and antagonistic labour movement severely inhibiting their actions. It is not in the political interests of capitalism to expand the economy and restore high levels of employment. This is what the battle against inflation really means.

Now they perceive the threat to their policies from a growing revulsion and resistance to Thatcherism and move to block it. Thus the Social Democrats are created to split the Labour vote, and openly trumpet, as Owen has, their intention to introduce proportional representation and an era of permanent coalition governments. Four clapped-out opportunists in search of a party need to cloak their

desires to save capitalism at all costs behind a welter of propaganda portraying themselves as 'new' and 'different'. The press carry out an unprecedented campaign of vilification against the Labour Left and the Sunday Times even questions whether an "anti-democratic" Labour Party should be allowed to contest another election. The writing is on the wall.

But if a Labour Party even half-committed to the drastic measures needed to solve the country's economic problems were ever elected, it would immediately experience enormous resistance, both within Britain and outside, in particular from the USA and NATO. It would inherit a full scale financial crisis. A massive flight of capital and a plummeting pound. An immediate investment strike would occur, prices would soar, workplaces would close. A huge propaganda campaign would be waged with 'the threat to Britain' as its theme. All the classic measures of destabilisation would be exercised with the involvement of local and foreign security services.

The readiness to resort to extra-parliamentary measures has always characterised the ruling class. Their willingness to accept bourgeois constitutionalism and legality has only been as deep as these things work in their interests. Amidst a deteriorating situation would a constitutional reformist government be able to withstand such pressure? Inevitably it would capitulate or be broken by counterrevolutionary violence unless a massive mobilisation of the working class came to its aid and immediately moved beyond it to reduce the capitalist enemy. Parliamentarism is utterly inhibiting and the laughable exercise of creating 1000 new peers or passing enabling laws to legislate capitalism out of existence stand no chance against a hostile ruling class backed by the police, army, judiciary, and overt fascist elements. The parliamentary arena is only a gauge of the class forces outside in the country.

Only the organised working class are capable of solving the present crisis. They face an all-pervading attack on every conceivable front. British capitalism is waging a scorched earth policy in its unceasing war with its own workers and the politics with which the war is waged here have changed accordingly. A resurgent and ideological right wing now faithfully represents its masters through a new fascism. Thatcher pursues a political design cloaked in economic jargon.

The Labour Movement and Capitalism

Two classes are battling for possession of Britain.

For over twenty years the "union problem" has been the central theme of successive governments. From Selwyn Lloyd's pay freeze through the years of Wilson, Heath, Callaghan and now Thatcher, the obsession has been to limit the power of the unions. A concerted campaign has been mounted to place the blame for national decline firmly on the incidence of strikes, restrictive practices, closed shops, uncooperative attitudes and anything else that fits the demonology of capitalism. An alternation of incomes policy both statutory and voluntary, and legal measures to restrict union activities has confronted labour. Each time the labour movement was able eventually to break out of legal encirclement and to smash wage regulation, and each time the attack was renewed. The last three governments have been broken and discredited by the unions. But destroying governments without removing capitalism is no protection. Only the absolute achievement of power can guarantee security and prosperity for the working class. Now Thatcher tries mass unemployment to change the balance of forces and pursue decline.

The election of Thatcher was a severe defeat for the working class, largely self-inflicted. The disillusionment with Callaghan and government by the IMF produced a massive vote for the Tories and little enthusiasm amongst those who voted for Labour. It was a failure of colossal proportions by the British people to raise themselves beyond the immediate effects of the collapse of Callaghan's incomes policy. Instead of reelecting a Labour government dominated by the unions, with the possiblity of progressing beyond the limitations of Healey's economics, they chose the myth of a rejuvenated capitalism, and a bizarre web of populist phraseology.

The long counter-revolution of the British bourgeoisie is accelerating in the 1980s and is bringing forth new political forms. The capitalist class pursue policies which will transform the country into an industrial wasteland dominated by the financial centre of the City and a few multi-national companies. Thatcher will be the forerunner of more completely repressive governments as the British state is compelled to move more decisively and completely to demolish any independent sources of resistance to mass poverty and decay. The

attack is total and encompasses all aspects of life. Only the labour movement can prevent the fulfillment of de-industrialisation and the attendant authoritarianism.

The Way Forward

The Labour movement must defeat the onslaught and the government which pursues it. It has the power to make this country ungovernable and this is what it must do. It has the power to rid itself of Thatcher. It has the power to impose its alternative economic and political strategy on any government following Thatcher's. If, and it is not certain, a left wing government were elected, the Labour Movement has the power to protect it from assault and to move beyond it when it either fails or outlives its usefulness. Most of all, it has the all important power to break out of being in permanent opposition and to establish permanent power, socialist government.

As the governments of the 1970 s were demolished by organised labour so must Thatcher's. As the coordinator of the capitalist strategy, all our struggles must be directed against her government. Her party is rent with division. She is reviled by the people. We must ensure that she does not depart gracefully but is thrown out by the mass of workers and that her successors are ensnared by the method of her departure. The manner of her going will decide what follows.

Only the working class now has an interest in developing industry, skill, science and education. Only they are capable of progress, but they cannot afford to wait upon the advent of some progressive government which may in any case fail to materialise or would most certainly be incapable of delivering its promises. If there is to be an "alternative economic strategy" it must begin to materialise now in the actions of the class. It must become the property of the class and must develop within it a strategy capable of seeing the whole and giving direction to all those in struggle.

The British labour movement is still intact and capable of halting the decline and challenging the system. We must start to control the situation instead of bowing down to events by using the strength and organisation of our labour movement, still of great potential

worry to our ruling class despite four million out of work and the devastating closures. Every factory, school, office must fight for wages and not succumb to enforced poverty, fight for jobs and not connive with their loss, for industry and skill not tolerate their disappearance, be against Thatcher and for socialism not capitalism.

A new situation calls for new remedies. Only a political solution exists to the problems of industry, jobs and pay, but it cannot be a solution of the type which waits on the reelection of a Labour government. The political movement must come from the class, be rooted in their experience and knowledge of their industries and in their actions. It will be centred around jobs and pay and will use many old as well as new tactics. But it will be characterised by a growing demand for a different kind of industrial society than that which capitalism offers - a society of full employment, high living standards and generous welfare services. This vision does not spring from an elite of intellectuals who impart socialism to the ignorant, but from our class's desire to survive and prosper.

Only by building a class force based upon action will success be achieved. By resisting the capitalist strategy, political action is being taken. It does not have to be "injected". But the capitalist strategy must not be just set back or blunted as with Heath or the Winter of Discontent, it must be eliminated. Only a quality of mind different from the past will be capable of grasping this new situation and bring the courage to eliminate the opposition.

Wages

The capitalist class has always regarded wages as an area of paramount importance. Equally, the question of wages remains of supreme concern for our working class in its struggle against capitalism. To control wages is to control livelihood, it imparts a power over people's lives which is total. No wonder that it is around this issue that capitalist control has been most severely challenged in the workers' fight for dignity and around which has grown that working class organisation so detested by employers. The diminishing of wages shifts the balance of economic and political power in favour of capitalism by increasing surplus value, raising the rate of exploitation and neutralising the influence of trade unions.

The full political significance of the wages issue in the present circumstances has still not adequately been grasped by organised labour. In a country where workers are already paid substantially less than many European counterparts, politicians blame workers "for pricing themselves out of a job" and "paying themselves more than they earn". When the CBI demands "negative" pay awards and the Bank of England calls for negligible wage rises for a number of years it becomes obvious that this is the battleground chosen by the bourgeoisie where they hope to inflict permanent defeat upon organised labour. If there is to be an orderly disengagement from large sections of industry not only must maximum profits be made in the process, but a demoralised, pauperised working class must be created incapable of resisting. It is by beating the working class on the wages front that capitalists see the way open to destroying the independent organisations of our class and all the reforms wrested from them over the years. No fight over wages indicates a general unwillingness to struggle and the employers and government interpret it as such. It is our white flag which encourages them to attack on other fronts too, especially employment. It is most evident that those sections who have fought for wages are the ones who have also recognised the necessity to defend jobs and industry. Acquiescence on wages clearly fosters acquiescence to job loss and industrial rundown. While commitment to wage aspirations brings a positive attitude to job retention.

We must rout the very dangerous notion that holding back on wage rises, or even worse agreeing to forego them altogether, will create a spontaneous upsurge in capitalist industry, from which we might come to benefit in the future, although we suffer austerity now. Such thinking originates in fear and cowardice. No upsurge would result as a consequence of our insane altruism. There are plenty of contemporary examples to show that capitalist industry would merely take advantage of the increasingly poverty wages, reap ever soaring profit margins and yet refuse to invest and allow decline. Our wages moratorium would only be a subservient interlude on our part prior to us receiving an ignominious sacking. Capitalists would get higher profits and then desert Britain, and invest their loot elsewhere. For such a negative example we have only to look at the experience of

workers in textiles and in the boot and shoe industries where cooperation over pay has not saved those industries from pell-mell decline. Collaboration over wages must end for it spells increasing poverty, hastens industrial decline and induces fascist behaviour in our employers.

At present a demoralisation, a paralysis of mind and action seems to have overcome some sections of organised labour, yet others have shown that firmness of purpose and sound organisation can defeat or stalemate the employers. Pay battles continue to be waged demonstrating that workers have not succumbed to the onslaught, but neither have they fully come to terms with the new situation. Two obvious faults afflict our class; the one an unwillingness to take on the employer - born of cowardice and illusion, and the other a concentration on sectional interests and failure to develop a class perspective. In the magnificent struggle of the Civil Service in 1981 the two strands are illustrated by the capitulation of the teachers at the beginning of the fight and the abandonment by NALGO at the end.

A new unity of purpose must be forged. Increasingly, sections of our class will be isolated and picked off unless others move to prevent it. We cannot afford to let ASLEF be undermined by an NUR with pathetic notions that productivity deals will save the railways. The working class can never 'win' the race between wages and prices, but in the burgeoning fight that will undoubtedly take place to defend living standards a new unity of action unseen before must develop. Survival demands that once again the pay question becomes an issue of 'who rules Britain'. Behind every employer resisting a wage demand lies a government orchestrating his actions and pursuing a strategy of destruction and contraction. It is towards this supreme enemy that the wages issue must be directed.

Employment

The system of dual power which existed on Britain's shop floors and throughout its institutions was one which the working class came to take for granted, and one suspects, came to believe would last forever. But no system of power sharing between workers and employers can in the long term survive. There can be no permanent co-

existence with capitalism. The onslaught of unemployment and closure has given capitalism a powerful initiative as managements now boast of union power being broken. They cry too soon. In a survey of West Midlands industry an engineering director said, "When he (Derek Robinson) went, a hell of a lot of militancy went out of the gates. Edwardes did a damn good job there ... the redundancies have got rid of the troublemakers who came to power in the 1960s."

How obvious it is that British Leyland has been a test bed for the new measures to cripple the working class. Under threat of closure Edwardes has forced through new working methods, massive redundancies, plant closures and derisory pay awards. A workforce, more prone in the past to uncoordinated often trivial actions than well organised and conducted struggles, has been singularly unable to cope with the redundancies and closures. To their everlasting shame they allowed their convenor to be sacked for opposing the corporate plan. Only in November 1981 did they call Edwardes' bluff; and how easy it was when the workforce was united and committed!

For too long workers had accepted the logic of moribund capitalism - that the only way to save a chronically investment-starved firm with inefficient top management and obsolete products is to shrink, cut and dismember it. Yet things could be so different, for it is possible to challenge the government and win. The survival of Leyland is a class issue which must be taken up as such by both BL workers and all in the components industry. A united struggle for pay and jobs would raise vital issues of investment, products, imports and productivity in such a fashion that a revolutionary alternative economic strategy would be hammered out in the fire of working class action A beacon can be lit in this depressed region which would sweep away the mental chains holding back struggle.

How different was the fight of the South Wales miners in February 1981. Faced with the closure of five pits, 25,000 men struck. The mood of the men was summed up thus: "I warn that if people in the NUM are going to discuss with the government the question of fool's gold or redundancy payments it is a non-runner. We have seen what happened to our brothers in the steel industry. It's not going to happen here." To prevent other areas of the country being picked off they moved decisively to bring matters to a head. With the NUR they made arrangements for control over transport of coal, ensuring sup-

plies to hospitals, schools and the old. It was a fight openly for the whole community - "We're not selling the jobs of our sons" was the slogan. The government, which one week before in its inimitable fashion was refusing to talk, miraculously found its tongue and its wallet and offered negotiations on import controls and subsidies.

Such an object lesson in how to save an industry must not be the monopoly of South Wales miners. Those sections of workers threatened by imports cannot wait upon legislation to save them (it may never arrive) but must move directly to prevent the distribution and use of these goods. Why after the steel strike did the workers relent on the inflow of foreign steel into Britain? They, as well as many others, must assume the responsibility for the survival of their industry and act in such a way as to preserve it and expand it. It was heartening to see the capitulation of the government over the privatisation of gas showrooms when threatened with action by the unions. Such an example is also a lesson to others on the weakness of capitalism.

Too often demonstrations and marches have become the substitute for action. The "People's March for Jobs" in 1981 touched the imagination of workers and culminated in a massive demonstration in London, but action must now go beyond that. The Manpower Services Commission with its phoney 'training' schemes cannot be left to deal with the half million unemployed youth, nor can the older unemployed be left to rot for years. It must be possible to organise the unemployed, take them into the workplaces and get them to work. Those in work and those unemployed must be united in the battle against capitalism.

"Privatisation", public expenditure cuts, factory closures, redundancies, destruction of our youth all fit into a pattern. They are part of capitalism's grand design and as such demand a response as positive as the South Wales miners and gas workers. Workers must have their own Grand Design which rejects the false dichotomy of jobs or wages and which demands and achieves instead jobs and wages. Too few of our class have walked through the door kicked open by the Welsh miners. The initiative was lost yet that is the path we must tread.

Occupations

Ten years ago the workforce at Upper Clyde Shipbuilders occupied the yards and stopped the Heath government's policy of "Lame Ducks" dead in its tracks. Yet in 1982 unemployment in Scotland is more than double the 1971 level and whole swathes of industry are disappearing, whilst at UCS the workforce has rapidly diminished. The Labour government which followed nationalised shipbuilding and carried through a national dismemberment of the industry. Illusions were sown about cooperatives but where are the Scottish Daily News Kirkby manufacturing and Meriden now? They are hardly the model for industrial regeneration, though some trade unionists still beat a path to Mondragon and bleat about 'new concepts of industrial democracy'. What has gone wrong? The essential failure has been that the working class has consistently allowed the initiative to slip from its grasp by a wilful refusal to break out of self-imposed boundaries.

Occupations are a weapon in the arsenal of workers and their use must become more widespread instead of acceptance of closure, but still they are only a holding operation. The women at Lee Jeans in Greenock took on their multinational employer and eventually found another employer willing to buy. The BPS workers were also successful but the workers of Lawrence Scott were not so lucky. Nor were the workers of Meccano in Liverpool or Staffa Products in East London although the latter won a valuable guarantee of at least seven months' work. Increasingly, managements resort to injunctions and under bailiff and police intimidation have regained control of the premises. All the more heartening then to see the Plessey workers in Scotland ignoring a court injunction.

The matter raises the crucial question of legality. It is unreasonable generally to expect isolated sit-ins to repel physically well-armed, well-trained assailants should they be evicted but where is the rest of the class? Are they interested? If they treat the courageous fight of others as a gladiatorial contest, no matter how much conscience money they donate into buckets at union meetings, then these struggles will invariably fail. Every occupation demands a Saltley of our class - deemed illegal under the 1980 Employment Act. Further legislation will attempt to narrow the definition of a trades dispute and outlaw 'political' actions. In the fight against redundancy workers

must be prepared to break capitalist law. If trade unionists both locally and nationally come to the physical aid of redundant workers by strikes, mass pickets, 'blacking' then no amount of law will save capitalism.

The working class must match and outstrip the political understanding of their opponents. Many occupations are a reaction after management has acted, and it is difficult to seize back the initiative once the workplace closes. There must be action and campaigning for retention before closures hit. The occupation, beloved of many as the answer to all problems, is often a last resort. Pre-emptive action by Liverpool dockers against changes in the dock labour scheme was decisive, whilst shipyard workers instituted a national overtime ban and one-day stoppages in 1981 against redundancy proposals. Occupations, like all actions of our class now, must be guided by a political direction, an overall strategy of defeat for the capitalist class, within which the tactical decisions of which action will be most successful will be taken.

Unity in Struggle

It is crucial all properly conducted fights are taken out to as wide an involvement as possible, to whole industries, communities, to the class. Isolationist and parochial attitudes are doomed to failure in the present context of class struggle. This does not mean to say that individual sections cannot take up issues on behalf of the class and with determination and skill conclude them successfully - ASLEF's fight in early 1982 being a case in point. Nor does it mean that phoney paper alliances will prove a substitute for one determined well-organised section pursuing its own demands which are also those of the whole class. But in the present situation, the all-pervading total attack waged upon us demands a qualitatively different response.

The hurricane of destruction which has blown through the country well illustrates in the closed factories, schools and hospitals the dangers of isolation. Yet heartening examples of united and successful actions point the way forward to even greater confrontations. The fight to preserve the Inner London Education Authority was a classic

case of how to build a united movement of teachers, parents and trade unionists. In December 1981 again, London teachers, education workers, parents and students mounted a campaign against Heseltine's Local Government Bill culminating in a march of 20,000 people. Elsewhere in January 1982 30,000 trade unionists in Sheffield struck for one day against government policies and Tebbit's anti-union legislation. An action so successful that it met with deafening silence from the media.

But even such impressive actions as these in today's circumstances achieve little room for manoeuvre. Success on one front invites swift attack upon another. The election of Labour to control the GLC gave hope of a rational transport policy but immediately the law was manipulated to outlaw the cheap fares. The dilemma of reformist politicians throughout the country working within the law and established political institutions was amply illustrated. Only massive "extra- parliamentary" action by transport workers and the labour movement supported by the residents of London could take up the struggle to force the government to back down. This is the alternative political and economic strategy speaking through the actions of workers. We cannot wait for blueprints or legislative programmes to ensure our survival.

In every resistance to wage cuts, job losses, destruction of services and the dumping of foreign goods lies the seeds of our alternative political economy. Not buried in the recesses of a Parliamentarian's armchair awaiting the approval of the ballot box, but forged from the dire necessity of survival. Each struggle must be the concern of the whole class and the means of building the revolutionary understanding that ultimate success lies in achieving the total defeat of capitalism.

The working class has not ceased to struggle in the new conditions of the 1980s, sometimes with remarkable success. But the fight for the traditional demands is becoming harder and harder. The dangers of quiescence and demoralisation are ever attendant unless the determination to survive and win lifts the struggles to a new level. A new political direction and understanding must develop from and in turn guide the labour movement's battle for progress. This will not be "extra - parliamentary" in the sense of an adjunct to Parliament but the actual arena where the political future of Bri-

tain will be fought. To achieve success for the traditional demands of labour for peace and progress the question of state power is now on the agenda. The alternative is barbarism.

Conclusion

Capitalism has no loyalty to our country and moves its operations elsewhere. But workers cannot desert these shores en masse for we have nowhere to go. We face a callous policy of deliberate destruction and we have nowhere to run to. The longer we delay our revolutionary response, the greater the quandary we shall find ourselves in. We must stand and fight now and make a future for our class here, independent of capitalism. If we don't fight, we shall lose everything.

As our Party warned in previous pamphlets, a war of genocide is being perpetrated against the British working class. Our choice is simple: either we fight for socialism or we endure the horrors of a vicious barbarism. Genocide cannot succeed unless we allow it.

We must match and outstrip those political changes evident in our enemy, the finance capitalists. We must become convinced that the possibility of survival within capitalism, of reforming it into a social democratic paradise, does not exist. The only Reform available to us is the Socialist Reformation of Society.

To this end we must grasp that revolution is not a distant remote concept of no relevance, but a here-and-now necessity for our class. All the struggles of the working class will be useless unless capitalism is finally defeated. The battles will always have to be waged again and now capitalism moves to eliminate the very battleground itself - industry and work. The lesson of the entire history of the British working class is that the accumulation of class power and political understanding within capitalism was but a preparation for the seizure of state power.

That is the task before us - stop genocide with revolution.

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