

was, rather than how 'passive' or 'inactive' the Russian working class was in this period. Yet the fact remains that for the majority political action was impossible and so opposition took on less open forms—high labour turnover, damage to machinery, low productivity etc. For others alienation itself in escape through alcoholism.

This picture has changed in many ways since the height of the Stalinist period but the legacy still remains. The working class has now become more stable socially. Most workers are now part of an hereditary proletariat with a growing tradition behind them. Rates of social mobility have declined and are now much as in the West. At the same time the degree of constant repression has had to be lessened, if only on the grounds of its economic inefficiency.

But the situation for the Russian worker is still very different from his western counterpart. His standard of living, his work conditions are much worse and above all he cannot have a political life to challenge the situation in any radical way. Trade unions can only defend the worker individually via the legal system (since conflict between the worker and society cannot exist, all such conflict is treated as a problem of inappropriate or wrongly applied laws)—there is no collective bargaining, no right to strike, no institutional expression of working class power.

Given this state of affairs many still express their hostility through alcoholism and drunkenness, a major problem for Russian industry. If opposition does become open then political repression awaits the worker, not in international show trials, reserved for intellectuals, but quietly, more efficiently by long prison sentences and even the simple disappearance.²⁷

But the Russian working class is stronger than it has ever been since the 1920s and its potential for overturning state capitalism is growing. At the moment such a move is unlikely given the lack of opportunity for open discussion and political activity but should a stimulus come from outside, from revolutionaries in the West or revolt in Eastern Europe, then the very heartland of state capitalism could also be open for change.

Yet equally, stability is not assured in Russia. Over the past two decades living standards have slowly risen but not in line with the promises of the leadership. The economic crisis puts a continual rise in jeopardy. Nor is it sufficient just to push up wages. Consumer goods must be available to be purchased and they must be of a sufficient quality to be worth having. This is why the next five year plan is putting a major emphasis on 'quality'. Whether it will succeed is another matter.

At the same time the need to increase labour productivity is putting more pressure on the work situation, with constant calls for more efficiency and output. The summer of 1975 saw the 40th anniversary of the Stakhanovite Movement celebrated in a blaze of publicity and encouragement of further 'socialist emulation':

*'Emulation in all stages of the building of socialism and communism was and remains a powerful means of developing the initiative of the masses, the forming of socialist collectivism.'*²⁸

There is a premium upon successful schemes to increase productivity generally and this emphasis can be expected to continue.

Such a situation then is bound to begin to test the hegemony of the Russian ruling class.

Whether it goes further will to a large extent depend upon aid from socialists in the West and particularly the example of practical successes.

1. Final plan document. *Pravda*, 14/2/1971. For a detailed breakdown of the targets see the appendix to R Clarke, *Soviet Economic Facts*, 1972.
2. *Pravda*, 14/12/1975.
3. B Pichugin, 'East-West: Economic Cooperation', *International Affairs*, 1975, August, p 58.
4. C Harman, 'The Stalinist States', *International Socialism*, 1970, no 42, Feb/March.
5. H S Levine, 'An American View of Economic Relations with the USSR', *The Annals of the American Academy of Political Science*, 1974, p. 4
6. Western accounts often give unwarranted importance to this cause. In fact if the period of fast growth 1950-58 is compared with one of slow growth 1958-67 then the rates of growth of capital and labour are similar. But it is assuming more importance. A Bergson 'Towards a New Growth Model', *Problems of Communism*, 1973, March/April, p2/3
7. *Narodnoe Khoziastvo v 1973*, 1974, p56
8. H S Levine, *op cit* p 4
9. Quoted by Z M Fallenbuchl, 'Comecon Integration', *Problems of Communism*, 1973, March/April, p 28
10. A Bergson, *op cit*.
11. For a general theoretical statement of P Binns, 'The Theory of State Capitalism' *International Socialism*, 1975, January, no 74, and for an account of the degeneration in the 1920s, C Harman, *How the Revolution Was Lost*.
12. Quoted in the *Financial Times*, 16/12/75, p 30.
13. *Narodnoe Khoziastvo SSSR, 1922-1972*, 1972, p 130; CMEA, *Statistical Ezhegodnik*, 1974, 1974, p 71. Due to the way Soviet statistics are drawn up the 'means of production' figure does include some consumer goods eg cars.
14. *Pravda*, 5/12/75.
15. M Lewin, *Political Undercurrents in Soviet Economic Debates*, 1975, is the best account of this relationship.
16. *Narodnoe Khoziastvo SSSR v 1973*, 1974, p 342-343.
17. *Current Digest of the Soviet Press*, 1975, vol XXVII, no 39
18. *Current Digest of the Soviet Press*, 1975, vol XXVII, no 29.
19. *Current Digest of the Soviet Press*, 1975, vol XXVII, no 30; *Guardian Weekly*, 16/11/75.
20. G Gudkova and B Moskin, 'The Development of Motor Roads in the USSR', *Soviet Geography*, 1974, vol XV, p 573
21. There is a good discussion of these problems in *The Technology Balance*, Hearing before the US House Subcommittee on International Cooperation in Science and Space, December 4-6, 1974. The contribution by H Levine is particularly valuable in cutting away many of the right wing arguments about the economic problems of detente.
22. The underground journal *Chronicle of Current Events* only included one account of working class activity in the whole of its period of existence and this was the main organ of the intellectual dissident.
23. M Cox, 'The Politics of the Dissenting

Intellectual', *Critique*, 1975, no 5, is a useful analysis of this.

24. See C Harman, *Bureaucracy and Revolution in Eastern Europe*, 1974, on how this developed in Eastern Europe.

25. Amnesty International, *Prisoners of Conscience in the USSR*, 1975; A Nove, *Stalinism and After*, 1975, p 161.

26 D Lane, *The End of Inequality?*, 1971, p 25

27. For the best account of how protest and strikes are dealt with see M Holubenko, 'The Soviet Working Class: Discontent and Oppression', *Critique*, 1975, no 4

28. *Ekonomicheskaya Gazeta*, August 1975, no 35, p 10

IS # 88
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Glenn Wolfe Third note on the USA

In IS 85 we published an article by Nigel Harris under the title of 'Two Notes on a visit to the USA'. Here we print a critical comment by Glenn Wolfe, the National Secretary of the IS (USA).

Any description of the potential for socialist agitation in the USA today must begin with an understanding of the gigantic impact of the world capitalist crisis of the American working class. After decades of stability and growth and without the sort of warning of things to come that British workers experienced through the 'stop-go' sixties, the US economy was plunged last year into a depression of almost 1930s proportions. By early 1975 official unemployment figures accounted for one worker in every eight, real wages had been cut by over 10 per cent in three years and inflation, while beginning to ease off, was still in double figures.

It was this situation which produced the New York City crisis which was expertly analysed in Harris's article. But in the same way as you cannot judge the impact of the British crisis from what you observe in the Inner London Boroughs, it is also impossible to get a balanced picture of the American crisis from an examination of the borough of Manhattan. For the same general crisis which crippled New York also put half a million auto workers out on the street for nearly a year. It brought a massive increase in speed-up and harassment for the truck-drivers who are the militant core of the two million-strong International Brotherhood of Teamsters. It produced a two-month unofficial strike of almost half of the country's coal miners. In short the impact on the organised working class and service industries, and particularly on black, latin and women workers was gigantic. And even now, in the midst of the shallow, election-year recovery, the working class is facing a ruling class offensive the like of which has not been felt in generations.

Let it be absolutely clear, it is amongst the most powerful and best organised industrial workers, not as Harris advises, the fragmented and isolated municipal workers, that a serious revolutionary organisation must build. For Harris is right about one thing. The American left suffers from 'a bitter heritage of isolation and irrelevance'. It is a heritage which must be destroyed and destroyed quickly.

The only organisation that has any record in breaking down this isolation and irrelevance by constructing a workers organisation based on actual leadership of a growing rank and file movement is the IS (USA). We got where we are because we had a conscious and successful strategy for using our limited resources in a consistent way at the points where revolutionary politics could have the greatest effect on the working class as a whole, in auto, steel, mines, communications and transport.

But in discussing the New York situation Harris tells us that '... at particular moments, a handful of dedicated city workers would have created the rank and file leadership capable of precipitating a general strike ...'. Now even if this impression were correct it would still mean that the IS (USA) in trying to organise its work around this formula would be forced to flit from issue to issue, and from place to place, thus having no impact on the real struggle and essentially just collectively hoping that a 'particular moment' might soon arise. The truth is that such a strategy would have condemned us to the twilight world of the middle-class sect and left the IS (GB) with no serious collaborators in the most powerful capitalist country in the world.

We do not deny that revolutionaries must be involved in all workers struggles, we certainly did not ignore the New York city crisis. But to state that the crisis 'ought to be a top priority for any group and mass workers party' and to castigate the 'left' for not 'precipitating a general strike' is akin to not only blaming the IS (GB) at a similar period in its development, for the defeat of the 1971 postal workers strike but also suggesting that the strike was a struggle of greater importance and more impact than the 1974 miners strike which smashed the wage freeze and defeated the government.

Harris argues that in America 'no one is prepared to gamble. Yet audacity is a precondition for a rank and file movement'. He is wrong, the IS (USA) is prepared to gamble. He is right, audacity is vital.

On 1 April the Master Freight Agreement covering 400,000 drivers and warehouse workers expired. This is the first, key-note contract in a round of employer/union bargaining which will set the wages and conditions for millions of workers up to 1979. The union side in these negotiations is the largest, and possibly the most corrupt, union in the world, the teamsters. Last summer, with a handful of members and sympathisers representing almost insignificant forces in only half a dozen union branches, the IS took the lead in setting up an organisation called Teamsters for a Decent Contract (TDC) as a rank and file vehicle for organising a serious struggle on the contract. With a month still to go to the contract, and with IS members still very prominent, the TDC has chapters in almost 50 cities, it is a force in hundreds of union branches, and it has a weekly paper with a circulation of over 30,000. Despite a level of physical intimidation and political persecution that is totally unknown in countries like Britain, the TDC is beginning to put together the sort of workplace organisation that could

stop the wheels of American industry turning. It has also already done the groundwork to contest the other major teamster contracts and will continue after those struggles as an ongoing rank and file movement with a broader political programme aimed at re-taking the union for the members.

This has been largely an IS initiative, it is audacious and only a fool would think it is not a tremendous gamble for an organisation our size. For again Harris is right, so far there is no revolutionary organisation of 'national significance'. The strides we have made in size, worker membership, and with our newspaper do not yet amount to a significant breakthrough. But with the teamster contract we are now creating the possibility of that breakthrough. With similar work already starting around the Autumn auto contract we are also taking another step to turn that possibility into a certainty. For one thing is clear. The potential for the creation of a workers revolutionary party in the USA hasn't been this great since the thirties.

As Harris pointed out, such a party will rely heavily on the vanguard role of black workers in the struggle. It will be a multi-racial party with a large proportion of black members and a heavy emphasis on the struggle for black liberation. And it is no accident that in making a turn to become a real force in the working class, the IS (USA) has begun to recruit significant numbers of black workers for the first time in its history.

As the struggle intensifies, this trend will deepen. The strong anti-racist emphasis of IS work, which has been recently demonstrated in the busing struggles in Louisville and Detroit, will further contribute to the eventual creation of a multi-racial workers party in the USA. But no one should believe that there are any short-cuts to such a development. Racism in America has a depth and intensity which is qualitatively greater than anything which exists in Britain and which has real and damaging consequences even inside the revolutionary movement itself. Harris's vague reference to the great potential of ex-Panthers and un-named 'small black socialist groups' can only be misleading and tend to develop an incorrect impression that there are easy gains to be made by revolutionaries with the correct orientation. Unfortunately, any continuation in the plants of the black movement of the sixties is very much the exception rather than the rule and certainly cannot provide the basis for a strategy to build a viable workers party.

In conclusion it must be said that the fact that this article, with all its differences with the Harris US notes, can none the less appear in the IS Journal, is symptomatic of an important development in the world revolutionary movement. On the initiative of IS (GB) we are developing an international tendency which will have a growing impact on workers struggles in many of the major countries of the world. The IS Journal is no longer solely the property of British workers. It is becoming a weapon to be used by us all. We still have a lot to learn about building and running an international movement. For some years to come, much of the burden of providing leadership and resources for this work will fall on the IS (GB). Certainly the IS (USA) has learnt a vast amount from its British comrades and we feel no shame in admitting that we will continue for many years to lean heavily on the political and practical support that the IS (GB) provides. Thankfully we are now learning lessons from the Revolutionary Party of the Proletariat (PRP) in Portugal, as well as lessons

we could not have learnt from Britain, for our British comrades do not operate in the heat of a revolution.

It is also the case that not everything that is correct for Britain and Portugal is correct for the USA. For example unlike the PRP we are not part of a working class which has a high level of consciousness and considerable revolutionary sentiment. Unlike the IS (GB) we are not part of a working class with a strong tradition of social democracy and Stalinism which creates certain advantages for revolutionaries but which can also block the development of class struggle at key points. The American working class has its own traditions, it is historically extremely volatile, it is already armed to an amazing degree, it is riddled with racism and anti-communism. The strategy of the IS (USA), while based on the same principles of International Bolshevism as the IS (GB), while based on many of the same theories that were developed by our British comrades, cannot be a pale and inappropriate reflection of the British strategy. Nor can our Canadian, Irish, Portuguese, or indeed any other international comrades, be forced into every nook and cranny of the British mould.

However it is clear, that whatever minor mistakes are being made by the British IS in carrying out its responsibilities as the leader of our international tendency, they recede to insignificance when compared to the achievements. The constant readiness of the IS (GB) to assist its fraternal organisations, its willingness to openly debate the differences which arise, the overwhelmingly positive effects of its advice on its international collaborators. All these factors demonstrate that the IS (GB) will be as successful in its international work as it has been at home. From its present position as the leader of a single international tendency it is proving itself ready, able and worthy to play a vanguard role in the creation of a new international revolutionary movement.

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Nigel Harris

Two notes on a visit to the United States

ONE

OLD Mrs Jackson has given up the two miles walk to the welfare clinic. She used to go on the subway, but now it is too expensive. Then, despite her sixty seven years, she walked. But now she says that there are so few staff at the clinic she does not get a hearing anyway, and it is too cold and slippery to walk.

There are thousands of others in New York who are similarly learning to live with the slow destruction of the minimum conditions of city life. The city officials, caught between the voters and the city's creditors, plaintively urge 'self-reliance'; the city dustmen's chief recommends householders to sweep the gutters themselves, 'out of a sense of civic responsibility'.

New York has been the heart of American capitalism for more than 150 years. But now the heart has gone somewhere else, and in the general crisis of profitability in the whole system, New York has become victim instead of victor.

A series of processes have combined to destroy the financial basis of the city. Three of the most important are detailed below.

1. The flight of industry

FOR nearly half a century, American industry has been moving its activities away from the cities of the north-east of the country. It is now also moving away from the North-Central region (Chicago-Detroit). Business has been pursuing low costs, escaping from the high living, housing and transport costs of the old cities, and more recently, the urban riot. High technology new industry paying the highest wages has moved to the West (California) and the South (Texas).

The workers have chased the jobs. Put crudely, the relatively high income skilled whites have moved westwards and southwards, while the relatively unskilled blacks and immigrants have moved northwards from the south. A relatively declining average income in the northern cities bites deep into municipal revenue unless there is redistribution between the cities of different regions. Most of the big cities in the expanding regions have continued to increase jobs and incomes through the slump, while the cities of the north and north-east have, to a greater or lesser extent, had financial crises.

This only relates to cities. Every southern and western city has its impoverished ghetto of blacks, Mexicans, poor whites and other ethnic groups, just as the northern cities sport the leafy garden suburbs of the rich.

Nevertheless, the flight of industry changes the whole distribution of income in the north, increasing the extremes of income and making it impossible to finance, let alone rehabilitate, the old cities. Only the centralisation of the country's government so that business could not escape paying would overcome this. In more centralised countries, like Britain and Japan, the similar problems of London and Tokyo are concealed by direct government subsidies.

New York's loss of jobs has steadily grown more severe. It is concealed to some extent when the national economy booms, but is starkly exaggerated when there is a slump. Between 1969 and 1974, the city lost 340,000 jobs (or more than had been created in the preceding 15 years). It missed the national boom of 1971-3, which, if the city had expanded as the national economy did, should have brought it a quarter of a million new jobs. In the year of slump up to May 1975, another 93,000 jobs disappeared (or a quarter of a million jobs if we include the surrounding New York—north-east New Jersey area). The decline in jobs prompts people to leave the city altogether—since 1970, the city has been losing about 2½ per cent of its population every year (this is the official figure, and does not include 'illegal immigrants'). As a result of the contraction in the size of the labour force, unemployment



ment rates have been kept down—11.7 per cent in the middle of 1975 (as against a national average of about 8 per cent).

2. The flight of the rich

AT the same time as industry has been moving nationally, the rich and the middle classes have been trying to escape high city costs by moving beyond the city boundaries. The spread of car ownership is a key factor in this process. The long-run census figures show the movement over a long period—the areas of most rapid population growth at different times was as follows: 1900-1910, central city areas; 1910-1920, a five mile ring around the cities; 1920-1950, a five to ten mile ring round the cities; thereafter, beyond the ten mile radius. Indeed, most city growth since the second World War has been by extending city boundaries, not by increasing the number of people inside the old boundaries. Where cities are allowed—as New York is not—to extend their boundaries, they have come to cover an immense area. Houston in Texas now covers 503 square miles, and its suburbs, over 6000 square miles.

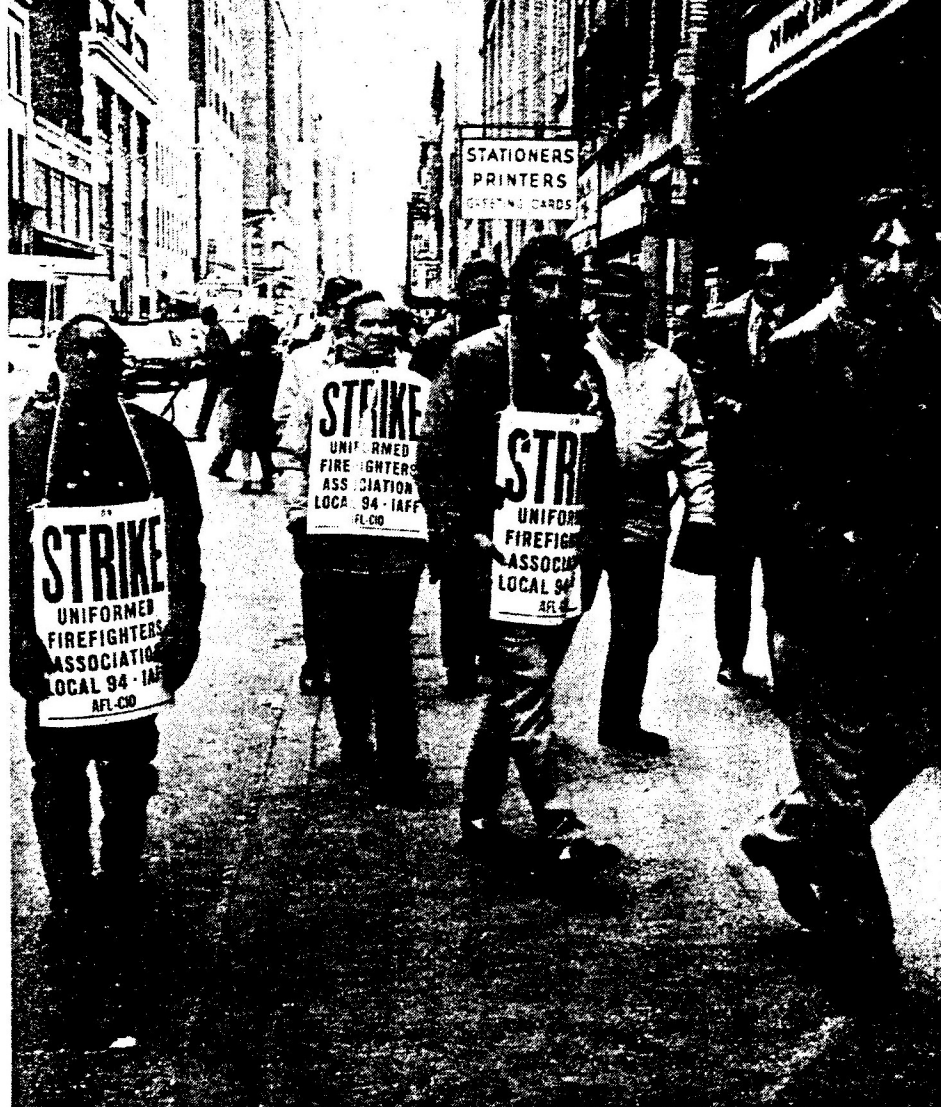
In the 1960s, the American suburban population increased by 30 per cent, the central cities by five per cent. The relatively poor continue to move into the central city areas, as the rich leave in even larger numbers. Those left in the cities are those who cannot escape and are politically important only when they riot. The municipal boundary—where it will not be extended—becomes the frontier between the suburban rich and city poor, between whites and blacks or 'immigrants' (the Mexicans, Puerto Ricans and others, regardless of whether they were born in the United States or not). In the case of New York, between 1945 and 1970, about two million richer people (\$10,000 or more income per year) left the city, and slightly fewer poor (\$6500 or less) settled there.

The incomes of the city's residents is the base for municipal income, so that if the average falls, the corporation has to raise more taxes to keep the same revenue flowing—or extend the boundaries to recapture the rich. But this last reform is impossible while the rich continue to control the State Assembly which could alone sanction a change in boundaries. As a result, New York becomes a kind of poor house, and the financial crisis is insoluble.

3. The predatory banks

AS the tax base has shrunk because of the loss of jobs and the rich, New York municipality has become dependent on increasing taxation (which accelerates the flight of business and richer households from the city) and bank loans. In a boom, when interest rates are high, the city borrows heavily to pay the interest. In the slump, the tax base contracts, the banks become increasingly savage in recovering their loans and most reluctant to offer further advances except under cast iron guarantees. To escape this last problem, the municipality has—like some of the medieval kings did—offered the yield on particular municipal taxes before any other expenditures are considered.

The situation is complicated by the sheer



New York 1975: For the first time in history Firemen strike over wages

corruption of municipal government. The councillors are often there as representatives of local business, out to make a killing in municipal contracts. The web of bank-financed land speculators, large property owners, building and construction contractors, includes municipal officials and councillors. It is said that, while city workers are being sacked to cut costs, the municipality is still leasing office blocks that stand empty because they are not needed; the leases are favours to the banks that finance the land-purchase, the property speculators and building companies.

A different structure secures the voting base. The winning party rewards its followers not only with contracts, but also lucrative sinecures on the municipal payroll. The leaders of particular ethnic communities get their slice if they supported the winning horse. The trade union bureaucrats get their share of the spoils too, and if they seem to be effective in delivering the vote, in prosperous days, a grateful mayor looks to the conditions of trade union members.

The municipal unions have been able to build up a moderately strong position on wages as a result of this share out of spoils. In addition, successive administrations have tried to extend their political base by financing an extensive system of public welfare—hospitals and clinics, schools and what was until recently a free university

(CUNY, with about a quarter of a million students), as well as unemployment relief. In a slump, all these elements tend to increase in cost just as the municipal revenue is contracting.

It is the welfare-education expenditure of the city as well as its wage bill which has made the New York crisis of national significance. The city has become a test case, the 'creeping socialist menace' to rally the backwoodsmen of the Right. As in Britain, one section of the ruling class is arguing that the crisis of profitability is so severe because of 'unproductive' public expenditure. Private profits must be salvaged by pruning the public sector.

Felix Rohatyn is a banker, leading proponent of the case against 'the social wage', and was head of the Municipal Assistance Corporation ('Big Mac'), the group of bankers set up by the State Government last June at the time of New York's first default crisis, to promote the sale of city bonds. When asked what sum the municipality needed to cut from its expenditure, Rohatyn replied, 'It's not a question of how much. The city has to change its lifestyle'. Thus, the city's 'lifestyle' became the anvil on which American capitalism was to hammer a new strategy of profitability.

The myth of New York's working class wallowing in its feather-bed, on a diet of

welfare and free milk, was a useful one, particularly in demoralising the working class itself. It turned class anger into attacks on other workers, supposedly living off the fat of taxes. With some of the worst slums in the United States, a much higher level of unemployment, and a dirty ill-kept city, the myth would have been a joke if it had not been so effective.

The myth has been confirmed by the continual concessions made to the banks by the municipal authority and to the municipal authority by the trade union leadership. Mayor Beame spent a year vacillating, veering between the demands of his political base and the bankers, but all the time promising to pay until he was publicly removed from effective control by the State Governor. Yet still he had promised 67,000 redundancies, a sizeable pay cut for municipal employees, a three year wage freeze, severe cuts in welfare, medical and educational expenditure. It was never in doubt that 'changing the lifestyle of the city' meant in practice an assault on the poor. But to keep some credibility, Beame also had to fiddle the books, yet that only increased the hysteria of the banks and the State Governor. It must have been the banks who put around the rumour in August that Beame was about to have a mental breakdown.

The municipality claims to have sacked 35,000 since last December. Some of the cuts were perhaps directed by Beame at the strongest unions (including the police and firemen) in the hope that the banks would relent or that strikes might be provoked which would frighten the banks. The overall pattern of sacking inevitably hit the poorest city workers hardest, particularly black and Puerto Rican employees, and affected the top paid least. As a result, as city services deteriorate, the unemployment relief bill soars.

The labour movement

THE attack could have been rolled back. But it required a national demonstration of the commitment of New York's workers not to be used to bail out the banks. In July, Rohatyn himself warned of the dangers of a general strike. But he need not have feared, for the trade union leadership bent all their best efforts to prevent any but token action. At the end, the union leaders pathetically offered up their members' pension funds to buy their own survival (by September, the pension funds of the teachers, firemen, policemen and municipal employees were all, to some extent, being used to stave off the bankruptcy of the city). De Loury of the dustmen even offered \$1.5 million of his members' funds to buy off redundancies (Beame took the money, and continued with the sackings).

In July, there was a sudden upsurge in popular anger. The dustmen took unofficial strike action for three days; the highway workers occupied their depots, and sacked policemen blocked Brooklyn Bridge. But the teachers' union leader, Shankar, said he would take no initiative until early September when his members' contract came up for renegotiation. The transport workers restricted themselves to a demonstration, and welfare and hospitals did not move. The union leadership scuttled

its members back to work. In September, as a result, the teachers were left to fight alone, being finally sold out by Shankar, despite his earlier bold talk (14,000 teachers were not rehired, class sizes increased). Other union leaders grumbled, or like Barry Feinstein of the Teamsters, restricted themselves to empty bluster: 'I'm in favour of a general strike at this time. We have given our blood. The unions are bleeding to death.'

What finally forced President Ford to extend the minimum level of federal aid for very short-term relief, was not a revolt of New York's workers, but the revelation that if the city defaulted, some of the leading banks and large companies (like the giant ConEdison electricity company) might also go bankrupt. In November, it was discovered that 546 national banks were holding New York city bonds equal to 20 per cent of their capital, and 41 banks in New York State had municipal holdings equal to 50 per cent or more. Furthermore, the downward slide of the city threatened to impose bankruptcy on the State of New York. Ford, asked to give federal assistance last May, had allowed the situation to deteriorate so far that it had come to threaten the whole structure. There was no way of disentangling public and private capital. But the aid granted is on such restrictive terms, it is no more than keeping the city out of default so that it can continue with the cuts.

The New York working class was and still is in the forefront of the attack to save the system, and the municipal employees in the vanguard. The continuing defeat of New York's workers can only produce a general depression of militancy in other cities and unions. Yet at particular moments, a handful of dedicated city workers could have created the rank and file leadership capable of precipitating a general strike that would have compelled federal intervention on very different terms. One general strike with mass pickets on Wall Street would have forced Ford's hands, compelling him to concede much more as a political defence of the system than just the financial saving of the banks. As it is, workers blame some anonymous 'market' for failing to take up the City's bonds.

The Left in New York is larger than most other places. Yet it suffers from the bitter heritage of isolation and irrelevance. The city's crisis has delivered hammer blows at the traditional attitudes of New York workers, but the Left has not been able to relate to it. The Left's isolation brings the same sense of impotence before gigantic blind forces that afflicts the workers. No-one is prepared to gamble. Yet audacity is the precondition for a rank and file movement. It is not created by occasional leaflets or attending union meetings in a handful of workplaces. That is also required, but there is no 'building by slow accretion'. A rank and file movement is created by exercising audacious political leadership in conditions of momentary crisis—'giving a lead' when there is a vacuum of leadership. That situation, with fluctuations, has existed in New York for the past year and will go on existing. It ought to be a top priority for any group with a serious orientation on building a rank and file movement and a mass workers' party.

TWO

THE growth of American capitalism in the 1950s and 1960s sucked in an enormous number of workers from Mexico, Puerto Rico, the rest of Central America and the Caribbean, from the Philippines and East Asia, just as the growth of the Common Market siphoned workers out of the Mediterranean countries to France and West Germany. Simultaneously, in both Europe and the United States, whites have been moving out of the assembly line and metal fabricating industries into better paid jobs in the service industries. In the United States, this has meant the movement of black workers and 'immigrants' to the old industrial centres of the north and north-east. The long traditions of southern racialism with its foundations in the interests of the slave owners have been passed over to the industrialists and the cities of the north. In the working class, the whites who cannot escape from the cities are particularly vulnerable to absorbing the interests of a white ruling class, as also are those trapped in a particular district that seems about to be absorbed into a black city. The blacks and immigrant groups similarly absorb the same savageries, opening rifts between, for example, southern-born and northern-born, between American blacks and Jamaicans, between blacks and Hispanic peoples and so on.

The effects of the divisions are not abstract. Between 1965 and 1968 the American blacks unknowingly assumed the natural militant leadership of the entire working class. Their politics created the tone and style of all mass politics that came after them; their cultural legacy dominates the Left. Yet the challenge to the system was destroyed by walling off the black leadership from its mass—and mainly white—audience, by reinvoking the racist barrier. The leadership was then either murdered, exiled or bought off. In the last case, the reward was often some toehold in small capitalism (boutiques, record shops, Soul-food stores, African clothes trade etc) and absorption into the national political leadership: for example, the NAACP leaders, Julian Bond, Marion Bond and Andrew King, now respectively a Georgia Senator, Washington DC City Councillor and member of the House of Representatives. Much of the small capitalism has been swept away by the slump, but the political perks continue; the US Census authorities estimate that between 1970 and 1974 there was an increase in black elective officers in the country; the black population is 11½ per cent of the whole population).

Yet the condition of the mass of black people remains the same as before or has deteriorated. The National Urban League argues that black people have faced 'chronic depression' for 20 years, compounded by the economic catastrophes of recession in 1969-71 and slump in 1974-6. Real family income

declined by over 3 per cent in 1973, to reach 58 per cent of the average white family income (in 1969, it was 61 per cent). About a third of all black families are classified as below the poverty line (9 per cent of all whites are below the line), and they make up about a third of all the poor. In mid-summer 1975, the black unemployment rate was officially 13.7 per cent (the white rate was 7.6 per cent), but according to the National Urban League, 25.7 per cent (the rate for black youth was estimated by the League to be between 40 and 60 per cent; the official rate for black youth at the end of 1975 was 37 per cent, and for white youth, 17.8 per cent).

The national picture is reflected in the worst areas of all major cities, whether they are generally prosperous or depressed. Take, for example, one of the most famous districts, Watts, with a population of 28,000 in the south-west corner of Los Angeles. Ten years ago the district became famous through its massive revolt that provided the immediate signal for the struggle of black people throughout the country. Yet, despite worsened conditions, there has been no revolt this year. The area is dominated by those on welfare, single mothers and the aged, with an unemployment rate said to be around 50 per cent. The median annual

family income—including welfare payments—is around \$6000 (the national average for black families is now \$7500). The area is still 'an economic and spiritual desert', with high incidence of alcoholism, hard drug ailments and suicide (it is said that black males under the age of 25 have the highest rate of suicide for any similar group). However, the people of Watts, like those of Compton further south (a 50 per cent unemployment rate), have a consolation they were denied a decade ago—the Los Angeles mayor, the California State Lieutenant Governor, and School Superintendent are all black.

The destruction of the Black Panthers' leadership and the decay of the Black Power movement into a defensive cultural style (exploited by black business—witness the shop sign, 'Black is Beautiful but Business is Business—don't ask for credit') has done considerable damage to the confidence of the mass of black people. Of course, the unemployed kids continue sporadic guerilla warfare, half revolt and half crime (against a police force much more heavily armed than ten years ago). According to the FBI, serious crime increased 18 per cent in 1974, with an increase of 15 per cent for boys under 18 and 21 per cent for girls (the under-18s accounted for 27 per cent of all arrests for serious crimes

in 1974). Some proportion of that figure is black revolt.

There is also sporadic communal warfare, seen most sharply in 1975 in the clashes over bussing in Boston and Louisville, the summer warfare over the beach at Boston and demonstrations against the police and harassment in at least three States. The scale of bussing is enormous—260,000 children are transported in Detroit daily—all to avoid improving schools adequately outside the rich suburban areas. The movement between black and white working class districts provides a ready-made audience for the extreme Right.

It is a measure, however, of the relative weakness of the old forms of communal revolt that, fortunately, the extreme Right has not had more growth, whether it is the new retooled Ku Klux Klan ('sophisticated, college-educated, media-oriented'), front organisations like Louisville's 'Kentucky Taxpayers' League' or the openly Nazi organisations. Yet there was a temporary working class audience in both Louisville and Boston; in Louisville, the backbone of the white demonstrations identified themselves as trade unionists.

However, concealed in the relative decline of communal action is the growth in confidence of black workers in the mass production industries. With an effective basis of power on the shop floor, a new leadership is emerging, a leadership which, as a necessary element in its tactics of fighting, is becoming not simply the leadership of black workers but of all workers, including the whites and Spanish-speakers. To some extent, the demoralisation of communal politics is made that much worse by this development, but on the other hand, the future prospects of the emancipation of black people become much brighter. The press, of course, can see only 'race-conflict', so that the development of rank and file factory leadership receives much less attention than the communal riot. Ex-Black Panthers may well be the most important single source of the new factory leadership; their experience of the violence of the State, their political experience and sophistication, makes them the natural link between the communal revolt of the sixties and the working class revolution of the late seventies.

There are apparently many such small black groups and newspapers, most of them explicitly socialist, boring deep in the major industries, and to a greater or lesser extent, contesting the leadership of all workers in the workplace, not simply black workers. The discipline of the shop-floor and their suspicion of the white Left to some extent insulate them against the absurdities that afflict many of the socialists—growing herbs in Arizona is an alternative to overthrowing capitalism. Yet it will also impede the creation of a mass workers' party. At the moment, the lack of any known national alternative makes the Left much weaker than it should be in terms of numbers. The first organisation to achieve national significance is likely thus to inherit all and grow quickly. But there is very little time to waste, given the perspectives for the system. Before the end of the decade, the Left, black and white, could be facing its decisive confrontation.

Victory at Chrysler

