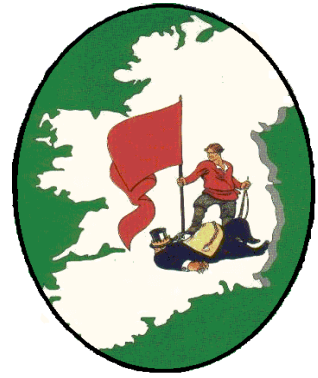


Socialist Democracy

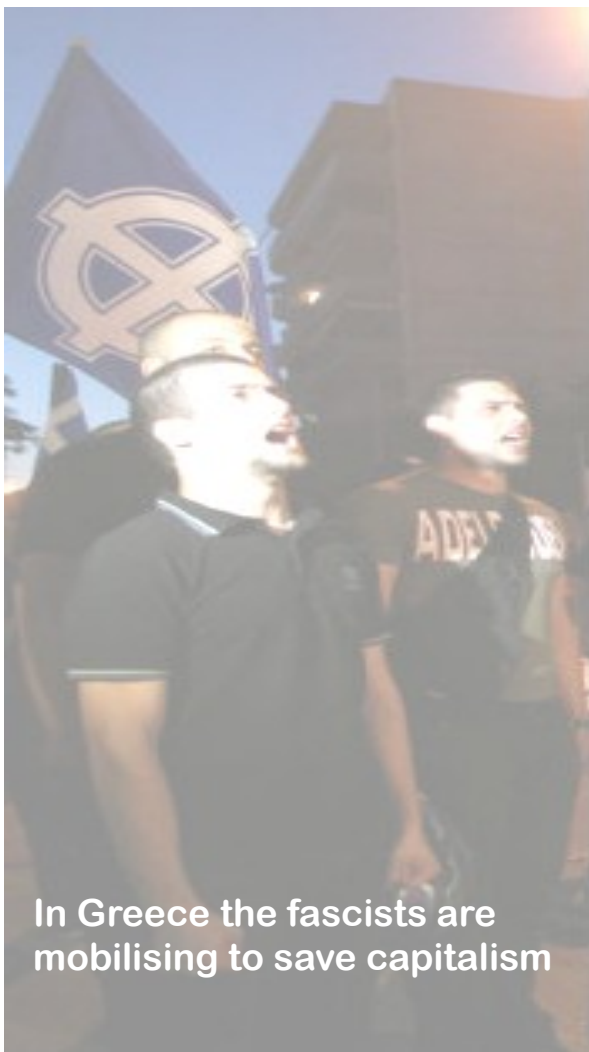
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Wolves in the city



**In Greece the fascists are
mobilising to save capitalism**

The wolves are in the city. A new, intensified period of austerity is on its way, driving living standards down and down. The workers are being attacked from every direction and the socialist movement is in disarray.

The IMF letter to the Greek government lays out capitalism's vision of the future; job losses, wage and pension cuts, mass privatization and public service provision at 19th century levels. A similar letter to the Irish government shows that Ireland is on the slow train to Athens. In the North we have mass unemployment, major cuts and job losses representing only the early stages of the austerity programme.

The Dublin government's promise to resolve the crisis has proved empty. Their only strategy is to obey the troika and plead for more time to pay. It is quite clear that there will be a second bailout and that austerity will continue for over a decade. Labour, elected to soften the Blueshirt offensive, actually spearhead the attacks. The Financial Stability Pact outlaws any reform. The tattered Croke Park Deal is morphing into open season on the public service and David Begg and ICTU are surrendering in advance of any struggle. Reaction has triumphed to such an extent that opinion polls record majority support for an extension of the austerity!

The battle is far from over. Workers first response has been to hold firmly to traditional leaders in Labour and in the unions. That weapon has broken in their hands. Socialists have followed the workers, restricting themselves to calls for a better capitalism.

Yet in South Africa the victory of the Marikana workers show that the worm will turn and that the workers will rise up

The future holds a massive intensification of the class struggle. Socialists should unite to present the possibility of revolution to the workers.

South Africa: Miners' revolt rocks ANC

J M Thorne

"You have the employer, the government, the police and even the trade union working together. They're supposed to look after you, but they are against the people—that's apartheid," Katiso Mosebetsane: a 22-year-old who had come to Marikana to search for the body of his father, a miner killed in the August 16 massacre.

The massacre of striking mine workers by police has laid bare the reality of contemporary South Africa. While political violence is not uncommon in the country, the killing of thirty four people and the injuring of dozens more at the Marikana platinum mine near Rustenburg is the worst example of deadly state force being used against protesters in recent years. Parallels have drawn between Marikana and earlier massacres such as Sharpeville in the 1960s' and Soweto in the 70s. However, what makes Marikana more shocking is that it occurs many years after the formal ending of apartheid and the achievement of "democracy".

That such barbarism continues in the "liberated" South Africa highlights the severe limitations of the political settlement that brought the end of apartheid and the establishment of black majority rule. For while the 1994 settlement did end formal racial discrimination in South Africa the economic structure that underpinned apartheid remained largely in place. In broad terms black South Africans, who were overwhelmingly represented by the ANC, took over state political power, while whites retained the economic levers of power. However, to speak of "white capitalists" is a bit misleading because the capitalist class in South Africa is defined more by its international orientation than its racial composition. While this was always been the case it has become much clearer since the ending of apartheid and the subsequent relocation of the corporate headquarters and stock market listings of many large South African companies to the City of London. The South African economy can therefore be characterised as one that is dominated by foreign capital.

The acceptance of the economic status quo by the ANC ensured that there was never going to be any uplift for the mass of the population. Its promise of "a better life for all" rings very hollow when set against the extreme poverty and inequalities that persist in South Africa. However, this does not mean that Africans as a whole have been denied the privileges associated with wealth and power. A section of the ANC's membership has benefitted from access to political power - whether that is direct employment in the state apparatus or through the control of state revenues and a system of patronage. Under the banner of "black empowerment" there has also been the emergence of an African business caste whose prominent members are closely

associated with the ANC. Some (referred to as the "tenderpreneurs") have built up businesses on the back of government contracts while others have been effectively sponsored by foreign capital through joint ventures. By appointing Africans to boards of directors multi-national companies can deflect claims of racism. However, this African business class is a very thin layer indeed. It is wholly dependent on the state and foreign capital and will never be in a position to offer any "national development" alternative.

That this collection of bureaucrats and grasping capitalists has been able to continue for so long without challenge owes much to the continued support for ANC from the trade union movement and the South African Communist Party. They have maintained the cross class Tripartite Alliance in the post-apartheid period on the basis that the "national democratic revolution" it was leading was advancing the cause of labour and laying the

basis for a transition to socialism. This is the Stalinist ideology which throughout history has subordinated workers to the leadership of hostile class forces and resulted in catastrophic defeats. But it is not just ideology that has led trade unions and the SACP to this position. An equally important factor is the incorporation of many of many leading cadres into the

structures of state. This has provided a material foundation for their politics and the broader political settlement which makes events such as the Marikana massacre inevitable. The ANC and its allies have committed themselves to defend the rule of capital and if that means shooting down strikers that is what they will do.

If we look at the background to the strike at the Marikana platinum mine we see that the violence against workers was planned and deliberate and not some tragic accident. There was a strike over pay and conditions at a mine owned by a City of London based multinational (Lonmin) which was organised by "upstart" union that had broken away from the ANC affiliated National Union of Miners (NUM). This was very serious for the ANC on a number of counts. Firstly, there is the role of foreign capital in the ownership of the mine. Secondly, there is the strategic importance of platinum mining not only to South Africa but also to the world economy. Thirdly, and most importantly, there is the existence of a group of militant workers beyond the control of the official trade union movement. The ANC and its allies decided to meet this challenge with violence.

On the morning of the massacre the local police chief announced that they were going to disperse striking mine workers using force. Later that day a plan was executed that saw



workers surrounded and herded towards lines of police with machine guns. A reporter for Johannesburg's Daily Star, wrote the following day that, *"It was a well-planned attack that turned a protest into a kill zone."* It is inconceivable that such action would have been taken without the approval of political leaders. Even more telling were statements made by trade union officials in the days leading up to the massacre which appeared to prepare the ground for violence. For example, NUM general secretary Frans Baleni appealed *"to all workers to go back to work and for the law enforcement agencies to crack down the culprits of the violence and murders"*. He also sought to justify the massacre in its immediate aftermath declaring, *"You have opportunists who are abusing ignorant workers. We saw the results yesterday."* Some of the most inflammatory statements came from the SACP, with one of its local officials saying that *"the police used their weapons in exactly the way they were supposed to"* and that *"We should be happy."* The SACP General Secretary Blade Nzimande declared that his party *"fully supports the government's crackdown"* and that *"the ring-leaders must be dealt with and separated from the mass of misled strikers."* Such statements should surely dispel any doubts about what side of the class divide the ANC and its allies are on.

If the Marikana massacre exposes the brutality of the South Africa state it also demonstrates the bravery and resilience of workers who continued with their strike despite the deaths and injuries. It is clear that strike and the repression it faced had a wider impact across the

country with industrial action spreading and many people questioning their loyalty to the ANC. In the face of this revolt the ANC adopted a more conciliatory tone, calling for a period of mourning and abandoning attempts to use apartheid era "common purpose" laws to prosecute miners for the murder of their colleagues. However, given the enforcer role that the ANC is playing in South Africa, further repression is very likely. This has already been indicted by South African Minister of Mining Susan Shabangu who reassured a gathering of mining executives that President Jacob Zuma was *"determined to isolate bad elements in our society."*

The political figure who has seized the moment most effectively in the wake of the Marikana massacre has been Julius Malema. The populist firebrand, who was expelled from the ANC last year, has struck a chord with workers with his denunciations of the Government and calls for the nationalisation of the mining industry. However, he does not represent a break with the ANC, and his intervention has more to do with factional struggles within the Alliance than the creation of a real opposition movement. Such an opposition can only be based on socialist politics and the independent organisation of the working class. And while forces of authentic socialism are weak in South Africa, as is the case in many parts of the world, the creation of independent working class organisations is already underway. The Marikana massacre and its aftermath both confirm and accelerate this process. That is why it has the potential to be a political turning point in South Africa which will have repercussions throughout the world.

Croke Park Part Two: A UNITE activist speaks out

It's all going to be OK! In a discarded 'Unite' leaflet found recently blowing west from Liberty Hall it has been revealed that our union negotiators are on the job and the prospect of further cuts in a new Croke Park deal has been, ... "criticised"!

We can relax! With steely determination our negotiators have announced that; "its fair to warn the government that our members have nothing more to give in any proposed renegotiation". Obviously, as nothing is mentioned about rolling back the cuts on services and jobs already made, the present level of austerity when put in the context of further cuts falls within the parameters of a "Better, Fairer Way".

Quite aware that resistance will be greeted with outrage by the government and their Troika puppeteers our negotiators with breathtaking boldness go on to add that; "The idea of getting more for less can ultimately only go so far."

However, it is obvious that union members do have more to give. Our wages can be cut further, who cares if our few small comforts have to be sacrificed, who cares if thousands of us are paid off? Making the argument that we are at rock bottom in terms of income and further concessions are impossible and that therefore the state has a moral obligation to push us no further does not wash. Capitalism's servants care only about saving their crisis ridden economic system, they don't care if we starve, it has happened here before and it is happening now all over the world. They only care about whether or not we fight back. Such a plea to the State's 'better instincts' is either incredibly naive or deeply cynical, but one thing is certain, it is not the language of resistance and in case there is any doubt about this the leaflet spells out that preparations are underway

within the Unite union to "examine how best we can approach the next phase of any deal".

It is quite clear that any deal driven by the Troika will involve cuts so perhaps our hero believes after all that public sector workers have more to contribute to the European hard-up billionaires fund. Our pensioners need their home helps, working class communities need their services, our workers and youth need job opportunities, not in the north of Canada or Queensland's mines but here at home. Asking for major reforms in such a period of crisis is not going to meet with a favourable answer but we still need a liveable wage, a decent health service, a decent education service and a decent pension and standard of living for our retired population. Our noble negotiators know this, they frequently talk about it, but do nothing meaningful. They do nothing because they know that the elephant in the room is the question of power and demands that are too "ambitious" would meet with refusal, posing that question and setting the stage for an intense struggle.

This is a fight they are unwilling to face, but it must be faced or a serious, creeping defeat lies ahead. It is a struggle the working class must prepare to face. We must look the beast in the eye and develop the political will and the revolutionary tools to usurp capitalism's corrupt power. To develop these tools we need to begin a fightback and we can start by saying; it's not our debt, repudiate it! ... We did not cause the crisis. No deal!

Eddie McLaughlin.

In Defence of Julian Assange and WikiLeaks

J M Thorne

The pursuit of WikiLeaks founder Julian Assange by the US and its allies serves to highlight the hollowness of the self-proclaimed adherence of these states to principles such as “the rule of law” and “democracy”. In their determination to shut-down WikiLeaks and take Assange into custody we see how the ideological underpinnings of liberal capitalism are quickly cast aside when the strategic interests of imperialism are threatened.

While there has always been a tension between capitalism and democracy this becomes particularly acute during a time of crisis such as the one we currently living through. It is therefore no coincidence that the financial collapse and endless wars of this period have been accompanied by a wholesale assault on democratic rights. The limited space allowed for opposition and dissent under “normal” capitalist conditions has been steadily eroded. Any impediments to the capitalist programme for recovery, of which wars of aggression are a fundamental element, cannot be tolerated. This is the context in which the persecution of Julian Assange and WikiLeaks has to be viewed.

WikiLeaks is seen by the US and its allies as being disruptive of their strategic objectives. Over the last five years it has subjected their actions to unprecedented public scrutiny – whether this be the release of the “Collateral Murder” footage that shows the killing of Baghdad civilians by a United States Apache attack helicopter; the Afghanistan- Iraq War Logs which exposed widespread abuses and crimes; or the diplomatic cables which revealed not just the real opinions of US officials but also their involvement in corruption and deceit across the world. Such revelations have served to expose the reality of US imperialism and weaken support for its agents and collaborators in other countries. WikiLeaks certainly played a role in adding fuel to the fire of the Arab Spring that saw the overthrow of a number of US allies. Its revelations have also reinforced political movements in South America seeking to steer the continent away from US hegemony. While WikiLeaks is not the main mover in these events nor consciously anti-imperialist it has certainly performed a useful service. The hostility it has provoked from the imperialist powers is a testimony to that.

Given this context socialists should defend WikiLeaks. We should also take a sceptical view of the legal proceedings that have been initiated against its founder. Sadly, the critical facilities of a large section of the left (including some socialist groups) seem to have been suspended when it comes to Julian Assange. This undoubtedly stems from the allegations of sexual assault that form the basis of the efforts to extradite him from the UK to Sweden (and most certainly onwards to the US). That so many on the left are unable to take a rational let alone socialist view of the claims against Assange illustrates the degree to which the adoption of various forms of identity politics over the last thirty years has completely overridden their judgement. The position of groups and individuals on the left most hostile to Assange is derived not from a socialist perspective but from a version of feminism that at its most extreme ascribes to men a collective guilt for the oppression of women. This leads to the long history of activists and whistleblowers being subjected to malicious allegations being ignored while basic principles of justice, such as the presumption of innocence, are dismissed out of hand.

An objective examination of the legal proceedings against Julian Assange strongly suggest that he is the victim of a political frame up designed to deliver him into the custody of the US military. Firstly, there is the timing of the sexual assault allegations against Assange - coming in the run up to the release of the US diplomatic cables by WikiLeaks. Secondly, there is the way the allegations have been handled by the Swedish police and prosecutors. They were initially dismissed by a senior prosecutor in Stockholm and only revived after the intervention of a right wing politician who is now acting as a lawyer for the two women who made the accusations. So right from the beginning there has been a clear political motivation to the proceedings against Assange.

At the time of writing the Swedish authorities have still not lodged formal charges against him. It should also be noted that Assange voluntarily attended an interview with Swedish police and only left the country after he was informed he could do so. It is not true that he has been evading these allegations. He has also offered to be interviewed in London by Swedish prosecutors, an offer that was rejected despite such procedures being used in other cases. In their determination to take Assange into their custody the Swedish authorities have employed methods, such as the issuing of an Interpol Red Notice, that are usually reserved for war criminals and terrorists. The British Government threatened to withdraw diplomatic status from an embassy in which Assange had sought refuge. Is it believable that Sweden and the UK are going to such lengths just to question someone about allegations that may not even get into court?

Another disingenuous claim by opponents of Assange is that there is no foundation to his fear of being transferred into the custody of the US military. They claim that there is no extradition request from the US relating to Wikileaks. While this is true it is also on public record that the US has been investigating Wikileaks; that a grand jury has convened in Virginia to prepare a case; and that the US government has already issued a sealed indictment against Assange. Of course the US government isn't going to show its hand by making an extradition request before it is sure it can take him into custody. If Assange was sent to Sweden, where he would be detained for a period of at least four days, this process would be much easier. It would just be a case of transferring him from one prison to another. Despite its image as a liberal non-aligned state Sweden has a long history of collaboration with US imperialism. The incident of this which most pertinent to the Assange case came in December 2001 when the Swedish government revoked the political refugee status of two Egyptians who were handed to a CIA kidnap squad at Stockholm airport and "rendered" to Egypt, where they were tortured.

It is also dishonest to claim that the decisions on whether to extradite Assange to Sweden and onto the US are solely judicial. This ignores the politicised nature of the legal systems in the UK and Sweden (which has been illustrated already in the rulings in relation to Assange) and also the fact that ultimately decisions on extradition are taken by Governments. The British Government claims it is bound by court decisions but in 2000 it overruled a judgement allowing the extraction of the former Chilean dictator Augusto Pinochet to Spain. This is despite the fact that his responsibility for the murder and torture of thousands of

people was never in doubt. In Sweden, decisions on extradition rest with a Government whose leading members have made their anti-WikiLeaks position very clear. The Swedish prime minister has attacked Assange and WikiLeaks publicly and even hired former Bush administration official Karl Rove to advise him on the case. Another key figure is foreign minister Carl Bildt who has well documented ties to Republican Party. With such people making decisions on his case Assange's fears of being transferred to the US are well founded.

If Assange were to fall into the custody of the US he would likely be subject to harsh treatment. We need only consider the fate of Private Bradley Manning, who is accused of disclosing classified information to WikiLeaks and has already been im-

prisoned for over 800 days under the most abusive conditions. If Assange were convicted on sedition charges he could face the death penalty or a lifetime in a military prison. Given these circumstances it is clear that Julian Assange has a real fear of persecution and a firm foundation for seeking asylum.

To defend WikiLeaks and Julian Assange is not to dismiss the oppression of women. But if we look at the legal proceedings against Assange from socialist perspective it is not unreasonable to conclude that he is the victim of a political frame-up which is wholly related to his activities as the founder of WikiLeaks. Socialists should not allow justifiable anger over sexual violence against women to cloud our judgement or force us to make concessions to the forces of imperialism.

Socialist Party: A leadership found wanting



There is really no doubt who has been leading the recent evolution of the Irish Socialist Movement. The Household charges campaign comes straight from a Socialist Party template. The ULA formation was dependent on SP agreement and its limitation as an alliance most clearly expressed by the party. A strategy of unity around social democratic demands has for long been associated with the Socialist party. The restriction of the ULA to 26 counties is due to the frantic unionism of the SP. It is reasonable to suspect that their role may have had an impact on the divisions in both movements.

Below John McNulty looks at their political evolution.

One definition of insanity is the repetition of destructive behavior over and over again.

In the case of the Socialist Party the household charge campaign has led to the loss of Clare Daly, whom they spent 25 years trying to elect to the Dail.

Ten years ago the Bin charge campaign in Dublin cost them Joan Collins and their then national secretary, Dermot Connolly.

The campaign against the poll tax led to the loss many members who formed the Scottish Socialist Party.

Any group can and will have internal disputes and will lose people. There is however a clear pattern in the case of the Socialist Party. Once a campaign gets big enough to involve new forces and escape the direct control of the SP the party begins to fracture as their members are exposed to more open debate.

Why is this?

The SP is the local franchise of a group called the Committee for a Workers International (CWI). This group practiced a tactic called entryism - operating entirely inside Labour Parties. As the years went on this became a way of life. They stayed in for decade after decade until increasingly right-wing parties forced them out.

There is an old quote from Karl Marx that being determines consciousness. The Labourite environment has had a number of effects on the consciousness of the Socialist party as they gradually evolved to reflect the consciousness of the lower level of the bureaucracy in the Labour party and the trade unions.

Unlike other Marxists, they now agree with social democrats that a parliamentary majority can deliver socialism - the standard view is that the capitalist state must be brought down.

Marxist analysis is never used to determine their actions - they look for unity with trade union lefts around a reformist programme.

So Marxism plays a peculiar role. Rather than as a guide to action it is used to illustrate propaganda and as a secret knowledge for those inside the party (Marxist theory is used in a similar way in the Socialist Workers Party). In order to avoid the collapse of the membership into pure labourism a savage internal discipline is applied.

The relationship with the lower levels of the union bureaucracy is seen as a relationship with the working class itself, and this generates an extraordinary arrogance. A new party of the working class is seen as involving unity with this layer and links with other left groups and socialist unity projects are constrained by this view. A new party is seen in electoralist terms, being built around council and Dail seats.

The mindset that this produces was exemplified by the comments of one of the SP's leading members explaining the division with Clare Daly. They had been working in the Dail, he explained, to build the profile of the ULA, while Clare had supported a more diffuse anti-austerity current in the technical group of TDs.

This is astounding in its dishonesty. The SP has publicly opposed building the ULA. It is striking that they claim building a socialist alliance is in some way in contradiction to participating in a broader anti-austerity movement. Most striking is the conviction of both parties that building structures in the Dail is of major importance - history is littered with movements brought low by the constraints of parliaments.

The ECB's big bazooka

When Mario Draghi announced in late July that the ECB would do "whatever it takes" to save the Euro he managed to halt a financial panic and bring relative stability to the bond markets. However many of the financial commentators pointed out that he had simply bought himself time and that he would need to produce a "big bazooka" to avoid a financial meltdown.

Draghi has now produced the big bazooka. It operates on a number of levels. It is not at all certain that it can stabilize capitalism, but it is certain that it offers no hope at all to the working class.

The first level is the level of confidence. Bond markets are betting on the likelihood of collapse of countries such as Spain. This pushes up the interest rate on loans and greatly magnifies the burden of debt.

Most individual countries do not have the resources to meet the challenge without a default but a European response would involve the German state guaranteeing the debt.

The new instrument is a halfway house. The ECB will guarantee loans by borrowing back funds it has already lent to European banks.

This money shuffle will generate a fund of just under 1 trillion, with the aim of gaining time for an overall economic recovery. However in the absence of such a recovery the major European banks will be exposed to the debts.

The plan also has a structural component. Europe is to provide a united fiscal platform by removing democracy and replacing it with the rule of the banks. Where countries are weighed down

by sovereign debt the Troika will rule. In the background the ECB will supervise the major European banks, overruling national governments and implementing a Fiscal Austerity Pact that outlaws any pretence of Keynesian reform.

The rule of the banks will allow attempts to resolve the capitalist crisis - burning up vast amounts of public resources and sharply reducing the cost of labour - returning the workers to conditions last seen in the 19th century.

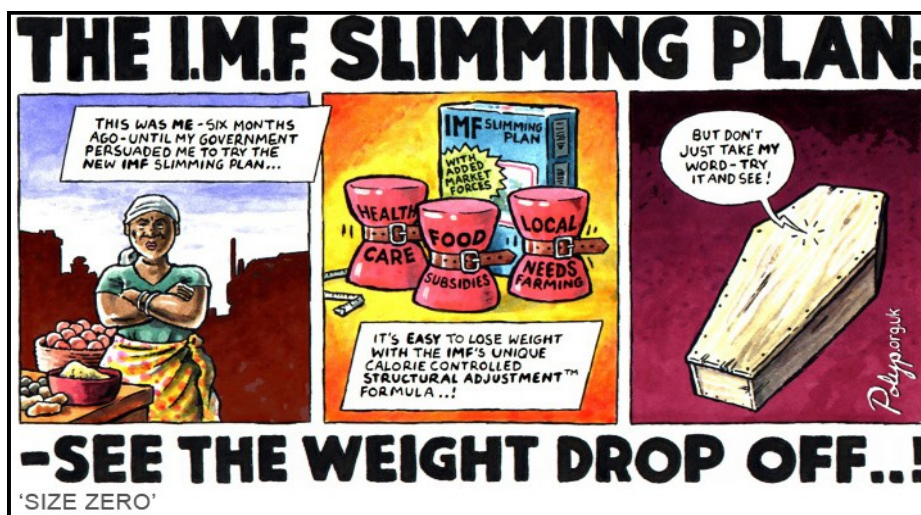
It is in this context that we must view IMF calls on Ireland for mass privatization and for pension and wage cuts, the removal of basic employment rights from British workers, the savage attacks on the sick and disabled. The proposals for Greece involve cutting the basic wage, the abolition of the 5 day week and the 8-hour day - pushing the working class back 150 years.

In these circumstances the idea of a fairer and better capitalism, the formal policy of the trade union movement and a policy now illegal under the terms of the Fiscal Stability Pact, is simply nonsense.

The unofficial unstated policy of the unions - social partnership and austerity until capital-

ism recovers - will only work for capitalism. Success for austerity will leave the workers in permanent poverty.

The Draghi Plan is meant to buy time. The measurement of that time is no longer a question of financial calculation but of the most savage class struggle, where capitalist stability rests on its ability to force workers to accept starvation and poverty without rising up to destroy their tormenters.



IMF plans for intensified austerity

In a report published on Sep 10 the IMF set out a wishlist in advance of the budget. The government may oppose individual points, but will have to come up with an overall budget within these guidelines.

The IMF calls for:

The abolition of universal benefits - all benefits are to be rigidly means tested, targeting spending on child benefit, the medical card and college fees.

A massive increase in property tax - the current €100 charge would become a sliding scale, starting at around €1000 per year.

"Green" taxes - fuel and vehicle taxes would increase the "death of 1000 cuts" workers are already experiencing.

Targeted reduction of State pensions should be considered.

The IMF praised the Croke Park agreement but complained that the public sector pay bill remained high. Pay and pension cuts were demanded. The health sector was targeted, with the IMF urging cuts in overtime payments and offering primary care rather than hospital treatment.

Tax rates are to continue favouring the rich and subsidizing the transnationals.

But even the IMF admit this pain is for nothing unless the euro-zone achieves stability!

Coalition, social partners unite to impose the IMF agenda

...but labour begins to fragment under the pressure

Under the pressure of new ECB and IMF demands the Irish government has three responses. One is to slavishly obey. The second is to plead desperately for the bank debt to be taken off their books so that the interest repayments will be reduced. The third is to display their traditional levels of corruption - to continue lining their own pockets and to refuse, under any circumstances, to pay themselves for the crisis they created.

So IMF pressure led to a "battle" in the government around Croke Park. The outcome of this sham fight was never in doubt. All agreed that public sector pay would be hit again. The only issue was would the cuts apply now or wait for renegotiation? In an extraordinary double act Labour and the ICTU came together. Labour ministers called for a review of allowances - a central part of many pay scales. The call was immediately supported by David Begg.

The idea that there is no alternative to austerity is so pervasive that the government were able to deliver a yes vote for the Fiscal Stability Pact and, in a Red C poll, get majority support for further public sector pay cuts.

In fact that's not so surprising. The clearest source of a potential opposition to austerity - the union leaders - support it by supervising cuts agreed under the Croke Park agreement. The agreement itself swaps limited pay protection for existing public service workers in exchange for speedups, layoffs and the decimation of services.

Another main area of attack has been health. Proposals for a primary care network are a mixture of service cutback. Money is to be saved by offering primary care as opposed to hospital care. Private investment offers the opportunity for the lining of many pockets.

The stink of scandal has surrounded the person of Minister James Reilly. Apparently being an investor in private health is not a bar to holding his position. Neither is bankruptcy in your investment, nor being brought to court for non-payment of debt. It turned out that adjusting the list of areas to add resources to your own constituency and help a pal is not a barrier either - although the price to be paid for that was the departure from office and from the Labour party of junior minister Roisin Shortall.



Labour sacrifice Shortall to save Reilly

Another front in the continuing offensive is taxation. The government advances slowly on the household charge. It hesitates around IMF demands for a 0.5% property tax, partly because levels of resistance would increase sharply when growing layers found themselves unable to pay, partly because any tax that is proportional to property value will force them to tax themselves. One of the most striking aspects of the Irish crisis has been the extent to which Irish capital has been able to avoid any negatives consequences for itself.

Many workers acquiesce to the cuts and try to adapt because they see no alternative and because their traditional leaderships support the austerity. That doesn't mean that nothing is happening. Under enormous pressure existing political structures are being eaten up. The Labour party is fragmenting under the pressure. Roisin Shortall's departure from government is only part of a more general discomfort, with Labour Youth and a number of Labour councillors trying to distance themselves from the reaction and corruption of the coalition government.

The socialist movement have an opportunity to intervene in the many shifts and debates that will arise, but only if they advance a revolutionary programme - not by advancing the reformist ideas that have failed so drastically.

The Wallace test

Mick Wallace has exploded the Irish left and split the Socialist Party. The Socialist Party argue that Wallace is a capitalist and a tax dodger. It is impossible to work with him and impossible to work with others who cooperate with him, a position the Socialist Workers Party largely share.

Mick Wallace is a capitalist who fiddled VAT tax returns (a common practice in the Irish building trade). He was bankrupted in the credit crunch and is a savage critic of the government. He supports the household charge campaign and opposes the austerity.

Can socialists work with Mick? Why not? This is especially true in the household charge campaign, essentially a movement that itself stands for tax non-payment.

The moral outrage seems strange when we look at recent alliances in Britain. There was no difficulty with George Galloway. There was no difficulty with homophobic Muslims in the RESPECT alliance. The Socialist Party remained outside these alliances but was itself accused of accommodation with right-wing English nationalism. In Ireland there has been no savage break with the trade union leadership, including David Begg and Jack O'Connor, although they are joined with government and bosses in enforcing mass austerity. Mass ive scandals involving taxpayers money and SIPTU junkets go unremarked

And that is the issue. The problem is not with Wallace but with the SP and SWP. The Irish socialist movement has not broken from the union bureaucracy. Their main slogan, along with the British TUC, is a call for tax justice - a vacuous, moralistic bleat that calls on the rich to play fair while disguising collaboration with the bosses.

There have been many mass movements in Ireland. None have ever vetted their members - but then they weren't focused on the Dail or the union bureaucracy.

Suicide of the socialists?

One can only look on in amazement as sections of the Irish Socialist movement self-destruct over its attitude to one individual, independent TD Mick Wallace. As with many other things, the appearance is not the reality. The frantic denunciation of Wallace, and the equally frantic adulation of him only a few months ago, represent very deep and systemic weaknesses that must be overcome if a working class resistance is to be built.

Wallace is a contractor who was bankrupted in the credit crunch and was elected to the Dail on a programme of opposition to the bank bailout and the austerity. He was a high-profile thorn in the side of the government and so frequently on the platform of the United Left Alliance that many people thought he was a member.

All this changed when it was revealed that Wallace had avoided the payment of the full VAT tax due for his building construction business. Wallace owned up to the fiddle and promised repayment, claiming that he was trying to save his business. The capitalist press went on a full-blooded witchhunt and the socialist press quickly fell into line behind the pack.

In the household charge movement the Socialist party and Socialist Workers party moved not only expel Wallace, but to expel anyone who associated with him or invited him on a platform.

The Socialist party saw the resignation of one of their two TDs, Clare Daly, because of an association with Wallace. She said she would now concentrate on building the United Left Alliance - the only vehicle left to her that can justify a role in the Dail. The SP immediately responded by indicating that her presence in the ULA would cause "difficulties".

So what's going on? The capitalists who are pursuing Wallace are the crooks who stole the country. Ireland has a long tradition of political corruption and the perpetrators are rarely punished in the courts or at the ballot box. Why the Left's anxiety to throw itself at the head of the mob baying for blood?

A clue was provided by a Joe Higgins of the Socialist Party. His party was forced to act because of its commitment to "taxation justice". The same liberal phrase was used in the Household Charge debate. The ULA's call to make the rich pay is a central slogan.

This is moralism disguised as policy. Progressive tax policies cannot provide the mountains of money required as long as the bank bail-out continues and would not be implemented short of a socialist government which would be taking control of key resources - not taxing them.

Another issue is the unremitting electoral and parliamentary focus of left strategy. The Wallace case is hardly a burning issue in the working class. It is in the columns of the right wing press that dominate the Dail.

The left parties in the Dail search for respectability and fly into a panic under press attacks. Questions about the Socialist Party's Dail expenses had led to hysteria similar to the hysteria over Mick Wallace. They hope to gradually increase the number of Dail seats, a perspective that only makes sense through the lens of a reformism that envisages the economic crisis being resolved by an improved capitalism. Behind it all is an unremitting sectarianism that stands ready at any time to sacrifice the broader movement to their own interests.

The basic fact is that the idea that Dail seats build movements is completely mistaken and leads to the sort of self-defeating opportunism we see today. Much larger movements that were disciplined parties have been torn apart by the pressures of a bourgeois parliament and a rapacious media.

The starting point for a socialist resistance is real principled unity around the needs of the working class and the tasks we urge it to undertake in its own defense. Instead we get playacting unity between small groups based on their own needs, in a framework where capitalist resurgence is regarded as inevitable and workers revolution as fantasy.



On 30th September, at a time billions of new cuts are being put together in a new austerity budget, a United Left Alliance branch convention held a crisis meeting on Mick Wallace. The main discussion centered around a Socialist Party proposal to denounce Mick Wallace - a witchhunt proposal aimed at former member Clare Daly that would effectively explode the loose alliance that the ULA has become.

The result was utter confusion. The majority opposed the Socialist Party resolution but most had already joined in the hysterical condemnation of Wallace. Not only that, they had joined in the witchhunt to force Wallace out of the Household Charge campaign and effectively split the campaign by condemning local committees who worked with Wallace.

The politics of moralism were in conflict with the politics of opportunism. No-one wanted to rethink their position, but they realized that a collapse of the ULA would represent a humiliating failure for the socialist movement. The circle was squared by interrogating a delegation who had met Daly and taking from the report assurances that she would not politically defend Wallace. The SP withdrew their motion, for the time being, promising to pursue the issue. Luckily an even more reactionary motion from a sympathiser calling for a separate socialist organization in the North was not reached.

No vote was taken. There is really no way to vote that the SP or SWP act in any particular way so all outcomes are behind the scenes compromises. The result of the debacle is likely to be a tenuous alliance of the SP and SWP, with the majority of the undifferentiated non-aligned grouping gathering around Clare Daly and Joan Collins. Even though it was well known that Tipperary Workers and Unemployed Action Group were withdrawing from the ULA the issue was not discussed - they carried moralism to a new level by claiming that the ULA had not been firm enough in condemning Wallace!

This Rube Goldberg apparatus then settled down to discuss the threat posed by the upcoming budget. The consensus was that we would do what we did last year - unite behind the union leaderships, call for reform, protest the harsh effects of the budget and ignore the reality that the union bureaucracy were helping draw up the proposals and are part of the machinery that implements the austerity.

The bankruptcy of these policies can be seen in the Household Charge campaign. It has been split over Wallace, effectively expelling the Loch Garmain campaign for supporting him. The Socialist Party finally outlined a strategy - a motion calling for disruption of the courts. That's a strategy for groundhog day, learning nothing from the failure of the Bins Charge campaign a

Where do we go from here?

decade ago. The attempt by Clare Council to link 3rd level grants threw the campaign into a tizzy and shows its ossification.

The reality is that the campaign is being kept firmly in the community. Any attempt to address organised workers would be unable to ignore the fact that ICTU have already agreed water privatization and charging.

What's the alternative?

Our movement should put forward a socialist critique of the coming budget and urge utter rejection.

We should urge the self-organization of the working class and build a grassroots movement willing to take on collaborators in the union leaderships.

We should unite in action with all willing to fight back without trying to paper over differences.

An Irish movement must have a conversation with our comrades across Europe. The offensive is Europe wide and the response must be also.

A new socialist resistance is an absolute necessity. The problem is that the majority of ULA militants don't see that is a political issue. They proclaim unity as an aim in itself or democracy as some sort of magic wand, while holding fast to a tired reformism. The reality is that it is only by organizing around a revolutionary alternative that we can unite militants in the ULA, appeal to individual members of the SP and SWP and reach out into the ranks of the working class.

The Marxist view on tax

J M Thorne

The upheaval in the ULA over the revelations of tax avoidance by former businessman and independent TD Mick Wallace highlights the degree to which the left in Ireland has become almost completely defined by the issue of taxation.

The current programme of ULA can be boiled down to two major planks centred on taxation. Firstly, that the economic crisis (low

growth, debt, unemployment etc.) can be overcome through increased taxation on the wealthy and higher public spending. And secondly, that opposition to austerity can be mobilised most effectively through the anti-household charge campaign. It is because taxation has been elevated to a strategic level by the ULA that even the most tenuous connection with evasion provokes a crisis.

However, the fundamental problem with a programme based almost exclusively on taxation is not that it exposes a political movement to charges of hypocrisy, but that it cannot produce a resolution to the economic crisis that is favourable to workers. In purely quantitative terms, proposals to bring resources hoarded by capitalists into use through government

..cont p 10

Assembly economic strategy in meltdown

The news of massive job losses at Catapillar subsidiary F G Wilson in Larne marks a stunning blow to what passes for an economic strategy in the North of Ireland and a major challenge to workers. With 600 losses blamed on the European recession and further losses coming based on the transfer of manufacturing to China, F G Wilson seems set to follow Seagate into oblivion.

The news comes alongside news that local unemployment levels are approaching 9% - evidence that bluster about a peace dividend is long gone and that austerity and recession are beginning to bite.

The official policy of the DUP/Sinn Fein administration and its economic policy based on austerity is to "rebalance" the economy. This strategy, copied from the Conservative coalition in Britain, aims to savagely chop public sector jobs -the major source of employment in the region - in the expectation that private sector firms will expand into the gap.

In reality this a mechanism of privatization. Services will still be paid for by the public but provided by private firms who will cut back services, jobs and wages.

This low wage strategy is dependent on an influx of transnational capital. The idea that local capital will expand to the extent required to provide jobs is simply laughable.

This leaves the local administration with only one proposal. That is that corporation tax be lowered to match the 26 county rate of 12.5%. The utterly reactionary nature of this proposal is self-evident. The North receives a block grant from the British



treasury. Implementing the policy would see a transfer of hundreds of millions from the poorest sectors of society to the richest. There is no immediate likelihood of it being implemented because of doubts about the effects on British taxation patterns.

Even if a 12.5% tax rate was to be applied it would be unlikely to work. Few seem to realize that the fall of the Celtic Tiger is bound up with the refusal of the state to tax the transnational companies. A similar policy in the North would involve competing with a more stable economic zone in the South, itself competing with Asia.

The failure to develop any convincing economic policy in the North is not new. In the short term it should mean a savage fight to preserve public sector jobs. In the longer term it requires an alternative socialist economic programme that cannot, by its very nature, be developed within the confines of the Northern colony.

from p 9... tax and spend policies (such as the ULA's wealth tax and job creation programme) have a rational appeal. The problem is that they ignore the profit driven dynamic of economic activity within capitalism and the role of the state in defending class rule. Effectively what the left is doing is calling on the capitalist state to act against the interests of the capitalist class on behalf of the working class. While it is true that workers have won social advances within capitalism these have come through struggle rather than persuasion.

In general the state will engage in tax and spend only to the degree that it supports the continuation of capitalism. So it will fund public services in order to maintain a supply of healthy and skilled labour; and also the military and police forces that are the ultimate guarantors of capitalist rule. But because it seeks to do this in a way that minimises the cost to the capitalist class the burden of taxation inevitably falls on workers. This is why growing state intervention in the economy is always accompanied by higher taxes (often in the form of indirect charges) on labour.

Despite free market ideology, taxation and state spending is not an anathema to capitalism. Indeed, it has been a key element in capitalist development. Throughout history there have been many examples of state intervention in the economy. This has never more obvious than today when states around the world have intervened to shore up the financial sector. Some, such as Ireland, are so committed that they have taken themselves to the point of bankruptcy.

Over the past four years the Irish state, in terms of spending and ownership of assets, has expanded enormously. Yet this has been a nightmare for Irish workers who have borne the burden of that expansion. There is certainly nothing progressive about taxation and state spending which transfers

wealth from labour to capital. But neither is there anything progressive about transferring income from one section of the working class to another. Indeed, one of its consequences has been to lay the basis for the type of right wing politics (which has been most effectively propagated by the Murdoch media) that directs the resentment of workers towards the poorest in society (welfare claimants, immigrants etc).

In the public mind socialism is often identified with high taxes and state spending. This is due in some part to the programmes now being put forward by left formations such as the ULA. But largely it is the legacy of a long history of social democracy and labourism (and later Stalinism), which held that the state could be used to introduce socialism or at least eliminate the worst excesses of capitalism. However, after one hundred years of state expansion such a proposition appears more threadbare than ever.

This reformist approach stands in sharp contrast to the revolutionary position of Marx and Engels. For them no amount of taxation or state spending could change the fundamental structure of capitalism. This is why taxation did not assume great importance in their work, and when it did appear was usually as a means to expose how workers were being ripped off by the state. They also recognised the danger that dependency on the state could sap the revolutionary potential of the working class. This is why some of the positions taken by Marx and Engels, such as their endorsement of the "those who don't work don't eat" principal, can appear harsh. These stem from the conviction that socialism could only be achieved through the self-reliance and self-organisation of the working class, and that only through struggle could workers fit themselves to be the rulers in a post capitalist society. This was firmly rooted in a perspective for revolution. It is one that retains relevance for today.

Socialist Education

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The Challenge of Reformism

When capitalism flies into crisis socialist revolutionaries face a serious challenge. They believe that the working class must solve the crisis, advance a socialist programme and take power themselves. However this idea of the working class as a revolutionary class does not mean that workers are ready to fly to the barricades. As a subordinate class within capitalism they cling desperately to what they have and to old trusted institutions. Socialists have a lot of work to do to bring together the vanguard elements of the class and argue the case for revolution. History tells us of two crucial weapons in this struggle – “transitional” demands that bridge the journey from reform to revolution and the “united front” tactic that enables the broadest unity possible while leaving the revolutionaries free to advance their programme.

History also tells us of two side roads that end up as diversions from revolution. One is called sectarianism. It is dangerous because it is frequently misunderstood. In essence it is putting the interest of your own group before that of the class as a whole. Another, much more pervasive danger is called centrism - offering support to revolution when staying inside the camp of reform. Often this is simply confusion, but it also is camouflage for groups within the intelligentsia and the labour bureaucracies who are utterly opposed to revolution and express that hostility as support: “revolution Yes! – but not right now!”

“A formula detached from life is hollow. Living reality cannot be grasped without theory. Thus, both of them, the sectarian and the centrist, depart in the end with empty hands...”

(TROTSKY ON CENTRISM.)

Today the traditional organs of working class leadership have betrayed their rank and file with seeming impunity and have failed to lead any meaningful resistance to the austerity agenda being pushed systematically by the ruling classes of Europe. Despite this, working class resistance is increasing

and the beginnings of a swing away from the traditional reformist leadership can be observed, but what approach should socialists take to this nascent social dynamic? In his struggle to establish the Fourth International Trotsky fought an uncompromising battle against reformism and centrism. Further investigation of Trotsky’s experience and analysis may be revealing.

While many are acutely aware that sectarianism is a scourge “in our midst” it must also be said that another scourge exists, and indeed is prominent in the present era, that of centrism, “a displacement between the poles, reformism and Marxism”. While everyone is aware of sectarianism, the term sometimes being used to mistakenly describe ‘ideological intransigence’, the dangers of centrism are equally insidious. Its oscillating, amorphous nature makes it unstable and difficult to describe “being characterised much more by what it lacks than by what it holds.” Written during the founding years of the Fourth International, probably one of the most striking observations of Trotsky’s letters is the description of the development of political forces in a time of capitalist crisis. Trotsky echoed Lenin’s words on spontaneity, defining the difference between “centrism and centrism”, and drawing “a distinction between the centrism of the workers, which is only a transition stage for them, and the professional centrism of many leaders among whom there are also incurables.” In direct and emphatic language he wrote in opposition to the “smug” centrists who consider themselves “realist ... merely because they set out to swim without any ‘ideological baggage’ whatever, and are tossed by every vagrant current”.

Although historically, Trotsky wrote in response to the third international’s failure to respond to Hitler’s victory his writing has lost none of its applicability or power. Writing of reformist strategy during a working class crisis of leadership he observed: “Viewed historically reformism has lost completely its social hosts. Without reforms there is no reformism, without prosperous capitalism, no reform. The right reformist wing becomes anti-reformist in the sense that it helps the bourgeoisie directly or indirectly to smash the old conquests of the working class.” This can also include the entire trade union bureaucracy as events in Greece and particularly in Ireland has shown they remain wedded to the capitalist perspective on the resolution of the crisis, in Greece by restricting working class action and in Ireland by an active conscious betrayal in signing up to the Croke Park deal and participating in the Troika’s austerity government. Even the briefest of looks at the Irish Labour Party and at PASOK confirms the wisdom gleaned in the late 1930s.

But what of the left reformists? Those much sought after labour lefts? Blurring the lines between revolutionary politics and reformism or centrism will not contribute to the building of a new revolutionary organisation. Drawing attention to the dynamics of a leftward shift by the working class, towards centrism, Trotsky notes that the established right wing leadership “changes into a conservative, nationalistic clique that has nothing more to do with the working class movement.” Although they had little credibility as a reformist party we need look no further than the Irish Labour Party, unable to turn up to celebrate the centenary of their own foundation, for a modern equivalent of this dynamic in action. In the context of this reformist rightward lurch and its corollary, a leftward moving mass base Trotsky saw opportunist initiatives, such as the DeMann initiative*, as “an attempt to obliterate the line of demarcation between reform and revolution”, commenting that “In this precisely consists the essence of centrism.” Writing of the departure of the right wing leadership grouping from the French Socialist party in the 1930’s he observed that “The split did not weaken the old French Socialist party. It strengthened it. Since, after the cleansing, the party enjoys greater confidence on the part of the workers. But it must adapt itself to this confidence, and the form of this adaptation is called centrism.” Leaving no room for opportunist adaptation to centrist currents he insists that it is precisely in the struggle against these tendencies that revolutionary cadres will be formed. It is those that “will fight reformism best who are absolutely independent of centrism and view it critically and intransigent[ly]”.

It is equally important, however, not to make a virtue out of intransigence for its own sake. Having a programme of demands that is formally correct is not enough, it is essential that the working class accept that programme and put it in to action, its task lies in the “systematic mobilisation of the masses for the proletarian revolution”. In producing the Transitional Programme Trotsky produced a method, not of adapting to the consciousness of the non-revolutionary workers but of leading them away from that consciousness. This cannot be done without a “bridge” being constructed between simple acts of self defence, in present conditions in the face of the troika’s assaults, and the ultimate objective of “the conquest of power by the proletariat”. If we believe otherwise we are reformists.

James Fearon.

*Hendrik de Man was a Belgian socialist who replaced the idea of a democratic workers planned economy with the idea of planning by experts and technocrats. He began as a socialist and crossed over to fascism

Covenant marches promise endless sectarianism

The period following September's mass Orange demonstration in Belfast commemorating the signing of the Ulster covenant - the event leading to Ireland's Nakba, the partition of the country and generations of violence, colonial rule and sectarian division - was followed by widespread expressions of relief and hope for the future.

There had been no violence. The Orange had said they were sorry for the hurt feelings of nationalists. They had even spoken to a Priest. By and large they had obeyed the determination of the Parades Commission and, aside from the usual demonstrations of sectarian hatred outside two churches and one bandsman urinating on a church, things had gone well.

But things were bound to go well. The determination that the Orange "obeyed" was written by themselves.

The sequence of events was as follows: The Loyalists had a clear run on the 12th July demonstrations. Parade Commission determinations were minimal and Sinn Fein mobilized across the North to police any protests. One Loyalist band went viral on the internet doing a wardance outside a Catholic church and singing the sectarian "famine song". All this is perfectly routine, other than exposure on the internet.

The Parades commission banned the Shankill band from an upcoming parade and banned all other bands from playing outside the church.

The outcome was an upsurge in loyalist violence led by the paramilitary UVF, political support for the loyal orders by the Unionist parties, including First Minister Peter Robinson and mass defiance of the ban, alongside a tide of publicly expressed sectarian hatred astonishing in its virulence.

The new determination from the Parades Commission echoed word for word the Orange press statement indicating how they would conduct themselves - indeed it was the protest by residents that was constrained. In the meantime a Stormont debate had seen unionists politicians unite in defense of loyalists and in sectarian jeering at their opponents.

There is nothing new in any of this. The Parades Commission regularly seek to inhibit the worst excesses of Orangeism, only to be met with Orange uprisings and rapid retreats by the state - last year's riots in North Belfast and the UVF attack on Short Strand come to mind.

In reality the only people to support the Parades Commission are the nationalists, including the Catholic Church and Sinn Fein, despite its totally undemocratic operation. The latest debacle is almost bound to see its demise.

It's on the behind the scenes deals on a replacement for the commission that the hopes of the nationalists rest. The last stitch-up would have made most trade union demonstrations illegal and cleared the sectarian ones. It collapsed because it contained a commitment to talks with nationalist groups. Now the Orange have said that they are sorry that nationalists are upset. They have allowed districts flexibility to talk if they wish to - a decision that ran alongside the receipt of a substantial peace grant from Europe. They have had quiet conversations with Catholic Priests. The Unionist political leadership have united behind the Loyal orders - what they want they will get.

Sinn Fein have been outsmarted yet again. They thought the deal meant talks with them. The Orange will decide who they speak to. They hoped their call for "respect" would lead to constraints on the marches. The Orange will decide the arrangements for marches. The Shinnars are discomfited, but no-one will care. The Catholic church, as the second largest sectarian group in the North, will be delighted to strike deals.

Behind the issue of Sinn Fein saving face there is the real issue. All the convulsions since the start of the peace process were about limiting the behavior of the Loyalists. They were always going to march and now they will continue to march with little in the way of constraint.

Yet the Orange order is a sectarian organization. All aspects of demonstrations from the bonfires on are filled with raw sectarian hatred. They are committed to ensuring the continued sectarian division of Northern workers. The danger of major sectarian violence can only increase as austerity bites and the struggle for sectarian division of resources increases.

With the Covenant celebrations we have a mass declaration that Ulster is British and will remain so. We also have a declaration that the mechanism of British rule will continue to be Unionist dominion and sectarian intimidation.

Sinn Fein and the Nationalists facilitate this. That makes them part of the problem.



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