



Introducing Marxism

A Communist Party study course

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Foreword

This is the second edition of *Introducing Marxism*, the first having been published in 2003.

The text originates from a series of classes organised by the Cardiff branch of the Communist Party in 2002. Members and friends found the three sessions useful—due in no small part to their own enthusiastic discussion of the contents—and suggested that the presentations be published.

A revised version of the course was delivered to the Party's London Road Transport branch in May 2003, with similar results.

Precisely how the course should be organised is best decided by individual tutors or groups in the light of their local circumstances. In keeping with a Marxist approach, the content and discussion questions of the three sessions must also be open to some revision or variation.

The proposed reading lists are by no means comprehensive, especially as I have tried to confine them to published materials which are readily available from the Party or elsewhere.

Thanks are due to John Foster who suggested some improvements for the first edition of this pamphlet. The Communist Party of Canada published a version of the course in 2007, and I have incorporated some of their valuable amendments in this new edition.

Robert Griffiths
February 2008

Class I: The Marxist world outlook

The most fundamental question in philosophy is about the connection between human beings and the universe in which we exist, between reality and our understanding of it, between our being and our consciousness.

For Marxism, this connection is especially important because we want thinking, acting human beings to change material reality—to create a world free from exploitation and all forms of oppression.

IDEAS AND THE MATERIAL WORLD The first issue we have to consider, therefore, is whether such a connection exists between thought and existence, between consciousness and being, which would enable us to change the conditions of our existence in a profound, revolutionary way.

Can we create a future broadly in accordance with aspirations, ideas and plans that we have thought up in advance?

Not necessarily or at all, if there is another force which is more powerful than human thought and action. Such a force might be a god, or a spirit of good or evil, or it may be called karma or 'fate'. Although such forces are said to exert influence within the material universe, they are usually held by their believers to be superior to the universe, to exist independently of it. In some belief systems, such forces actually created the material universe or—in some mysterious way—are inside 'nature' itself. Yet, perhaps oddly, when ideas, feelings or values are attributed to such a force, they are invariably and recognisably human ones.

A modern version of this outlook is that something called 'human nature' substantially determines—and in particular depresses—the conditions and potentials of human society. This so-called human nature is usually presented as something unchanging, unchangeable and almost entirely negative: that as a species we are prejudiced, selfish and greedy due to something (which is never precisely identified) inside us.

It is no coincidence that these ideas were first propagated systematically in the earliest phase of capitalist development, with the rise of merchants and bankers in the so-called 'mercantilist' period. From Thomas Hobbes onwards, it has been argued that human beings are innately individualistic, selfish, and acquisitive—the very values which capitalist development requires, promotes and, so it is claimed, harnesses to the general benefit of all.

Yet such a pessimistic, defeatist theory of human behaviour is disproved every

day across the planet by a billion acts of friendship, thoughtfulness, self-sacrifice and generosity.

What we have been looking at are in fact different schools of *idealist* philosophy, although not 'idealist' in the everyday sense of the word i.e. to want everything to be perfect. They are idealist because those who propagate them believe that ideas—their own or those of some supernatural force which they have created in their imagination—are superior to the material universe.

The *materialist* outlook, on the other hand, asserts that the *material* universe is primary. The universe existed before our consciousness of it did, and today continues to exist independent of our consciousness of it. Here, of course, we are not dealing with 'materialism' in the more common, everyday meaning of the word, namely, an excessive desire to possess material things.

Materialist philosophy goes further and points out that our consciousness, our thoughts and ideas, are themselves the product of matter. They have been manufactured by the human brain—a highly complex form of matter—which is located in our material body, through which it receives its sensations from the material world around us (including the ideas received from other human beings and through our own sensory images, experiences and so on).

Materialism holds that there is nothing in the material world which should forever remain a mystery to us. Through science and reason, we have developed knowledge and understanding of gravity, electricity, weather, the seasons—all of which once fed superstitious beliefs in gods and spirits. Despite all our deficiencies, mistakes and regressions, the history of human society has largely been one of material and intellectual progress, at least up until now. Furthermore, we continue to enlarge our knowledge of the material universe and to exert—not always for the best—our control over substantial aspects of it.

We have no evidence that some supernatural force or other created the material universe, or guides or determines its course of development. When pressed about the supposed existence of such a force—about its origins in particular—idealists invite us into the realm of mysticism. They often tell us that we can never know the origins of such-and-such a force, or why it acts as it does. Ultimately, we are implored to have 'faith'.

So why are so many people devoutly religious in what is supposed to be the age of reason? Marx once described religion as 'the sigh of the oppressed creature, the heart of a heartless world' and, more famously, as the 'opium of the people' (although he meant opium in the sense of a pain-killing refuge from harsh realities rather than an addictive drug). For Lenin, religious faith was a form of 'false consciousness', just as today we might regard the spiritual content of, say, nationalism as being so.

Thus we return to the question: can human beings change social reality and

hence determine the future in accordance with some kind of plan, if only an outline one? What are the possibilities and how can they be realised? What are the dangers, and how can they be minimised if not eliminated?

As a materialist philosophy, Marxism takes the material world as its starting point.

To begin with, therefore, we have to be conscious of the material basis of our consciousness. In other words, we have to recognise and take full account of our own thought processes—and in particular of the fact that our own beliefs and ideas are formed from the interaction between our brain, our senses and the material world. This means that our beliefs, ideas and values can be partial, self-centred, distorted by our own experiences etc.—but also that they can be enriched by drawing more fully upon the evidence provided by the material world and its development.

Secondly, we reject the notion that human beings are restricted in what they can achieve by any mysterious external or superior force.

Thirdly, Marxism argues that in order to change reality, we first have to understand it—including all the forces at work in society. Which forces can be harnessed, strengthened and directed for progressive and revolutionary change? Which ones oppose such change and thus have to be marginalised, weakened and deflected? We have to make what Lenin called ‘a concrete analysis of the concrete situation’.

But Marxism is not merely materialism. There are other philosophical outlooks which analyse the world in terms of its material reality—but which conclude that nothing much can be changed, at least not by human beings in a conscious, planned way.

That is why, of all the quotations available from Marx, the inscription on his plinth at Highgate cemetery insists that: ‘Philosophers have only interpreted the world in various ways; the point, however, is to change it’.

DIALECTICS To understand how this can be done, Marxist materialism makes use of dialectics—a way of thinking which explains how things develop and change. The laws of dialectics can be summarised as follows:

Everything is part of the whole, interconnected, an element in the material unity of the universe. So we should not be partial, blinkered or narrow in our outlook and analysis.

Everything is in flux, in motion, in the process of changing. Movement or change may be dramatic, sudden, obvious—or small, gradual, virtually invisible.

Although on the surface nothing appears to be happening, underneath elements are growing or declining, moods are changing—sometimes through connections with things happening elsewhere. So nothing is unchanging forever. No form of human society is infinite and unchangeable.

Movement and change occur through the conflict of opposites. Within any particular thing there are elements, forces and tendencies opposed to one another. They give rise to the *internal* contradictions within a given thing. At the same time, these conflicting elements, forces and tendencies are parts of the whole of that particular object or phenomenon, co-existing within it as a 'unity of opposites'. However, this object also exists in a wider context or environment, thereby giving rise to *external* contradictions between it and other particular things, and between the object and its environment as a whole. Internal or external contradictions which reflect conflicting interests that cannot be reconciled are said to be fundamentally *antagonistic*. Such conflicting elements and forces will not be able to co-exist permanently in the same unity or environment. Something has to give. Eventually, an antagonistic contradiction sharpens to the point where one force has to vanquish the other. The old unity is broken, and a new unity has to be constructed under the leadership of the victorious force.

In the process of struggle, the opposing forces have an impact on one another, changing each other to a greater or lesser degree. This is what Marxism calls the 'interpenetration of opposites'. The struggle itself will also have an impact on the contending forces. At the conclusion of the struggle, the victorious force is not the same as it was at the beginning. It may, for example, have absorbed some features of the contrary force, themselves transformed in the conflict.

Changes of degree—of quantity—will at some point produce a fundamental change in the quality of something i.e. a change in its essence or character. For instance, a workplace may begin with just a few workers in a trade union. But as the level of unionism increases and the employer is compelled to negotiate collective terms and conditions, so the whole character or quality of industrial relations in that workplace will change. Recruitment to the union multiplies—an example of qualitative change in turn producing quantitative change. The same processes can come to embrace whole industrial sectors and whole national economies.

Finally, fundamental change involves what Engels called the 'negation of

the negation'. That which negates something in the process of revolutionary change can itself come to be negated by a new force which arises in contradiction to the new. But the result is not the restoration of the old, previously-defeated force or institution or idea, but its restoration in a new form and at a higher level.

Marx and Engels applied dialectical materialism to what was known in the 19th century about the development of human society. This enabled them to define more precisely the different stages of development and to explain how and why societies have changed from one type to another.

They began by asking the most fundamental question: how did each type of society produce and reproduce the material conditions of its own existence? Which groups or classes of people did the producing? Who commanded the forces of production—the material resources, the technology and the labour power? And what were the relations between these different classes involved in the production process?

MODES OF PRODUCTION Marx and Engels argued that understanding the economic basis of a society—its mode of production—was essential to understanding the institutions, ideas, laws and customs which develop from and come to rest upon those economic foundations. Thus they identified the different types of human society—or 'modes of production'—which had existed since the beginning of recorded history. These were, in order of their appearance:

Primitive Communism in which the means of production such as the land, animals, traps and fires were owned in common by kinship groups.

Slave Society which arose as technological advance made possible a social surplus of food, weapons, shelter etc., where tribes clashed over scarce resources and surpluses thereby creating classes of warriors and slaves—the former later turning the latter into their own private property.

It was during the first, patriarchal stage of slavery that women lost out in the division of labour, in the ownership and inheritance of property and therefore in social status, suffering what Engels called the 'world-historic defeat of women'. Some societies did not progress to the more advanced, urbanised second stage of slavery (ancient or classical society as in the Roman Empire), but went directly from patriarchal slavery to the next mode of production:

Feudalism which emerged out of the collapse and overthrow of slave societies, at first as a largely rural mode of production in which ownership and control of land—the chief means of production—determined power, wealth and status. With this ownership of land went control over the lives of the 'emancipated' slaves who now worked it as 'serfs' in conditions of semi-slavery. Later, serfs became 'free peasants' with varying rights of tenure over plots of land.

Some societies, notably in Asia, combined aspects of primitive communism, slavery and feudalism. The nature of the climate and of the land—large tracts of which were desert—made artificial irrigation the prerequisite for agriculture. This in turn required collective public works at village, provincial and even national levels and maintained communal ownership of land in localised societies. While control of vital water resources and land provided the impetus for conquest and despotism, the lack of private ownership deprived the Asiatic mode of production of the dynamic which, elsewhere, spawned within feudalism a new, more dynamic mode of production:

Capitalism as capitalist farmers and capitalist landowners, merchants and manufactory masters organised the production of a surplus of commodities for sale in the market-place. More and more agricultural, cottage and workshop production was carried out by hired labour, made available by the separation of the peasantry from the land and their sharper differentiation into independent farmers, tenant farmers and landless wage labourers. The different capitalist elements—including bankers and financiers—developed into a more cohesive capitalist class as they created a national market and came to challenge and overthrow the old feudal order.

What are the common characteristics of all societies since primitive communism?

Firstly, they all germinated within the womb of the preceding mode of production. Feudalism arose within slave society as the heads of kinship groups became the owners of landed estates which they extended into principalities and kingdoms through conquest, marriage and inheritance. Capitalist commodity production, trade and commerce developed within feudal society, speeding the formation of a national market and the fusion of fiefdoms, petty kingdoms and annexed territories into national states.

Secondly, they have all been class-divided societies, in which one major class does most of the producing while another owns the means of production (less so in Asiatic societies), commands the forces of production and consumes much of the wealth produced. The relations between different classes in production and in society more widely are therefore based on inequality and exploitation. Through

various institutions of power and influence, backed by customs and law—through the 'superstructure' of society in fact—the exploiting class exercises its rule over the others. In particular, it wields political power through the apparatus of the state which, ultimately, has the capacity to use force.

Thirdly, each society has been characterised by the struggle over wealth and power between the main social classes—between slave-owners and slaves (and between slave-owners and the independent producers, artisans and plebeians), between landowners and peasants and then between landowners and the rising capitalist class.

Fourthly, there comes a point in each society when the relations of production hold back society's potential to develop its forces of production, notably through scientific and technological progress. The existing ruling class seeks to preserve the existing relations of production as the basis of its economic wealth and political power. The revolutionary class seeks political power in order to abolish those relations, thereby liberating both itself and society's latent productive forces.

For example, under feudalism capitalist landowners, merchants and workshop masters wanted to found new enterprises, to lend and borrow money at interest for investment and attract labour from feudal estates into the new capitalist workforce. But they found their path blocked by traditional patterns of land ownership and use, by laws and customs tying peasants to estates and by the ideas and forces of powerful institutions such as the Church and the monarchy. Feudalism's relations of production, whereby the big landowners commanded most of society's labour, wealth and—through the superstructure—political power, were restricting the further development of society's productive forces.

Consequently, not only did those relations of production—the basis of the feudal class system—have to be abolished. The whole superstructure of institutions, laws and ideas which reinforced and perpetuated feudalism had to be swept away in order to bring this about. Political power had to be taken from the feudal landowning class. It was the struggle between the rising capitalist class and the old feudal aristocracy which gave rise to the English Civil War in the 1640s and the French Revolution of the 1790s.

Those revolutions were fought under the banners of liberty, democracy and the rights of the people against tyranny and despotism. Free trade, commerce and production were presented as something which would benefit society as a whole, not merely the merchants, financiers and industrialists. Naturally, much of the argument and terminology reflected the predominance of religious faith at the time, with both sides interpreting or re-interpreting the scriptures in order to justify their cause. But the conflict was, at root, one between contending classes for political power—between those who would use it either to impede or to clear the way for the rapid development of capitalism.

The capitalist class or *bourgeoisie* (from the French for the town burghers who were mostly merchants and manufacturers) achieved political power as a revolutionary class, taking over and restructuring the machinery of state, leading a coalition of the exploited and oppressed.

In Britain unlike in France, the transfer of power was only a partial one—the monarchy, the House of Lords and the established Church were soon restored and the aristocracy retained much of its wealth and status. The British capitalist class did not acquire full political power—notably control over the state apparatus through elections and Parliament—until the second half of the 19th century, having been enriched and strengthened by the African slave trade, American slave plantations and by the Industrial Revolution in Britain itself.

THE CHARACTERISTICS OF CAPITALISM Since its emergence as the predominant mode of production in Britain, western Europe and north America, capitalism has revolutionised the face of the planet. Some of its own features have changed and new ones have come to the fore. Yet as a mode of production, its essential characteristics—those which define it as capitalism—have remained the same. What are these?

Firstly, the production of commodities—of products for sale in the market rather than for consumption by the producers or their master—is generalised. Capitalist society, Marx wrote, is an ‘immense accumulation of commodities’. We are surrounded by them, wearing them, sitting on them, writing with them and—perhaps after this class—buying, cooking, eating or drinking them.

Secondly, the means of production—the industrial land and buildings, plant and machinery, tools, raw materials and energy inputs—are mostly in private ownership. Today, this takes the form of joint ownership by capitalists who are stockholders in industrial, financial and commercial corporations. They and their administrative representatives also control the pension and insurance funds to which workers contribute, and which are used to help maintain capitalist enterprise.

Thirdly, a different class—the *proletariat*—works these means of production to produce society’s wealth. Capitalism has created this proletariat, which neither owns the means of production nor most of the wealth which it works them to produce. It has sell its capacity to work—its labour power—to employers as a commodity in order to secure the wages and social benefits which it needs in order to survive.

In Britain today employers, senior managers and proprietors (including the self-employed) comprise no more than 15 per cent of the working population, with senior professionals another 5 per cent. About four-fifths of the adult population

are working class i.e. dependent upon wages, benefits or state pensions for their livelihood.

In 2003, the richest one-tenth of the population—i.e. most of the capitalist class—owned nearly three-quarters (71 per cent) of society's material wealth; the richest one-quarter owned more than four-fifths (85 per cent); and the poorer half of the population owned just 1 per cent of the wealth. Despite the spread of home—or at least mortgage—ownership among a section of the working class, the term *proletariat* is still appropriate. It comes from the Latin for 'offspring', denoting the fact that all the poor can be said to really own are their own children.

Discussion Questions

Where time and numbers permit, discuss the following questions in groups and then elect a person from each group to report your views to the rest of the class:

- 1. What did you find most informative, interesting or surprising about the opening statement for this session?**
- 2. Think of a current issue or event of political importance. How would a dialectical materialist approach to it deepen our understanding and enable us to make a more significant contribution to political struggle?**
- 3. Identify some idealist (in the philosophical sense) notions or ideas which limit the struggle for progressive change today. How might they be challenged or overcome?**
- 4. Why is class struggle the motor which drives forward economic and social development—and how does this apply to capitalism today?**
- 5. Which parts of the introduction do you still have difficulty understanding?**

Class 2: Capitalist exploitation and crisis

One of Marx's greatest achievements was to expose the precise mechanisms by which those who produce most of capitalist society's wealth—who make the goods and perform the services—own and consume so little of it.

THE THEORY OF EXPLOITATION Under slavery, the exploitation of the slave class was open and based on the threat of brute force. Under feudalism, even the emancipated serf and peasant had to pay rent to the lord of the estate and were usually obliged to provide labour services for free.

But under capitalism, the exploitation of the working class is disguised by the wages system. Apparently, the worker freely enters into a contract with an employer to work for such-and-such a time, in return for the going rate of so much money per hour (or per item produced in the case of a piece-work payment system).

What Marx showed was that the worker is not paid in full for the work that they do—that the value of their wage is less than the value that they create while working for the employer.

In his great work *Capital*, he proved that the value of a commodity is determined by the amount of society's labour time which goes into producing it. This comprises the time taken to produce all the components, raw materials, energy inputs, the wear-and-tear on tools and machinery ('depreciation') etc. together with the current labour time spent by workers in combining all these factors in the production process. Because all types of commodity can be reduced, ultimately, to this single common measure—the average amount of society's labour time necessary to produce it—this makes it possible to distinguish between the values of very different commodities. These different values are then reflected in the differing prices attached to them in the market place. Of course, other factors can also affect prices such as company efficiency (including labour productivity), scarcity or gluts, monopoly power, fashion and advertising. But generally speaking, these make a commodity's price fluctuate around its objective value. They do not determine that value as such.

The employer buys the worker's capacity to work—the worker's labour power—as a commodity. Its value is determined on the same basis as that of every other kind of commodity, by the amount of society's labour time which goes into producing it. What goes into producing labour power? Answer—the

goods and services which the worker needs to consume in order to live and work. The value of the worker's labour power, then, is the value of life's necessities such as housing, food, clothing, heating and means of relaxation which the worker needs to buy and consume. This will also include the value of those commodities consumed by the worker's dependents, some of whom may provide domestic labour which helps create the worker's capacity to work, and some of whom will provide the next generation of labour power. So the value of the worker's labour power is roughly equivalent to the value of commodities consumed by the worker and his or her dependents, for which the employer pays in full in the form of a wage.

But here is the secret revealed by Marx. All other commodities which the employer buys as inputs into the production process—the components, raw materials, power, the tools and machinery used up—are also bought at or around their value. This value is then transferred into the final product during production. It does not increase, and in general provides no profit for the capitalist who has paid other capitalists for it in full. The cost of this transferred or past value is merely passed onto the final consumer as part of the final price. In working on the inputs to transfer their value into the end product, the current workforce adds new value measured in labour time. In return for this new value, the employer pays a wage which again comprises part of the price of the final product.

Yet when the product is sold at its value, the employer receives more than the combined costs of the inputs and the newly added labour time. Where has this profit come from? The only possible source is the living labour which adds new value when transforming the inputs into the final product. The only feasible explanation is that the worker consumes less labour time in the form of essential commodities than the time he or she is able to work. In other words, the employer receives more value from the worker than the value of the wage which is paid in return. This 'surplus value', for which the employer does not pay but which is charged to the consumer in the final price, is the source of normal capitalist profit.

This is the unique quality of human labour power: it creates more value than it needs to consume. That, first and foremost, is why the capitalist employs the worker.

The truth of this contention is borne out by British government statistics. For example, in 2004 (the latest year for which figures are available), the total value of commodity goods and services produced by private non-financial corporations in Britain was £1,335 billion. This comprised £686 billion in inputs ('intermediate consumption'—mainly power, raw materials and components), £66 billion in machinery wear and tear ('consumption of fixed capital') and £583 billion of new value produced by the current labour force ('net value added'). In return for

producing this £583 billion, workers received £347 billion in wages and salaries, plus £60 billion put aside in national insurance and pension contributions for future consumption (i.e. deferred wages, in theory at least). This left a surplus value of £176 billion to be distributed between different sections of the capitalist class—dividends to shareholders, interest payments to the banks, rent to landlords—and to finance the expansion of operations.

These official categories of value approximate only very roughly to those of Marxist political economy. Furthermore, as Marx himself recognised and explained, 'value' in the Marxist sense (i.e. socially necessary labour time) is not the precise equivalent of 'market price'—the only measurement we can use with any practical application.

Also, the statistics include transport and retail services which, it can be argued, only conserve or realise surplus value rather than directly produce it. Yet all commodities have to be transported, stored and sold—and all these operations have to be administered. Within those industries which directly produce surplus value—mining and quarrying, energy, manufacturing and construction—inputs have to be organised and administered.

The figures indicate that in Britain's capitalist economy as a whole, workers spend roughly two-thirds of their labour time performing labour equal to the value of their wage. The other one-third is spent working for no pay, performing surplus labour (or producing surplus value) for the capitalists. In those industries which directly produce surplus value, the proportion of working time spent doing so is approximately 40 per cent.

Where does this leave public sector workers who provide services which are not sold in any commercial sense, and are therefore not commodities?

Public sector workers perform functions which are important or essential to the functioning of a modern, complex capitalist society. Like workers in commodity production, they may be working for 39 hours a week—but their pay only enables them to consume, roughly, 26 hours worth of value. Therefore they too are exploited. One-third of their time is spent performing surplus labour, free of charge to the capitalist state.

It is in the interests of the capitalist class to keep down costs (including taxes to fund public expenditure) and to squeeze more unpaid working time out of all categories of workers, whether or not they directly produce surplus value.

Conversely, it is in the interests of all workers to maintain and raise the value of their wages. This can rarely be done effectively on an individual basis, given the imbalance of power between employer and employee. Hence the need for collective organisation, collective action and solidarity. The wages struggle asserts the right of the working class to have control over the value and wealth which it produces, helping to weld workers together in class organisations, raising their

class consciousness (although this consciousness may initially be a narrow, sectional one).

ALIENATION In the course of analysing capitalism and its new factory-based system of mass production, Marx developed the philosophical concept of 'alienation'. Indeed, this is the essence of Marx's moral critique of capitalism. Whereas it is a human being's instinct to do things, to engage in physical and mental exertion, to be creative, indeed to 'create order out of chaos', exploitative modes of production turn this into compulsory labour.

Capitalism takes this a stage further, completely separating the worker from the product of her or his labour, in many cases dissolving that labour into commodities which render it unrecognisable. Machinery and automation—themselves the embodiment of physical and mental labour—increasingly dominate the work process, further diminishing the scope, visibility and individual significance of the living work force. It is as though the commodities themselves are the products of capital and not of labour. Then the commodity is sold back to the workers—if they can afford it—as an 'alien' product, available to them as 'consumers' in corporate stores far removed from the production process. All that connects work, production, ownership and consumption is thus reduced to the cash nexus. Money comes to dominate human beings as an alien force, both resented and desired, yet failing to satisfy the social, creative—indeed human—essence of human beings.

Thus the worker is alienated from capitalist society in three aspects: from the products of his or her own labour; from fellow human beings in the production process; and from a society which tends to reduce almost everything to a commodity with a price-tag. In these conditions, lack of motivation at work, sickness and absenteeism, disinterest in wider society, different kinds of escapism, crime and anti-social behaviour will tend to flourish.

CAPITALIST CRISIS AND CONTRADICTION Although human labour power is the source of capitalist profit in general, it does not follow that all capitalists seek to employ as many workers as possible. Because the price of a commodity is determined largely by the *average* social labour time (past and present) taken to produce it, across the whole sector, companies producing at below average cost will make extra profits at the expense of high-cost rivals. In effect, they are grabbing some of the surplus value created by the workforces of less efficient competitors.

Thus companies are always seeking to produce more cheaply than their

competitors, whether through holding down wages, introducing new machinery or speeding up the pace of work. Where they can produce as much or more than before but with fewer and more productive workers, this will enable them to take a bigger share of the surplus value created across the whole sector. In the economy as a whole, mechanisation proceeds apace as employers fight for a bigger share of market value. Both the quantity and the proportion of capital invested in machinery grows, as the proportion going to wages declines. This constant drive to invest, mechanise and expand involves a constant process of capital accumulation.

Yet it is the current, living workforce which creates fresh value, from which the capitalists draw surplus value. Employers therefore have to counteract this historical tendency for the rate of profit to fall in most sectors and across the economy as a whole, which they try to do by reducing the real value of wages, intensifying the work rate, reorganising the work process etc.

Locating new markets and sources of cheap labour and raw materials abroad assist capital in this endeavour, while also providing profitable outlets for accumulated stocks of capital—hence the drive to colonise and dominate other parts of the world.

Bringing fresh contingents into the army of labour—ones which can often be exploited more intensively like young, women and immigrant workers—will also counteract falling profit rates, at least until those workers become organised and resist their super-exploitation. The divisions which can be created as cheaper workers undercut other sections of the working class play directly into the hands of the exploiters.

As employers strive to maximise market share, production and profits (including for investment and expansion), they also drive down the value of wages and so restrict the purchasing power of the largest class of consumers—the working class.

Hence the point is reached periodically when not all the commodities being produced can be sold at a profit. Orders for new machinery to increase output are cut back; workers in those sectors are laid off and their spending power diminishes. More commodities are unsold and, in turn, the workers who produce them are sacked. Soon the whole economy goes into a downward spiral. As workers resist—at least initially—the capitalist class and its mass media whip up potential divisions within the working class, identifying scapegoats and using the forces of the state against the labour movement.

In previous types of society, 'over-production' of goods for people's consumption would have been a cause for hearty celebration. Only under capitalism are cyclical crises of 'over-production' the occasion for alarm and depression as companies go to the wall, labour and machinery are thrown onto the scrap-heap and public

services are slashed.

The crisis of over-production is also a crisis of the over-accumulation of capital. Economic expansion and boom generate surplus value which cannot be re-invested in the productive economy at a high enough profit, and so it finds its way into stocks, shares, bonds and other financial instruments, vastly inflating their 'value' as expressed in market prices. Marx referred to this as 'fictitious' capital.

Economic recession and slump therefore involve the destruction of capital, whether tied up in the 'real' economy or taking the form of fictitious capital. The value of capital is driven down towards its true worth, as an expression of—and an entitlement to—real goods and services produced by labour.

During the slump, bigger and stronger firms weather the storm until it becomes profitable to produce once more, utilising cheaper labour, cheaper credit and cheaper means of production.

In a modern, complex and integrated capitalist economy, crises can also arise because of imbalances in supply and demand between key sectors, because of related price shocks to key inputs (e.g. oil or steel) or as the result of financial dealings such as the mugging of a currency or the collapse of a major bank or investment fund (which itself may reflect an underlying crisis of capital values). Deeper structural crises can develop when a whole industry, sector, region or nation goes into decline as the result of obsolescence, mismanagement, corruption, unfair competition or some other factor.

In all these events, capitalism squanders and periodically destroys society's productive forces.

This illustrates the most fundamental contradiction of the capitalist mode of production: the one between the forces of production—which are organised *socially* (i.e. within and across society as a whole)—and the relations of production, which are organised on the basis of *private* ownership and control.

The forces of production (i.e. the means of production, labour and technology) are drawn and combined together in a vast, complex process across the whole of society. But the relations of production, whereby one class owns the means of production and employs another class to work them, are based on the private and corporate property of a small minority.

For the big shareholders and directors, the purpose of production is to maximise profit and the wealth they derive from it. Production is not primarily carried out in order to meet people's needs, still less the needs of society as a whole.

Thus, for instance, houses are not built by private developers so that people can have homes. They are built only when a big enough profit can be made from selling houses. There could be a million people in need of a home—but unless they can pay a price which guarantees a profit (usually by taking out a mortgage to pay at

least five times the building cost of the house), those houses will not be supplied. Where capital can gain a higher rate of return elsewhere, for example in armaments production or banking or through the employment of child labour overseas, its owners will seek to invest it there instead.

Similarly, technology is developed and deployed primarily in the interests of capitalist profit. Where there is little or no profit to be made, for example in the development of medicines for afflictions linked to poverty, the technology will not be pursued or applied unless public money is forthcoming. In hugely profitable sectors, on other hand, such as hi-tech entertainment systems, technological innovation is pursued and proclaimed relentlessly in order to ensure speedy obsolescence. As a matter of top priority in promoting the interests of capital at home and abroad, the capitalist state will devote substantial funds to military research and development.

This contradiction between private economic property and the drive for profit on the one hand, and social production and priorities on the other, has many other anti-social and inhumane consequences. On a global scale, it is reflected in the fact that 1 billion of the Earth's 6 billion people are severely undernourished, more than 2 billion lack sanitation and safe water supplies and over 1 billion are illiterate or unemployed. Yet modern society's productive forces, if planned and owned and developed by society as a whole, could already more than satisfy the basic food, shelter, education and health needs of the world's entire population.

Capitalism's fundamental contradiction also gives rise to others which have the most profound implications for our planet. These contradictions have deepened and multiplied as capitalism has succumbed to the power of monopoly.

MONOPOLY AND IMPERIALISM The first stage of capitalism's existence was characterised by the advance of open markets, free competition and democratic ideas and freedoms, by the formation of national or multinational states, by industrialisation and urbanisation.

The second stage from the latter half of the 1800s saw the rise of big corporations and trusts which came to monopolise entire sectors of national economies. State power was used to help these monopolies win access to markets and raw materials in other countries, with the export of capital from the main imperialist centres becoming a significant feature. By the beginning of the 20th century, almost the whole world had been carved up into colonies or spheres of influence between the capitalist monopolies and their respective states. That's why Lenin called this second stage 'imperialism—the highest and final stage of capitalism'. It is also a stage when capitalism becomes markedly more parasitic and moribund, making huge profits from socially useless or dangerous activities

such as military production, financial and property dealing, advertising and debt enslavement.

As early as the *Manifesto of the Communist Party* (1848), Marx and Engels had described the executive of the modern state (i.e. the highest levels of government, the civil service, police, armed forces and other state agencies) as a 'committee for managing the common affairs of the whole bourgeoisie'. Imperialist wars—and in particular the two world wars of the 20th century—have multiplied and strengthened the bonds between big business and the state apparatus. Politically, the capitalist monopolies have come to exert enormous political influence in the advanced capitalist countries.

This has produced a qualitative change, whereby monopoly capitalism's economic power has effectively fused with the political power of the state. Lenin called this new development 'state-monopoly capitalism'.

Today, the state plays a significant role in regulating the economy to stimulate monopoly profit (for example through public-funded civil and military contracts, state subsidies and services for business, economic development programmes, state ownership of unprofitable but essential industries, funding for research and development, fiscal and trade policies etc.). Many domestic and foreign policies are designed—often with its direct participation—to serve the interests of monopoly capital, although the state also has to mediate between different sections of people including those within the capitalist class itself. The whole system is lubricated by the circulation of money, personnel and posts between big business and the state apparatus.

Economically, monopoly has greatly accelerated the accumulation of capital, thereby reinforcing the tendency of the rate of profit to fall while also developing the means to drive it ruthlessly back upwards. The information technology stage of the scientific and technological revolution, combined with the internationalisation of financial and money markets, has produced a kind of 'turbo-capitalism'.

The drive of the monopolies to dominate resources, markets and transportation routes on an international scale draws their respective states into conflict with one another. While the imperialist powers may share an interest in suppressing their own working class at home and jointly exploiting weaker nations around the world, inter-imperialist rivalry always lies beneath the surface of any expedient unity. It usually expresses itself in trading and diplomatic disputes. But when competition is sharpest the consequence can be war—often fought by proxy through other governments and movements, but occasionally breaking out between the monopoly capitalist powers themselves.

Because the major capitalist states have perpetually to be ready to suppress revolt at home and enforce their interests abroad, militarism and the drive to war

are essential features of imperialism.

Imperialism itself has passed through a number of distinct phases. The first was characterised by world wars between the major capitalist powers—some of which had turned to fascism—to re-divide the world. This phase, which lasted until the end of World War Two in 1945, also featured socialist revolution in Russia in 1917 and a slump across much of the capitalist world in the late 1920s and early 1930s.

The second phase, from the 1940s until the 1990s, saw the stabilisation and restructuring of imperialism in a world where the construction of an international socialist camp led by the Soviet Union helped to secure welfare states in the West and the destruction of colonialism. In that second phase, too, we witnessed the rise of the industrial and financial transnational corporations, based in the developed capitalist countries and coming to play a major role in production and in international finance, investment and trade.

Now a new, third phase of imperialism is emerging which will intensify all these contradictions of capitalism, including its uneven economic and political development—thereby widening still further the gap between rich and poor on a global level. Its advocates—and some of its critics—call it ‘globalisation’. Although presented as some mysterious and inevitable development, it is in fact a strategy driven by the world’s most powerful capitalist monopolies and their states. Its primary economic goal is the unhindered penetration of every part of the world by monopoly capital, thus requiring the free movement of capital, the deregulation of labour and the privatisation of almost all public sector industries and services.

New international institutions such as the World Trade Organisation have been added to existing ones, such as the International Monetary Fund and World Bank, in order to drive through the necessary policies on a global scale. It should not be forgotten, however, that these institutions are dominated by the US, the three major imperialist powers of the European Union (Germany, Britain and France) and Japan—and not by mysterious market forces or some anonymous international capitalist class.

Of course, this ‘new world order’ currently being imposed is not without its economic—let alone its profound political—contradictions. Since the collapse of the Soviet Union, especially, competition and conflict between rival capitalist monopolies and their respective states have come out into the open.

Moreover, the power and freedom of transnational corporations is causing growing problems in the developed capitalist countries as well as in the Third World. In Britain, for instance, the export of capital is severely eroding the country’s manufacturing base, while privatisation of essential services is proving to be grossly inefficient and—for working people at least—hugely expensive.

In fact, what we have here is a deepening contradiction between the economic,

social and democratic requirements of society in each country on the one side, and the processes of monopoly capitalist globalisation—driven by the major capitalist states—on the other. It is an antagonistic contradiction which can only be resolved in the realm of politics, through socialist revolution.

Discussion Questions

- 1. How do employers seek to (a) intensify and (b) disguise exploitation at work, and how can their efforts be challenged?**
- 2. Why and especially how does capitalism divide different categories of the working class—and how can this be countered?**
- 3. Suggest ways in which capitalism holds back the full development of modern society's productive forces.**
- 4. Why does monopoly lead to imperialism?**
- 5. Why is trade union militancy on wages, pensions and working conditions (a) vital and (b) not enough?**

Class 3: Political struggle and revolution

Lenin once described politics as ‘the most concentrated expression of economics’. What did he mean by this?

THE ECONOMIC BASIS OF CLASS STRUGGLE Firstly, that society rests ultimately upon its economic foundations. Ideas, institutions, laws, movements etc. make up the superstructure of society and tend to favour perpetuating the predominant mode of production.

However, this superstructure also reflects and embodies the contradictions which arise from the economic base. That is why there are trades unions, political parties, co-operative societies, publications and other organisations which represent—or at least claim to represent—the interests of labour against capital. It also explains why there is a continuous battle of ideas between progress and reaction, democracy and monopoly, left and right, between socialism and capitalism.

Developments in the superstructure can themselves have a significant impact on the economic base—for instance when ideas and campaigns lead to governments and laws which extend trade union rights or nationalise key sectors of the economy.

Secondly, Lenin was reminding us that the economic relations between society’s classes determine their real class interests in the final analysis. The immediate interests of most capitalists include the swift maximisation of profit. The most fundamental interest of the capitalist class is clear enough—the continuation of the capitalist mode of production. Conversely, the immediate interests of most workers usually include the maximisation of wages. The fundamental interest of the working class—which is not so clear to many workers—is for capitalism to be replaced by socialism. Only then can periodic crises and mass unemployment, poverty, insecurity, exploitation and alienation be abolished.

The class struggle between the capitalist class and the working class reveals itself most starkly in the workplace. Incidentally, Marx did not invent or even propose that this struggle take place. Rather, he explained why it did so. But what is, initially, a fight over wages, terms and conditions becomes extended of necessity across a company, an industry and even across society as a whole. This is the stage at which the working class is developing and expressing an economic or ‘trade union’ consciousness.

Labour and socialist organisations then formulate and fight for broader economic and social objectives, entering the realm of politics proper. The democratic rights of working people and their organisations also come onto the agenda. This growing political consciousness becomes revolutionary when it grasps the need to abolish capitalism altogether—and understands the necessity to do so by taking and using state political power. As Marx pointed out, 'theory [i.e. a system of ideas] also becomes a material force as soon as it has gripped the masses'.

WORKING CLASS STATE POWER Thus we arrive at the third implication of Lenin's earlier statement. The working class has to take political power, to concentrate it in its own hands in order to change society's economic relations. More specifically, the capitalist mode of production has to be replaced by a socialist one which can in turn prepare the conditions for transition to the higher stage of communism.

For Marx and Engels, too, the transfer of political power from one class to another is the defining essence of 'revolution'. It can take place in different ways, requiring different strategies or tactics at different stages in differing conditions. In a developed capitalist country, the period leading up to or during such a transfer would most likely witness mass demonstrations and strikes at the very least. Electoral and parliamentary politics would also be likely to feature prominently in one or more stages of the process. In more adverse conditions, military insurrection or guerrilla war may be the main or only available avenue of struggle. Clearly, the type and degree of resistance of the ruling class to revolutionary change would be a major factor in determining the character and course of the struggle itself.

In class-divided societies, the exploiting class ultimately relies on force and the threat of force to sustain its rule. For Lenin as for Marx, therefore, despite any democratic rights won by people under capitalism—such as the rights to demonstrate, speak freely and to vote—bourgeois democracy actually conceals the dictatorship of capital. By proclaiming the equality of citizens before the law and at the ballot box, it seeks to deny or downplay the enormous distorting effects of economic power and wealth in every sphere of capitalist society, not least in the ideological and political struggle. Hence Lenin's reference to the 'democracy of the moneybags'.

This is not to underestimate the importance of fighting for and defending democratic rights, which enable exploited and oppressed people to organise to improve their conditions, and which allow socialists and Communists to fight more extensively for political change.

But Marx and Lenin also insisted that the dictatorship of the capitalist class would have to be replaced by what they called the 'dictatorship of the proletariat'. By 'dictatorship' they meant the reality—under socialism as under capitalism—of rule based ultimately on force, however much that force may be regulated by laws and constitutions.

Developments in the 20th century—not least the experience of fascism—have given the word 'dictatorship' a wholly negative meaning quite different from the scientific use of the term by Marx and Lenin. Rather than representing the negation of democracy, the dictatorship of the proletariat was intended to transform it, to raise it to a higher level, to negate its negation by monopoly capitalism. How? By reconstructing the apparatus of the state so that the vast majority of the people—the working class and its allies—exercise political power.

Thus Marx pointed to Paris Commune of 1871, where all officials were elected by and instantly accountable to the masses, earning no more than the average worker, as a working class state in embryo—which is why the reactionary French government joined forces with the invading Prussian army to massacre the communards. The Soviet Union, too, was built initially as a working people's democracy based on elected councils—or 'soviets' in Russian—of workers, peasants and soldiers delegates. That system was subsequently eroded and distorted by civil war, capitalist blockade and foreign invasion into the bureaucratic command system built during the Stalin period.

All these are reasons why Communists in Britain and elsewhere no longer use a formulation—'dictatorship of the proletariat'—which conveys the opposite meaning to the one intended. Rather, formulations such as 'working class state power' are used, which express the same thing in essence. That essence is profoundly democratic, including the necessity for the socialist state—in the interests of the vast majority—to be able to enact its policies and defend itself.

SOCIALISM AND COMMUNISM The aim after taking state power is to build a socialist society, which Marx categorised as the first or lower phase of the communist mode of production.

Progressively, production would be planned on the basis of social (which can include state, municipal and co-operative) ownership of large enterprises and key sectors. Increasingly, people's real and social needs would be met as society's forces of production are developed more fully. Social inequalities would be reduced drastically although, in accordance with the slogan 'from each according to their ability, to each according to their contribution', differentials would continue to reward effort, skill and social usefulness. All forms of oppression on grounds of gender, race, nationality, sexuality, age etc. would be challenged and

eliminated.

While the socialist state would defend itself against internal and external counter-revolution, its foreign policy would be based on principles of social justice, solidarity and peaceful co-existence.

The higher phase of communism would witness the transition to a classless society based on fulfilling and creative labour, full equality and co-operation. The state apparatus would for most purposes wither away—especially those parts of it previously required to suppress one class by another. Because now, as Marx anticipated, 'all the common springs of wealth flow more abundantly', people's material needs could be met in full. Society's slogan is now 'from each according to their ability, to each according to their needs'. For the first time in history, truly free human beings could realise their potential in a society which was fully human.

In the 20th century, the Soviet Union and socialist states of eastern Europe made enormous and historic efforts to build socialist societies. They abolished unemployment and the extremes of poverty and wealth on the basis of public ownership and economic planning. Between 1950 and 1975, their share of world industrial production rose from less than 20 per cent to more than 40 per cent with growth rates five times those in the developed capitalist countries. For the first time in the countries of the Soviet Union and eastern Europe, free health and education systems were established and cultural activities promoted on a massive scale. Discrimination against women, Jews and other nationalities was substantially reduced if not abolished.

Not least, the Soviet Union saved the world's peoples from capitalist fascism and, together with its allies, supported national liberation struggles against imperialism across the globe.

All this was achieved despite the political, economic and military forces of counter-revolution, including the Cold War launched by the US and British ruling classes.

At the same time, these objective conditions led to ruling Communist parties and regimes making serious mistakes. In particular, they excluded the mass of people from economic and political decision-making, violated socialist legality on a substantial scale and came to treat Marxism as a frozen, rigid dogma. Yet Marx himself emphasised to the International Working Men's Association that the emancipation of the working class must be an act of the working class itself.

From the experiences of past and present socialist societies such as Cuba and China, both positive and negative, the left can learn lessons for future attempts at constructing socialism.

THREE CONDITIONS FOR REVOLUTION When and how can

revolutions be successful and so open the road to socialism in Britain and other countries? Lenin suggested three sets of conditions which determine whether a revolutionary situation exists and its potential can be realised.

The first is that the ruling class—in Britain's case the monopoly capitalists and their senior political and state officials—is no longer able to rule in the old way. Secondly, the working class is no longer prepared to be ruled in the old way. Thirdly, the working class has the revolutionary organisation, strategy and leadership required to secure revolutionary change.

Where one or more of these conditions does not exist, there is no realistic prospect of a successful outcome. Even where they do, the outcome is not always certain: a new settlement may be found whereby the old ruling class rules in a new way. Sometimes, the balance of forces can shift in the course of struggle against those who want fundamental change, for reasons which could not have been anticipated and accommodated in terms of revolutionary organisation or strategy.

Making the wrong assessment of objective conditions, having inadequate organisation in one major respect or another, pursuing an inappropriate strategy—any or all of these can lead to demoralisation and defeat (although Marx and Lenin both recognised that sometimes a doomed fight is better than no fight at all—as was the case with the heroic Paris Commune). On the other hand, for similar reasons, revolutionary opportunities can be missed.

Let's take Lenin's three sets of conditions in turn.

Firstly, when is the ruling class unable to continue ruling in the old way?

Answer—when their system is in deep crisis.

This must be more than the cyclical economic and periodic political crises which are intrinsic to capitalism. Such crises may require a change of government, but they rarely confront the ruling class with the necessity of finding a substantially new way to exercise political power.

Nevertheless, crises of this kind may present opportunities to make inroads into capitalist wealth and power, to tilt the balance of forces and so create more favourable conditions for further advance. Less frequently, they may actually represent a tipping point, signifying that the conditions for revolutionary change are ripening. Revolutionaries must therefore adopt a serious, scientific approach to the study of capitalist crisis.

For instance, the dialectical relationships within and between society's superstructure and its base indicate that economic crises are usually connected to crisis in other spheres of society. There may be a significant social crisis, for example, expressed in terms of social degeneration and conflict. Politically, governments can collapse as the consequence of incompetence, division or corruption, sometimes reflecting conflicting interests within the ruling class itself.

Ideologically, alternative ideas and values to those peddled by capitalist 'commodity culture' may be gaining in appeal, including those of socialism and communism (although they may not be fully understood as such). Progressive and socialist movements and organisations may be making ground in terms of their influence and capacity.

The second of Lenin's conditions is that the working class is in revolt. Why the working class? Because capitalism's dependence on labour power is absolute, because the proletariat's economic role has compelled it to think, fight and organise collectively, and because it has the most to gain—its own liberation—from socialist revolution. But it does not follow automatically that a dramatic worsening of people's conditions will produce revolt, or at least not necessarily one in favour of socialism. On the contrary, elements of the working and middle classes can—in desperate circumstances—turn instead to extreme nationalism, racism, anti-Semitism (which Engels described as 'the socialism of fools'), fascism or religious fundamentalism.

What is required is a sense of revolt inspired by a growing revolutionary consciousness rather than any false consciousness. An understanding of the need for fundamental change can develop rapidly, when capitalism so clearly fails to realise the potential of society's productive forces. But this does not mean that a slide into utter destitution or dictatorship will increase the potential for revolution. On the contrary, mass unemployment and the curtailment of democratic rights are typical ways in which the capitalist ruling class seeks to resolve crises in its favour and break working class organisation.

The growing strength of the labour movement, successful fights for better wages and conditions, campaigns which increase the social wage (i.e. state pensions, benefits and public services), mass movements which prevent imperialist wars and the withdrawal of civil liberties—these are what cause political crisis for those who have the wealth and power in capitalist society, creating divisions within the ruling class about how to respond. When these battles grow, multiply and combine into a movement for revolutionary change, quantity is transformed into quality. Resistance turns into revolution.

Yet such a movement is unlikely to arise spontaneously, nor will it succeed in taking political power without the third of Lenin's conditions for victory—organisation, strategy and leadership. These will be essential to fight effectively on the economic and political fronts.

Revolutionary organisation will be strong to the degree that it can assist in the day-to-day, bread-and-butter battles that workers and their families have to fight, while also showing that any gains made will constantly have to be defended and extended. It should seek to draw upon the experience and commitment of masses of people. It needs to be able to mobilise on every front.

But as Engels reminded the German and French socialists, revolutionary organisation and leadership also have the responsibility to wage the class struggle on the ideological front, challenging the ideas and values of monopoly capitalism. This is even more important today, when the monopoly-controlled mass media control so much of the flow of information, shaping popular ideas and perceptions about class, race, gender and nationality, dictating the political agenda and producing a celebrity-obsessed 'mass culture' which does nothing to inform, educate or support the struggles of working people and their families.

In particular, the labour movement must expose and reject all attempts by the mass media, employers and right-wing governments to divide workers along national, racial or religious lines. Only by championing women's equality in every sphere of society can the labour movement help build and lead a genuinely mass movement against capitalist exploitation and all forms of oppression. Only by rejecting all manifestations of racism can the working class maintain unity and clarity of vision instead of succumbing to the most virulent draughts of poison. Only by adopting the most consistently democratic stance in favour of the right of nations to self-determination, against all kinds of national privilege and inequality, can the labour movement offer a credible alternative to nationalist ideology and divisions within the working class.

In an advanced and complex society, revolutionary organisation is unlikely to be embodied in a single political party. It will be spread across a wide range of bodies and movements. Yet the extent to which the most active, committed, knowledgeable and influential revolutionaries can organise together within a united Marxist party is the extent to which the revolutionary process can be given strategy and leadership.

Communist and workers parties bring together people who are developing a Marxist understanding of capitalism and the need to replace it. These parties draw their membership primarily from the ranks of working people, but also welcome members from a wide range of social positions who agree with the aims and principles of the party. Such parties also seek to develop strategies for revolution suited to their own national and international conditions.

PRINCIPLES OF REVOLUTIONARY STRATEGY The science of revolution demands that any such strategy is concrete, practical and realistic. Dialectical in its understanding, it should identify the forces, means and objectives of the revolution at each of its distinct but inter-connected stages. There can be no room in such a programme for exaggerated sentiment, empty optimism or heroic posturing. Commitment to principle must be combined with tactical flexibility, recognising that the course and features of the revolutionary process

will be affected by events and by the forces which seek to advance and retard it.

One fundamental issue to be clarified is the relationship between the national and international dimensions of socialist revolution.

The ongoing internationalisation of capital has led some on the left to question the viability of 'national' roads to socialism. This echoes the claims of capitalist politicians and intellectuals that little or nothing can be done to plan or regulate the economy at national level, or to take decisive action on such important matters as climate change.

Conveniently for monopoly capital, these arguments would free big business from the constraints that could be imposed on it at the level of the national (or in Britain's case multinational) state—the level at which the forces of the left and the trade union movement are at their most organised and cohesive, the level at which working people and their families can win a democratic mandate and elect a government, the only level at which state power could be brought to bear decisively on the interests of monopoly capital. It is no accident that the monopoly-dominated European Union is seeking to prevent the exertion of popular sovereignty over monopoly capital at the national level, transferring powers of economic and financial intervention to the EU Commission and European Central Bank.

At the same time, Britain's capitalist monopolies still concentrate their political influence and power at the level of the national state. The British state apparatus still acts as a powerful force for the interests of British monopoly capital, for British imperialism. Why should it have no potential to be transformed into a powerful instrument for the interests of the working class and peoples of Britain, provided EU institutions, treaties and policies are confronted?

The international balance of forces between capital and labour can be a significant factor to take into account when devising national policies and strategies—as can the divisions between different capitalist states at the international level. International solidarity between working class and progressive forces, and between governments which represent their interests, is always desirable and sometimes essential and decisive.

But none of this can replace—indeed it presupposes—the need for the labour movement and its allies to take political power at the national level. As Marx and Engels put it in the *Communist Manifesto*, the working class must 'constitute itself as the nation' and 'win the battle of democracy'.

While each country must find its own path to socialism, nonetheless there are conditions common to most if not all advanced, complex and diverse capitalist societies which determine some principles of revolutionary strategy.

For instance, the organised working class movement has to be the leading force in the fight for revolutionary change, because its position in capitalist society

provides it with an unequalled capacity and motivation to abolish the capitalist mode of production.

Different aspects of state-monopoly capitalism also create the potential to unite a wide range of forces within and beyond the working class for far-reaching change.

For example, in its rapacious drive for profit, the monopoly capitalist class has increasingly polarised society with itself at the top and the working class below. This—related as it is to widespread changes in the nature of work—has 'proletarianised' many professional, technical and administrative workers. They are a source of valuable new recruits for the labour movement. Other sections of the population—small business people, farmers, the self-employed, managers—comprise 'intermediate strata' who have to work for a living, are not big capitalists, but come under intense pressure from monopoly banks, suppliers and contractors, or from top state or corporate directors. They, too, can be won for democratic and anti-monopoly policies.

The organised working class movement should wage the staunchest and most consistent fight against all forms of oppression, thereby promoting unity within and beyond its own ranks between men and women, black and white, straight and gay, young and old, developing the movement's own political consciousness and enabling it to lead a democratic alliance against state-monopoly capitalism.

The fight for economic, social and democratic reforms is essential in order to begin making inroads into the economic and political power of monopoly capital. These create more favourable conditions for decisive confrontations with the ruling class which are still to come. But a strategy of winning reforms in order to change capitalism gradually into socialism—'reformism'—is doomed to fail. It ducks the challenge of devising a strategy to take and hold state power. Anyway, reforms themselves are usually precarious, partial and likely to be revoked by the monopoly capitalists and their state when the balance of forces permits. Revolutionary strategy, therefore, needs to show why and how the struggle for reforms should be extended and transformed into a struggle for real political power.

During and immediately after the transfer of state power, the working class and its allies will also have to restructure the machinery of rule to enable the fullest direct participation of the mass of people in the revolutionary process. This will involve abolishing some parts of the old state apparatus, reforming others and incorporating new bodies which may have arisen in the course of struggle.

The Communist Manifesto proposed, in the conditions of its time, a programme of measures to massively expand society's productive forces and make deep inroads into the economic power of the capitalist class, including: state nationalisation of the land, banking and transport services; a heavily progressive

income tax aimed at the rich; the abolition of inheritance rights; an equal obligation upon all to work; and planned improvement and cultivation of the soil and wastelands. Such a programme would, Marx and Engels believed, prepare the way for revolutionising society's mode of production

In Britain today, such an alternative economic and political strategy would involve extensive measures of democratic public ownership in key areas of the economy, controls on the export of capital, measures to promote productive industry and public services, a major redistribution of wealth through progressive taxation and increased state pensions and benefits, massive investment in social housing and public transport and renewable energy, parliaments for Wales and Scotland and a legislative chamber for England in a federal Britain, more powers and resources for local government, an expansion of civil liberties including repeal of the anti-union laws and of all racist and sexist legislation, abolition of the House of Lords and the monarchy, democratisation of the intelligence services and an independent non-nuclear defence policy.

THE GENERAL CRISIS OF CAPITALISM What, then, are the prospects for socialist revolution in the early 21st century?

In the century just gone, the international Communist movement identified what it called the 'general crisis' of capitalism. This denoted the breakdown of the capitalist mode of production in all the main spheres of society.

Globally, imperialism faced the rise of the socialist system led by the Soviet Union which hugely strengthened the left-wing and working class movements, changing the balance of forces within countries and internationally. The imperialist system of direct colonial rule had collapsed and numerous countries were striving to liberate themselves from over-dependence on private, mostly Western capital. Economically, monopoly had intensified its grip on every major branch of production, distribution and exchange and aggravated the tendency towards economic and financial crisis. Socially, capitalism was unable or unwilling to put an end to a wide range of oppressions relating to gender, race, sexuality, age and nationality. Capitalist society was losing its optimism and cohesion, with many people experiencing psychological problems—often arising from stress—and ever larger sections of the population demonstrating their disaffection through self-destructive, anti-social or escapist behaviour. Politics was becoming increasingly corrupted by big business as the ideological apparatus of state-monopoly capitalism—notably the mass media—abandoned earlier bourgeois notions of inquiry, integrity and improvement in favour of vulgar populism, cynicism, defeatism, consumerism and anti-socialism (often expressed in the form of anti-Communism).

The collapse of the socialist systems in the Soviet Union and eastern Europe temporarily suppressed the main political characteristic of capitalism's general crisis. Yet, after the briefest lull and much empty rhetoric about the 'peace dividend' and a 'new world order' free from poverty and oppression, all the characteristics of the general crisis have returned to the fore, more pronounced and seemingly intractable than before.

The sharpening conflict between the capitalist monopolies and their respective states and blocs of states, including in their efforts to control energy supplies and exploit the former socialist countries of eastern Europe and the Soviet Union, has unleashed a new wave of authoritarianism, racism and war

The world-wide scramble for monopoly profit is depleting the Earth's non-renewable energy resources without regard for the immediate environmental or longer term ecological consequences. Vital research, development and exploitation of renewable and less harmful energy sources are neglected because bigger profits can be made by the capitalist monopolies elsewhere, dictating the priorities of capitalist states accordingly. A system based on the ruthless exploitation of all physical resources, driven by the accumulation of capital and the maximisation of profit, will never be able to solve the problems of global warming and energy depletion which confront our planet and its people. Public ownership and planning of energy resources and transport systems is the minimum required at national level to lay the basis for a solution. International levels of co-operation, agreement and planning between states will also be essential.

Economically, the initiative in world development is passing to China and India. Politically, too, imperialist power now faces a renewed challenge from developing countries and mass popular movements determined to withstand US aggression and throw off the shackles of neo-colonialism. Countries such as China, Brazil and South Africa are not prepared to accept US and European Union diktat while, in Latin America, Cuba and Venezuela have taken the lead in forging a continental left-wing alternative to dollar imperialism.

Around the world, the anti-war, anti-globalisation and environmental movements have joined resurgent Communist parties and trades unions to constitute an emerging new 'superpower', opposed to US imperialism and capitalist globalisation.

State-monopoly capitalism shows no sign of being able to eliminate the severe, deep-rooted, structural problems which belie its claims to be a humane, civilised system. Only by transcending the capitalist mode of production can we secure the future of the Earth and its peoples. The need for the working class to emancipate itself and the whole of humanity becomes ever more urgent.

How can this be achieved? The study and application of Marxism helps provide the answers to these questions. As a creative, developing body of ideas, constantly

being enriched by lessons from real life, it retains its unique power as the force for human liberation in the 21st century.

Discussion Questions

- 1. Why do you think it is possible for a working class to combine a high level of trade union consciousness with a much lower level of revolutionary consciousness?**
- 2. Marx told the German Workers' Party in 1875 that the political class struggle is 'national' in form (i.e. for the working class 'its own country is the immediate arena for its struggle') but 'international' in substance. What do you think he meant and how would this apply today?**
- 3. What can be done to transform trade union consciousness into revolutionary political consciousness?**
- 4. Which forces are potential allies of the working class today—and what are the opportunities and hazards presented by such alliances?**
- 5. What should be the strategic priorities for the political work of socialists and communists in Britain?**

Reading Lists

Introductory and general reading

- VI Lenin, 'Karl Marx: A Brief Biographical Sketch with an Exposition of Marxism' (1914), *Collected Works* Vol.21, and 'The Three Sources and Three Component Parts of Marxism' (1913), *Collected Works* Vol.19 (both available from the Communist Party's *Classics of Communism* range as, *On Karl Marx and Marxism*, 2007)
- K Marx & F. Engels, *Manifesto of the Communist Party* (1848), *Collected Works* Vol.6 (also available from the as part of the Communist Party's *Classics of Communism* range, 2006)
- F Engels, 'Principles of Communism' (1847), *Collected Works* Vol.6
- David McLellan, *The Thought of Karl Marx* (Papermac, 1980)
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- Mary Davis, *Women and Class* (Communist Party, 1999)

The Marxist World Outlook

- K Marx, 'Contribution to the Critique of Hegel's Philosophy of Law. Introduction' (1844), *Collected Works* Vol.3
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- K Marx, 'Value, Price and Profit' (1865), *Collected Works* Vol.20 (available from the Communist Party's *Classics of Communism* range as *Wages, Price and Profit*, 2006)
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- John Kelly, *Rethinking Industrial Relations: Mobilization, Collectivism and Long Waves* (Routledge, 1998)

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- VI Lenin, *Left-Wing Communism—An Infantile Disorder* (1920), *Collected Works* Vol.31
- VI Lenin, 'The Discussion on Self-Determination Summed Up' (1916), *Collected Works* Vol.22
- VI Lenin, 'A Caricature of Marxism and Imperialist Economism' (1916), *Collected Works* Vol.23
- Communist Party, *Britain's Road to Socialism* (Communist Party, 2007)
- John Foster, *Whose Nation?—Democracy and the National Question in Britain* (Communist Party, 2007)

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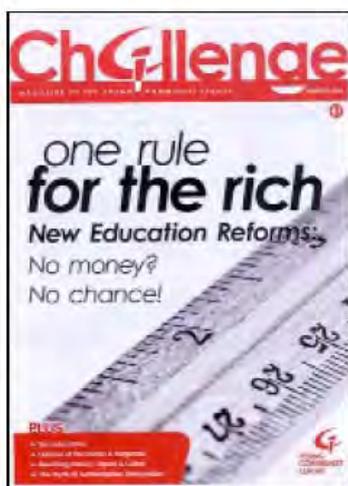
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