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# Introduction

‘Europe’, the collective title of these essays, is a comparatively recent concept. As the historian Norman Davies explains, it “gradually replaced the earlier concept of ‘christendom’ in a complex intellectual process lasting from the 14th to the 18th centuries”.<sup>1</sup> Only in the early years of the 18th century did notions of a common European identity finally supersede those of christendom. The Treaty of Utrecht in 1713 provides perhaps the last major diplomatic reference to the ‘christian commonwealth’.

Europe is a continent of the mind. Europe certainly owes more to culture and history than geography. Geographically it is merely an extension of the great Asian land mass, akin in that sense to India. Over time the exact borders of Europe have waxed and waned. William Blake illustrates his 1794 poem ‘Europa’ with a cartoon depicting god reaching down from the heavens holding a pair of compasses. Yet despite such divine intervention the matter has never been fixed. Europe is “tidal”; the main gravitational factor being Russian state power.<sup>2</sup>

Russia, and Russian otherness, stretches far into the east and Asia but is also vast to the west. Sometimes the perceived borders of Europe have included Russia. At other times Russia - along with its occidental possessions and satellites - have been excluded. But whether Europe stops at the Elbe, the Wista, the Don or the Urals there have been repeated proposals to overcome Europe’s often bloody divisions.

The Quaker leader, William Penn (1644-1718), the founder of Pennsylvania, advocated religious toleration and has the distinction of being perhaps the first to advocate a European parliament. Charles Castel de St Pierre (1658-1743), a dissident French abbot, called for a confederation of European power in order to secure peace. The so-called religious wars of the 15th, 16th and 17th centuries and then the emergence of orthodox Russia as a great power certainly necessitated radical rethinking. Notions of a European commonality steadily gained prominence. Voltaire, writing in 1751, described Europe as a “kind of great republic”, some of its components monarchical, “others mixed” ... “but all corresponding with one another”. He cites not only common religious foundations but common “principles of public law and politics unknown in other parts of the world”.<sup>3</sup> Twenty years later Rousseau was saying that there were no longer French, German, Spanish “or even English”, but “only Europeans”.<sup>4</sup>

Europe came to represent a cherished goal, the ideal of peace and harmony that was so lacking in reality. Invoked by revolutionary democrats and reactionaries alike, Europe has served every cause. Napoleon Bonaparte sought to unite Europe in the image of France. In turn the main counterrevolutionary powers joined in concert against the French revolution in the hallowed name of European civilisation. The 1815 Congress of Vienna put in place an interlocking system of semi-despotic European states. Later, imperialism was justified with reference to Europe’s moral superiority and world-wide mission. Another

Europe gestated. Proletarian Europe. Karl Kautsky desperately wanted to prevent the outbreak of a horrendous inter-European slaughter - socialism would be thrown back a generation or more. So in 1912 he proposed that the working class should settle accounts with autocratic Germany, Austria and Russia and boldly take the lead to bring about a republican united states of Europe.

World War I saw the collapse of the European autocracies - but socialism was isolated in the suffocating backwardness of Russia. The main powerhouse of world productive activity shifted from Europe to the United States. Yet Europe remained of paramount political importance. Both revolutionaries and reformists sought to rescue Europe from decay and fragmentation - the former for socialism, the latter for capital. Trotsky won Comintern to call for a United Socialist States of Europe in 1923. In his turn Aristide Briard, the right socialist French politician, presented vague proposals for a federal Europe based on peace and economic cooperation. He envisaged a European union of 27 sovereign states and a permanent executive.

The coming to power of first Joseph Stalin in 1924 and then Adolf Hitler in 1933 scuppered all such plans; especially when Germany embarked on its second attempt to dominate Europe by means of conquest and terror. By 1941 half of the continent had been united ... in Nazi fetters. Hitler madly dreamed of a Europe purged of all *Untermenschen* - jews, Roma, homosexuals, Bolsheviks - and a Germany gigantically extended to the east. Those semi-Asiatic Slavs who were permitted to survive would be reduced to serfs; their lot in life, to serve under a colonial master-class of Aryan farmers.<sup>5</sup> Hitler drew an analogy with British rule and exploitation of India - "The Russian space is our India".<sup>6</sup>

After World War II Europe once again found itself devastated, exhausted and much reduced. Under the terms of the Yalta agreement, the eastern half of the continent was incorporated into the Soviet Union's sphere of influence and, through bureaucratic revolution, 'sovietised'. As to western Europe, it was shorn of the glories - and booty - of empire. Humiliatingly it had to rely on the US nuclear umbrella to counter the much exaggerated threat from beyond the iron curtain. The desire to avoid another internecine conflict, and to create a bulwark against bureaucratic socialism, drove the states of western Europe, in particular federal Germany and France, towards an historic compromise and overcoming the division of Europe into numerous antagonistic powers.

European capitalist integration has advanced qualitatively since the Treaty of Rome was signed between Belgium, France, Germany, Italy, Luxembourg and the Netherlands in 1957. The customs union has become a political zone embracing 379 million people and 15 countries. But what was advancing tortuously - with endless compromises and half-measures - speeded up following the collapse of bureaucratic socialism in the USSR and eastern Europe in 1989-91. With the Maastricht and Amsterdam treaties the tempo of integration catapulted forward. A common currency and new members to the east. Sacrificing his beloved deutschmark for the euro was purportedly the price chancellor Kohl paid for French acquiescence to German reunification. Though the EU still often appears to be a jerry-built Tower of Babel, the goal is clear - some kind of quasi-democratic superstate.

Europe's parliament is little more than a democratic fig leaf. The European parliament exercises no effective control over commissioners or national governments. The EU is

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run by appointed bureaucrats and proceeds according to the interests and deals concocted by narrow-minded member governments. In the final analysis that means serving capital accumulation. However, as we have consistently argued, just saying 'no' to this constitutes a completely inadequate response. A positive programme is required - our programme of unity as against their programme of unity.

In Britain the ongoing capitalist process of integration caused well known and deep divisions. Ideologically the residues of empire arrogance clouded the brain. Barred from the Common Market in 1963 by De Gaulle's veto, the British ruling class tried to maintain a residual empire, along with the 'special relationship' with the US and a stake in Europe through Efta. But neither the Commonwealth nor the conceit of being an independent world power added up to a viable strategy. Britain eventually entered the EEC in 1973 under Heath's Tory government (along with its Danish and Irish Efta allies).

Apart from its extreme right wing around Roy Jenkins, the Labour Party presented itself as highly critical of the terms and conditions. Nonetheless in 1975 - after some minor renegotiations - Harold Wilson's government successfully fought a referendum on the issue of continued membership. The main opposition came from a Tony Benn-Enoch Powell popular front, with the 'official' Communist Party, the *Tribune* left and associated trade union bureaucrats forming the tail (the revolutionary left formed the tail of the tail). Labour remained programmatically uneasy with European integration till the leadership of John Smith and then the government of Tony Blair. A parallel shift occurred in the TUC with the appointment of John Monks. New Labour and its coterie of middle class career politicians loyally and openly serve the interests of the most competitive, most internationalised, sections of British capital. The subaltern working class pole of Labourism is today a marginalised appendage and is treated with barely concealed contempt.

It is the Tories who are organically split. While Lady Thatcher and co call for a "fundamental renegotiation" of Britain's relationship with the EU, an embattled Heseltine-Clarke wing joins the Lab-Lib pact over the forthcoming referendum on the euro. These pro-big business traditionalists will operate within the Britain in Europe campaign under Blair. Meantime Smith Square and the Tory front bench articulate the interests of the least competitive sections of capital and play on little Britain xenophobia. Iain Duncan Smith's Tories ride towards their Valhalla committed to maintain the pound in perpetuity.

If Europe and European unity has divided the two main establishment parties, it divides the left too, including the Socialist Alliance. Nationalism runs deep. Concern for national sovereignty, setting interest rates and the value of the pound have in some quarters replaced the language of working class solidarity and international socialism. Concretely this finds expression in markedly different attitudes adopted towards the forthcoming referendum on the euro. Some on the left will willingly play second fiddle to the Tories in the name of saving British sovereignty and building the "widest possible" opposition to the euro. Others, such as ourselves, argue for an independent working class agenda for Europe and therefore an active boycott of what is effectively a rigged referendum. The Socialist Alliance's conference on October 12 decided by a majority of two to one to opt for a 'no' stance and a non-xenophobic campaign. The Greens, the trade union left, the *Morning Star's* Communist Party of Britain and the old Labour left are already spoken of as allies - nationalists all.

The argument has begun but clearly has a long way to run. Though I will do more than touch upon the immediate issue of the forthcoming euro referendum, my overriding aim is to open up wider vistas. The working class can win its own, social, Europe. That is why there is such a heavy emphasis on theory and in particular the ideas of key communist thinkers such as Karl Marx, Fredrick Engels, Karl Kautsky, Vladimir Lenin, Rosa Luxemburg and Leon Trotsky. The modern prince must learn from the past in order to make the future. The lead on European unity has been taken by the liberal and social democratic parties of the bourgeoisie for too long. Frankly, since 1945 the working class has by and large been politically silent or content to repeat the nationalist slogans of others. That can and must change. The living reality of a hostile continental unity made from above demands an alternative continental unity forge from below.

This short book is a contribution to debate and will hopefully help to bring about the hard battle lines of clarity. Naturally that means being unashamedly polemical and combative. Whether or not this approach violates bureaucratic, soft left and outdated notions of Socialist Alliance membership - which “assumes a commitment to the anti-sectarian and cooperative way of working, looking to build unity rather than set out to create discord, positively supporting and encouraging the notion of alliances and ensuring that any critical debates are conducted in a positive manner without personal attacks” - is for others to judge. Either way, communists come not to negotiate a rotten compromise with what is wrong but to wage war for what is right.

**Jack Conrad**

October 2002

# 1. National and international socialism

Though it may appear somewhat paradoxical, our discussion on Europe necessarily begins with the world and the process now commonly called ‘globalisation’. As the reader will quickly appreciate, neither Euronationalism nor any kind of regional jingoism holds out any prospect of working class liberation as far as I’m concerned, only playing out George Orwell’s *1984* for real.

‘Globalisation’ is responsible for a great deal of confusion and consternation. Most fret and worry; a few celebrate. On the one hand there is a strange mixture of conservatives, liberals and national socialists. Alike they feel threatened by what they see as stateless capital - ie, the subordination of the nation-state to the power of giant corporations, faceless currency dealers and institutions such as the World Bank, World Trade Organisation and the European Union. The UK Independence Party and the British National Party, the Labour left and rheumy-eyed ‘official communists’ huddled around John Haylett’s *Morning Star*; George Monbiot and other modern-day Proudhonists, the trade union ‘awkward squad’ - Bob Crow, Mick Rix, Billy Hayes and Derek Simpson; Peter Taaffe’s Socialist Party in England and Wales and Alan McCombes in Scotland – all of them would, if only they could, turn back the wheel of history.

On the other hand there are those who welcome what they believe is the decline and virtual disappearance of nation-states. Globalisation subverts not only the nation-state but the “traditional” cultures and even the family, claims of Tony Blair’s favourite ‘third way’ propagandist, Anthony Giddens.<sup>7</sup> Another New Labour thinker, the former *Marxism Today* writer Charles Leadbeater, is also full of praise for globalisation. “We should take it forward” from “markets and trade” into “society and governance”, he says.<sup>8</sup> From the left comes Michael Hardt and Antonio Negri with essentially the same message. According to this best-selling duo the end of imperialism and the emergence of what they call “empire” “broke and buried” the nation-state.<sup>9</sup> Parliament, trade unions and national legislation are obsolete or irrelevant, they say. Any revolt or protest by the “multitude”, no matter how isolated or parochial, immediately touches the global level. The erudite but silly ideas of Hardt and Negri find fitting political expression in headlining but ephemeral groups such as *Ya Basta!* Various anarchists and left communists too maintain that the days of the nation-state as an effective site of struggle are long gone. Capital now exists unmediated, in pure form, and freed from the constraints once imposed by governments. Or so they say.

Of course, from its origins capital has striven to overcome all boundaries: national, cultural and geographical. Capital knows no rest. It must ceaselessly revolutionise the means and *circumstances* of production.

In the *Communist manifesto* of 1848 Marx and Engels describe the capitalist mode of reproduction as joining the whole world into a single metabolism. Capital's need for unlimited expansion sent it hunting far and wide. No country, no person remained unaffected. Raw materials came back to the metropolises in enormous quantities from the most distant places. Finished commodities are in turn exported to the "world market".<sup>10</sup>

Many decades later, prior to and during World War I, Rudolf Hilferding, Nikolai Bukharin and Vladimir Lenin concluded that capital had reached a new, higher, stage. Imperialism and finance capital denotes the merger of banking and industrial capital, the colonial division of the world, the domination of monopolies and interventionist state controls. There is also the export of capital itself.

Indeed the export of capital, from being a barely noticed exception, comes to colour the whole system. Instead of simply marketing finished commodities, big capitalists augment their profits through overseas lending, running infrastructural projects and establishing manufacturing plant in other countries. The global market condenses, ripens and hatches out into the global economy.

So globalisation is hardly a novel phenomenon. Nevertheless over the last two or three decades there have been important shifts in the circumstances of reproduction which do mark a further intensification, integration and spread of the capitalist system. There can in short be no doubt that the post-World War II period has been superseded. There is a new world order. For purposes of illustration I shall highlight four interrelated areas.

One, class struggle. In the late 1960s and early 1970s Keynesian methods of managing the national economies of the major capitalist countries hit the buffers. The needs of capital clashed with the needs of the working class. Full employment and the provisions of the social democratic state boosted working class self-confidence. Falling profit rates necessitated a ruling class offensive. Monetarism, Thatcherism, Reaganomics, neoliberalism.

It took many battles. Ideological, legal and physical. In Britain, with a venal and incorporated top leadership and lacking any clear-sighted vision of an alternative, communist, society, the organised working class suffered defeat after defeat. Steel, cars, mines, docks, print. Unemployment soared. Anti-trade union legislation cowed. Solidarity crumbled. From this politically constructed vantage point capital could be gallantly rescued from the reviled clutches of taxation - which siphons off surplus labour to provide social housing, health, earnings-linked pensions and other such useless and irresponsible forms of expenditure. The social democratic consensus is slain. As is right and proper, capital is kept for capital in order to produce yet more capital.

Unprofitable concerns, including nationalised industries, are either elevated into predatory transnationals in their own right or are snuffed out in the gale of international competition. Restrictions on the movement of capital are lifted. Profit rates increase. Inequality widens. The rich have certainly done well. Whereas in the 1970s the top one percent of households owned 20% of personal wealth, now it is close to 40%.

Two, spread. Meanwhile the irresistible dynamic of global capital erodes and eventually prevails over even the immovable might of the most despotic 'socialist' state. Universal money subverts the anti-cosmopolitan *nomenklatura*. The cornucopia of commodities lures every stratum into support for democratic counterrevolution. Neither KGB nor Berlin

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Wall can save the national socialist dystopia.

To preserve its power the bureaucratic elite must become bourgeois. Seclusion and self-sufficiency implodes before the capitalist mode of reproduction. Over two years, 1989 to 1991, the 'second' world vanishes. State industries limp on in hopeless obsolescence or fall into the tight fist of bureaucratic thieves and asset-strippers, the oligarchs. That, or they are cherry-picked by western capitalists.

China remains officially a people's democracy. However, the heirs of Mao Zedong and Deng Xiaping actively encourage wage slavery and the rapid accumulation of capital in the special economic zones. The bureaucracy merges with capitalism to form a single alloy. Vietnam wants to emulate the Guangdong model. Starving North Korea worships Kim Il Jong as a beneficent and all-powerful god but relies on South Korean and US handouts. Even in Fidel Castro's Cuba the dollar functions as a parallel currency. Capitalism stares in on these 'socialist' states from every window. In short, all countries now lie within, or are subject to, the capitalist metabolism. There is no outside.

Of course, despite 'globalisation', the state has not gone away. Far from it. Nowadays the USA operates as a superimperialist power. It won the Cold War. Economically the EU stands on a par. But militarily the US has no serious rival. Not Russia, the EU, China nor Japan. Administrations, be they Republican or Democrat, confidently unleash, or threaten, overwhelming force when faced by a recalcitrant, small to medium-sized foreign regimes. Existing treaties, pacts and protocols are arrogantly torn up or simply ignored: Rio, ABM, Kyoto, landmines.

As a result of US hyper-imperialism, old institutions are given new roles. The World Bank and the IMF rule Africa, southern and eastern Asia and Latin America with a callousness comparable to colonial times. Structural adjustment means destitution and starvation for millions. Nato polices the Balkans, the UN throttles Iraq and the WTO guards US DNA and GMO patents. Meanwhile anti-terrorism is presented as an ultimatum - you are either with the USA or against the USA. Those who are against will, of course, suffer dire consequences.

That is the *temporary* new world order. Temporary, because capital is a system of antagonistic rivalry. The present-day balance of power is bound to alter and its corresponding structures are bound to be challenged. Surely, here lies a significant aspect of the EU and European unity. "An enormous gulf has opened up in American and European perceptions about the world, and sense of shared values is increasingly frayed", worries US political thinker Francis Fukuyama.<sup>11</sup>

Three, increased interlinkage and velocity. Between 1970 and 1997 the export of commodities has risen enormously, by something like 200%. Everyday items are produced by single companies across different countries and continents. Designed in Italy, owned in the US, assembled in Taiwan, sold everywhere. During the same, 1970-1997, period the export of capital has, in comparison with the export of commodities, shot through the roof, increasing by nearly 1,400%. Take another set of statistics. In 1980 cross-border trade in bonds and equities were equivalent to 8% of Japanese GDP. In 1998 that figure was 91%. For the US the increase has been even greater: from 9% to 230%. And for Germany the rise was from 7% of GDP to 334%. International bank lending has shown a similar expansion. Gross international bank claims went from \$315 billion in 1993 to \$1.2

trillion in 1997. Overall bank lending in 1998 reached a record \$11 trillion. Meanwhile daily currency trading reached \$2 trillion in 1998, or an annual turnover of over \$600 trillion.<sup>12</sup> Central banks can easily find themselves overwhelmed. Chronic instability results and the possibility of turmoil and a devastating crash go hand in hand with untold wealth. According to the UN the three richest billionaires have assets worth more than the combined GDP of the world's poorest countries, the inhabitants of which number 600 million people.

Both phenomena - interlinkage and velocity - are in part facilitated by staggering *decreases* in the value and prices commanded by the means of communication: sea freight, air transport, telephone calls and computers. IMF statisticians estimate that between 1920 and 1990 the real cost of sea freight went down from an index of 100 to 30. Figures for air, telephones and computers are in comparison breath taking. From a 1930 100 index air transport stood at just under 20 in 1990; over the same period telephone calls dropped to almost zero. The same feat has been performed by computers - but from a 1960 base line.<sup>13</sup>

Four, structure. As a result of all the above, the internal structure of the world economy no longer simply consists of oppressed and oppressor nations: ie, a handful of great imperialist powers who produce and sell finished commodities and an underdeveloped periphery, often colonies, which supply raw materials. The picture is considerably more complicated and multi-layered.

Capital as a metabolic system of reproduction always was universal and social. Now only more so. The metropolitan countries remain economically, politically and militarily dominant but account proportionally for fewer and fewer finished commodities. Jobs in manufacture have not disappeared. They have been exported. Increasingly the metropolises are characterised by banking, insurance, transport, research and development, advertising and what might be described as immaterial commodities, frequently called knowledge and information. The typical worker in Britain is no longer in heavy industry and male, but female and in administration or services.

There is no scramble for Africa. On the contrary, apart from South Africa, the countries south of the Sahara are being left to rot. Aids, petty wars, famine, debilitating debt. Russia is a huge exporter of oil and gas but still haemorrhages wealth on a chilling scale. Average life expectancy has fallen by 10 years. The Ukraine, Kazakhstan, etc, have fared even worse. Afghanistan, Argentina, Colombia, Iraq and most of former Yugoslavia lie wrecked. As a concomitant impoverished parts of Latin America, eastern Europe, Russia and the 'third world' are reproduced in the great cities of the metropolises - Los Angeles, Houston, New York, London, Rotterdam, Berlin, Paris, Marseilles.

On the other hand Ireland, Spain, Greece and Portugal have joined the EU and adopted the euro. They can hardly be regarded as backward or semi-colonies. Poland, the Czech Republic and Hungary are set to follow as are Slovenia, Latvia, Lithuania, Estonia, Malta and Cyprus. China, India and Mexico are no longer mere exporters of raw materials but finished commodities too. And at a significant level. Something like 80% of the world's footwear comes from China. Places such as Turkey, Singapore, Chile and South Korea have also undergone a qualitative shift. These medium-developed capitalist countries have their own monopolies, export capital as well as finished commodities, and face large,

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often militant, working classes.

Yes, of course, the national sovereignty, so treasured and venerated by conservatives and national socialists alike, has been sapped, undermined and revealed as dependency. Europe's nation-states must join together in a federal superstate or admit impotence. The "unprecedented and unequalled" US has well known relations of dependency too. Saudi Arabia ensures cheap oil for gas-guzzling Americans. Latin America supplies an endless supply of worst-paid, often illegal, labour. The Clinton boom could only be sustained through a huge influx of foreign capital - mainly German, British and Japanese. The US of George W Bush now runs on a black hole of chronic indebtedness. Not surprisingly then, even the most populous state on earth, China with its 1.2 billion inhabitants, can only satisfy its needs by ensuring all manner of reproductive and political relations with other countries. China has its special economic zones - Hong Kong, Guandong, etc - and is now a full member of the WTO, with all that means in terms of loss of autonomy and subordination to the capitalist metabolism.

What do these changes mean for the strategies and programmes of liberation? Though the spread and universalisation of capital is motivated by needs of self-expansion and are often carried out in a thoroughly inhuman and brutally destructive manner, there is an objectively progressive aspect. Despite all the human suffering the growth of capitalism means that today the working class is in all probability the biggest class on the planet. Due to globalisation for the first time in history there are more proletarians than peasants. Capitalism has also created the abundant wealth upon which alone socialism can arise.

However, though capital shows its continued technical dynamism, its intrinsic limits are impossible to ignore. Ecological destruction, financial crisis, the gap between actual and potential production, waste and crowning everything the role of the hypertrophic state in setting prices, ensuring profits and providing military protection from encroachment by foreign competitors. Arms contracts, reliable utilities, subsidies, tax breaks, import controls - all are vital to keep the sphere of circulation functioning in the interests of capital accumulation. Capitalism puts off socialism by organising itself and re-organising itself again and again. Irrespective of Thatcherite nostrums the bureaucratic state apparatus assumes an ever greater importance. Certainly without the state and its legal framework - laws, courts, prisons and police - capital would find it impossible to exercise its dictatorship in the workplace. They are few, we are many. The state also provides capital - which is internally fractured by its very nature of being many capitals - some kind of overall cohesion it must otherwise lack.

Capitalism still operates as capitalism. But its essential laws are historically in decline - value, money, free competition, the labour market, private ownership - and contradictions pile up and become ever more intractable and fraught with danger. Society, if it is not to descend into barbarism, must control the wealth it produces in such fabulous quantities.

The way forward lies not in appealing to the supposed common sense or humanity of the self-interested personifications of capital. Leave that to archbishop Rowan Williams, Bob Geldof, Bono, Oxfam, Jubilee 2000 and the myriad other NGOs. However naive, here is the reformist wing of global capital.

The task of communists is to programmatically equip and politically train the class that capital itself recruits and economically organises. The global working class is alone capable

of constituting itself a viable alternative material power that can overcome capital's apparatus of repression and reorganise the world according to human need and the goal of fully rounded human development. Labour both stands immediately opposed to capital economically and has the potential collective strength to turn rational theories and demands into socially transforming deeds. No other class, social stratum or protest movement can do that - hence goodbye obituaries to the working class are not only wrong-headed, but are declarations of abject political surrender.<sup>14</sup>

As to national socialism, owing everything to Otto von Bismarck and Alfred Marshall, nothing to Karl Marx and Frederick Engels, it was always palpably anti-socialism. State control of the individual capitalist or state expropriation of private capital leaves intact capitalism as a reproductive metabolism, along with its hierarchical system of control. Workers remain exploited workers and the system continues, of necessity, to blindly maximise the extraction of surplus labour from them as producers.

Thankfully programmes for instituting socialism within, through or over a single national class state now increasingly appear to be what they are - crass, cynical and ugly. Much to the chagrin of our national socialists, neither a Stalin-type command economy nor the social democratic state any longer represent a coherent alternative to existing neoliberal capitalism. Hence the wailing against globalisation and gnashing of teeth by Stalinite and left reformist organisations. Showing a maudlin attachment to auto-Labourism, the SWP's Chris Harman mounted a gallant defence of "old fashioned" trade unionism and "reformist governments" when it served.<sup>15</sup> But it never convinced.

Global production and global economy mercilessly punish antiquated and blinkered notions of local exclusiveness and isolation. Humanity is inescapably interdependent. Exploitation links workers everywhere. They still speak national languages but mutual conditions, their radical chains, make them a world class. In the stirring battle cry of the *Communist manifesto* the emancipation of the workers requires a world revolution, the "forcible overthrow of all existing social conditions".<sup>16</sup>

Yet within neoliberal establishment circles 'globalisation' is more than the latest buzzword. It serves as an ideological drug to lull workers into acceptance of permanent wage-slavery. In a world where capital is meant to be stateless and comprehensively mobile, demands on governments for improved conditions are patronisingly and poisonously attacked as self-defeating. Higher subsistence levels, so the story goes, will simply see capital swanning off to where labour-power is dirt cheap. China, Burma, Mexico, Indonesia. Hence, the apologists of capital insist, ideas of launching a socialist challenge to the system and its logic of accumulation for its own sake are a chimera.

We do not, for one moment, accept the new-old 'iron law of wages' theory peddled by the political and academic servants of capital - like the nonsense about complete automation and artificial intelligence, it is a fiction, albeit a useful one, invented in order to sustain the socially constructed image of a capitalism without history and without end.

Through class struggle, gains can undoubtedly be won. Capital cannot locate just anywhere. Even amongst transnationals production and sales rely predominantly on the home country. Moreover supplies of "skilled workers and efficient infrastructures" are vital.<sup>17</sup> So while there is a tendency to equalise wages and conditions, there can come into effect - especially through international coordination and organisation - real

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improvements and gains. There is no need to bid each other down. Workers can still limit competition between themselves.

The self-serving economic determinism of the neoliberals is not only contemptible - morally and intellectually. It makes an easy target for those wanting to rescue the flailing reformist project. A useful example is Ron Bellamy's 'Fighting the myth of globalisation' articles in the *Morning Star* (published over the three days of June 25, 26 and 27 1997 and defended against a hapless critic in an August 8 letter).<sup>18</sup> By setting up and duly knocking down absurd and crude formulations, in general from unnamed people and/or institutions, Bellamy tries to give the kiss of life to 'official' communism's cadaverous version of national socialism - the *British road to socialism* programme. It remains dead if not buried.<sup>19</sup>

Evidently the modern state is not "powerless". Nor do transnational companies exist in mid-air detached from "country".<sup>20</sup> Ford is rooted in the US, BMW in Germany and Toyota in Japan. These mighty states have a long and very effective record of ruthlessly defending *their* transnationals at home and abroad: "At least 20 companies in the 1993 *Fortune* 100 would not have survived at all as independent companies if they had not been saved by their respective governments in the last decade and a half".<sup>21</sup>

Neither does it follow that within the framework of the global market "national agents and governments have no role".<sup>22</sup> Diverse they may be but the Bank of England, the CIA and the Communist Party of China are far from irrelevant when it comes to ensuring the production and reproduction of capital.

"Where are the armies, police forces, courts and prisons" of the world capitalist state? Bellamy artfully inquires. There are, of course, none. There is no world state and nor can there be one under capitalism. Diversionary questions aside, common sense tells us that there is no "world state", nor a non-national "world capitalist".<sup>23</sup> Nato, the UN and the EU are by definition intra-state organisations.

What of a supra-national capitalist class? Most boards of transnationals are mono-national. Richard Branson, Bill Gates and Silvio Berlusconi are respectively British, American and Italian. And, yes, seen from that angle, capital is "owned by capitalists of one state which they export from their own nation-state to others".<sup>24</sup> Calling transnationals 'multinationals' is certainly a complete misnomer. There are few if any multinational companies. Capital is not stateless.

Furthermore, capital cannot spread evenly throughout the world. There is, Bellamy triumphantly points out, a strong regional bias. Before him Trotsky called it combined and uneven development. Most exports and overseas investments are between capitalistically advanced countries. For instance, in the early 1990s three-quarters of British foreign direct investments were concentrated in North America, the EU and Japan. A representative pattern. In 2001 68% of foreign accumulated direct investment went to "developed" countries.<sup>25</sup>

It is also right to stress that, "though there are new features" - the end of free movement of labour, for example - international or global capital, in the sense of capital being exported from one country to another, is in itself "no way new".<sup>26</sup> Just prior to World War I, when Britain was at its imperial zenith, investments abroad amounted to 13% of GDP - roughly the same as today, though the destination of those investments included a greater proportion to Asia, Latin America and Africa. Between 1880 and 1913 British overseas

capital increased fourfold to some £4 billion - "total income from foreign investments reached close on £200 million".<sup>27</sup> And I hardly need to add that international trade in commodity capital considerably predates industrial capitalism<sup>28</sup>. Nevertheless, though there was a crash in capital exports and global trade with World War I and then the autarky of the 1930s, there have been rapid changes in recent decades. Foreign assets accounted for a mere five percent of world GDP in 1945. By 1995 that figure had risen to an "astonishing" 57%.<sup>29</sup>

The neoliberals indulge in hyperbole. Yet so do their national socialist opponents. The neoliberals maintain that the state is powerless. This excuses questioning the social democratic consensus and rolling back working class gains. Bellamy in turn maintains that, because globalisation has been much exaggerated by the neoliberals, *ipso facto* the existing state can be used as the vehicle for his neo-Keynesian alternative economic strategy and in due course a British socialism. He needs a non-global capitalism to justify this programme.

There is, as the noted Marxist thinker István Mészáros suggests, a "mismatch" between capital's reproductive structures and its state.<sup>30</sup> National capital is by definition tied up with the national state. But, as freely admitted above, global capital has no state formations proper. Nevertheless global capital exerts itself, albeit "in an extremely contradictory form".<sup>31</sup>

Capital exists as a single world metabolism but within a system of national states. Capital by its own logic demands the unlimited exploitation of labour. The national state cannot allow this, observes Mészáros - neither economically nor politically. The masses would rebel and, that failing, starve. Therefore other solutions are sought out ... at enormous cost in terms of human suffering. The 20th century witnessed two world wars, the rise, decline and rise again of imperialist parasitism, the capitalist national socialism of Adolf Hitler, and the post-capitalist national socialism of JV Stalin.

In this last named context Bellamy transparently entertains another, unstated, agenda. Implicitly the national socialism of the USSR, despite its abject failure, is exonerated - along with his own record as one of its toadying propagandists. Stalin's USSR - naturally minus its proletarian and revolutionary genesis - actually remains Bellamy's model.

Total nationalisation for Bellamy and many others, Trotskyites included, is monstrously equated with socialism or/and a workers' state. The result can be run bureaucratically or democratically but "property relations" are for the national socialist school the bottom line. Such a viewpoint not only involves mangling Marxist theory and the programme of democracy and social liberation. It is an unsolicited gift for capital's paid persuaders. The USSR's terror, mass oppression, censorship, gulags, irrationality and poverty are turned into a dire *warning*. This is what happens if you epsilons dare interfere with the natural order of things!

Bellamy was particularly mindful of those left labour bureaucrats who after nearly two decades of Tory governments looked to the EU in the forlorn hope of salvation. Ken Livingstone and John Monks still do. In the attempt to return them to the true national socialist fold he cites figures showing that the UK government spends 56 times more on goods and services than a proposed EU job creation programme: £2,300 per head, as opposed to £41 per head. Bellamy's substantive conclusion is, however, that reformist social change via the EU is a fantasy.

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Not only would “scrapping the Rome Treaty” be necessary but so would a “majority of left national governments” on the council of ministers. “How long should the people of one country wait for that?” Bellamy asks, “when they can obtain their own left government?” A British socialism that weakens “transnational big businesses”, pulls out of the EU and restores welfare, would, he sincerely believes, inspire others and thereby prove to be the most effective form of “international solidarity”.<sup>32</sup> Exactly the same argument is used nowadays by the Scottish Socialist Party’s Alan McCombes and Tommy Sheridan to justify their “tartan revolution”.<sup>33</sup>

We have seen on numerous occasions what follows reformist experiments in national socialism. They are hardly inspirational. Spain in the mid-1930s and Chile in the early 1970s ended in bloody tragedy. France in the mid-1930s and then again in the early 1980s saw a flight of capital and an almost instant programmatic reversal - both Leon Blum and François Mitterand presided over popular fronts with the Communist Party of France.

Theoreticians and apologists of national socialism explain away history by insisting that the state’s powers to impose restrictions over capital were not used forcefully enough. Chris Harman doubtless imagined he was very audacious when he appended a call for “direct action of workers from below” to prevent moves by capital designed to “sabotage attempts to improve the condition of the mass of the people”. Suffice to say, this is an echo of the *British road to socialism* and shows just how far the comrade had strayed from revolutionary Marxism. Only “*in the long run*” would an attempt to supersede capitalism in one country “succumb to its pressures”, he argued.<sup>34</sup>

By imposing draconian restrictions on capital - or even by abolishing capital negatively - the isolated revolutionary regime might well survive for some considerable time. Yet, in so doing it inevitably and very quickly becomes its opposite - a freak society like Stalin’s USSR, Mao’s China or Pol Pot’s Kampuchea. Year zero marks not the birth of real civilisation but horrendous barbarism. No single country - not even the richest - has within it the means necessary to positively supersede capital. Individual capitalists can be expropriated through a political revolution. But creating a sustainable and dynamic alternative mode of production is a universal task.

For Marx and Engels there could be no socialism in one country because socialism must break out of capitalism positively, an outcome “which presupposed the universal development of the productive forces and the world intercourse bound up with them”. The capital relationship cannot be positively superseded within the narrow framework of the national state. It exists at the level of the world market and world economy - and here and only here are the necessary material conditions for socialism and communism. That is why in *The German ideology*, written way back in 1845, Marx and Engels savaged all notions of national socialism.

Universal capital produces in all countries a mass of propertyless workers and makes “*each nation dependent on the revolutions of the others*”. If by foolish design or unfortunate accident the workers’ revolution remains national, “want is merely made general, and with it the struggle for necessities would begin again, and all the old filthy business would necessarily be restored”. So “empirically”, communism is only possible as the “*act of the dominant peoples ‘all at once’ and simultaneously*”.<sup>35</sup>

Socialism - as the stage of revolutionary transition between capitalism and communism

- begins on the terrain of the state. We cannot agree with Simon Clarke's paralysing insistence that the "class character" of a state is not "defined on national terms" but by the "transcending" system of capitalist law and contract and world money.<sup>36</sup> The transition from capitalism to communism finds its *first* decisive expression with the revolutionary seizure of state power at a national level and working class administration over what is to begin with still an essentially capitalist metabolism. Nevertheless there can be no staying still. Settling for, or attempting to build, a national or local socialism is doomed to disaster. Global capital must be brought under human control and superseded as a totality.

The fundamental mistake made by national socialists is the notion that capital is a thing - money, mines, factories, food, jewels - in the grip of a class of very wealthy individuals. For example, *Militant* had its 200 top monopolies for a "socialist" Labour government to nationalise. Ownership for them is all. In this way the modern capitalist class is, so it is said, no different from the ancient slaveowner or the feudal lord. Remove them from the levers of the state, take away their companies, and - hey presto - there is no capitalism. Marx held all such 'socialist' magic in contempt. The idea that we "need capital but not capitalists is altogether wrong" he explained. "It is posited within the concept of capital that the objective conditions of labour - and these are its own product - take on a personality towards it".<sup>37</sup>

Capital is no mere thing - like land or chattels - but a "social relationship", whereby alienated, dead labour dominates and feeds off living labour. Capital is in essence subjectless. It is its own cause. Its determination runs from capital to the capitalist, not the other way round. The individual owner is no more than the *personification* of an exploitative relationship; a relationship that can be assumed by anonymous fundmanagers, a friendly cooperative or Harman's reformist state.

Production under capitalism is separate from control. Production is not about satisfying wants. Production takes place for the sake of production. In this subjectless system capital's objective requirement for unlimited self-expansion must overcome the subjective wishes of any of its personifications. Thereby control is alienated from everyone. Decision-making simply becomes finding ways to allow capital to expand. Profits have to be realised. Accumulation must proceed. Either that or face certain extinction. The personification is in actual fact controlled by the system.

Capital has to be superseded in its totality and replaced by an open-ended communist totality. Without the positive supersession of capitalist society's division of labour and its domination of living labour by dead labour the power of capital will reassert itself directly or indirectly. That is why for Marxists, though the workers' revolution starts politically on the terrain of the national state, the content of our project is to bring the product of humanity back to humanity. What decides the matter is control. Does control over the worker continue to be the unlimited self-expansion of dead labour? Or do the associated producers control the products of work and thereby stop being workers?

Mészáros explains that any attempt to "gain control over capital" by treating it as a "material thing" tied to a "simple relation" with its private owner - instead of instituting a sustainable alternative to its dynamic process "in whose various movements it is always capital" - can only result in catastrophic failure.

No act of parliament can by itself remove capital from the "social metabolic process as

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the necessary *command over labour* under the historically long prevailing and after the revolution unavoidably inherited circumstance.” So it is not possible to “resituate” the alienated power of command over labour to labour itself by “simply targeting the private capitalist personification of capital”. That can be done only by replacing the established “organic system” as the “all-embracing and dominating controller of societal reproduction”.<sup>38</sup>

We communists take universal capital as the real point of departure for humanity. If capital is grasped as an overarching social relationship, then questions such as whether workers are paid in pounds or euros, or the degree to which governments are sovereign and can fix exchange rates or borrowing levels stand, revealed as secondary issues at best, or as nothing more than smelly nationalist red herrings.

## 2. Extreme democracy and the limits of capital

Our movement has long been riven by profound disagreements over democracy - its origins, significance and relation to the struggle for socialism and communism.

There are always timid 'possibilists' who stress democracy to the point where it becomes for them something almost for itself *within* the bounds of existing society. That was true in the mid-19th century of *moral* force Chartism and a few decades later the nascent trade union bureaucracy. It is also true nowadays.

The pages of the *Weekly Worker* have on occasion been graced by a certain Dave Craig and his argument that the Socialist Alliance should be programmatically self-limited to the extension of democracy under capitalism: abolition of the monarchy and the House of Lords, self-determination for Scotland and Wales and a federal republic, etc. The maximum programme for socialism and communism should, he says, be put aside.

From the Marxist standpoint such advice, if taken, would have placed the Socialist Alliance on the far left - of bourgeois radicalism. Liberalism thereby replaces socialism and suggests its own craven methods.

Indeed instead of socialism (communism) being vigorously promoted - for example in the anti-capitalist milieu - as the only feasible alternative to capitalism, it is regarded quizzically or even as a threat. The merest programmatic mention of the rule of the working class and communism will supposedly have militant trade unionists and former Labourites scurrying away from us in a blind panic. *Ipsa facto* the plan outlined in the book *Towards a Socialist Alliance party* is unrealistic and unworkable. In lieu of a revolutionary Socialist Alliance party - ie, a communist party - the best that can be obtained is a "communist-Labour party" which tolerates the snug communist minority and advocates socially circumscribed reforms. That is all that is possible under today's pinched circumstances.

Ironically the 'dictatorship of the proletariat' is deployed in a thoroughly dishonest manner precisely to scare militant trade unionists and former Labourites. After all, communist parties are "by definition" committed to the 'dictatorship of the proletariat' - and 'dictatorship', it is falsely implied, is the opposite of democracy, and therefore a rather dangerous thing; certainly not for the consumption of the benighted masses outside the charmed circles of the initiated few.

Suffice to say, for Marxists, 'dictatorship' means nothing more frightening than the 'rule' of a particular class. The term derives from the Roman *dictatura* - a temporary form of government voted for by the Senate during times of dire emergency. And this is how the word percolated down into English and French and into the heads of the great figures of the American and French revolutions in the 18th century. George Washington, James Madison and Alexander Hamilton, Jean-Paul Marat, Maximillian Robespierre and Louis-

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Antoine St-Just all dressed themselves in the costume of the Roman republic and borrowed its political phrases.

So Marxism did not invent dictatorship as a way of describing a *form* of the state. Marxism did nothing more than ground *all* state forms in the palpable existence of class and the struggle of one class against another. Hence in the lexicon of Marxism there can be the rule, or dictatorship, of an exploiting minority, or the rule of the overwhelming majority: ie, the working class. Put another way, democratic republics like the USA or France - depending on the class struggle - could have a proletarian or bourgeois *content*.

Only in the 20th century did bourgeois ideologues try to shift the linguistic meaning of dictatorship so as to make it synonymous with absolutism or tyranny. That way the dictatorship of the proletariat in the Soviet Republic could be damned as the *self-confessed* antithesis of democracy. Evidently contemporary Marxists therefore have every reason to dispute this semantic sleight of hand.

Leaving aside the problematical statements of Lenin and Trotsky on this subject, the works of Marx and Engels contain a dozen or so now famous - infamous - references to the 'dictatorship of the proletariat'. Unless we are going to allow Marx and Engels to be traduced by bourgeois society and portrayed as anti-democratic *advocates* of absolutism or tyranny then there must be an ongoing battle to reassert and defend the unambiguous content the founders of scientific socialism gave to the phrase, which, as Engels remarked in March 1891, has always "filled" the philistine "with wholesome terror" because it means taking democracy to its extreme limits, ie, implicitly beyond capitalism.<sup>39</sup> Obviously, as we had to tell Martin Thomas of the Alliance for Workers' Liberty, because of the combined effect of cynical drip-drip bourgeois propaganda and the monstrous crimes of bureaucratic socialism carried out under the name of Marxism, the same goes for other hotly contested terms - 'communism', 'Communist Party', 'Bolshevik', etc.<sup>40</sup>

In contrast to comrade Craig's democracy without socialism, on the other wing of our movement we find those who counterpose democracy to socialism, or who at least say that socialists should maintain an "ambiguous attitude" towards democracy - the latter phrase surprisingly coming from Hillel Ticktin.<sup>41</sup> Democracy is considered to be either positively harmful or an optional extra, hence their socialism without democracy.

Such a viewpoint amongst communists and leftwing revolutionaries dates back to at least the first half of the 19th century: ie, to a time when the governing classes freely expressed an almost visceral contempt for the idea of democracy and loathing of those who advocated such an 'unnatural' and 'ungodly' system - "The rich man in his castle, the poor man at his gate, god made them high and lowly, and ordered them their estate."

The term 'democracy' was subject to much less dispute than today - no government apart from perhaps the USA pretended that it had established itself on the basis of a democracy. As Hal Draper points out, in those days it had not yet become necessary, or fashionable, to "redefine democracy out of existence". Hence the enemies of popular sovereignty attacked the democratic idea openly and forthrightly, "instead of embracing it in a crushing vice".<sup>42</sup>

The British 'liberties' celebrated by arch-conservatives like Edmund Burke and syrupy liberals such as Charles Dickens owed far more to the rights of land and money than the rights of the common man. Even with the extension of the franchise in 1832 only a tiny

minority of the *male* population could vote. Property qualifications did what they were intended to do - exclude the vast majority and *prevent* democracy.

When *they* were excluded the bourgeoisie - ie, the class of medium-sized capitalist farmers, middle-ranking civil servants and the burgeoning manufacturers - still in the main considered themselves to be part of *the people*. This was the case in Britain. It was especially the case in mainland Europe. Hence during the revolutions of 1776, 1789, 1820, 1830 and even 1848 the crowned heads of Britain, France, Prussia, Austria and Russia had ranged against them on the other side of the barricades the people - a political concept which embraced many outstanding bourgeois revolutionary democrats. Only in 1848 did the bourgeoisie begin stage by stage to decisively exclude themselves from the camp of democracy and separate off from the people.

Understandably the extreme left of democracy had little love for the bourgeoisie. An exploiting class, it was, they knew, prone to vacillation. However, certain ultra-radical elements, including the precursors of the modern-day anarchists, despised the bourgeoisie and their commercial and money-grabbing spirit to such a degree that they willingly lined up with the autocracy. Ferdinand Lassalle, the famed German socialist and would-be labour dictator, was one such figure. Mikhail Bakunin another. The former secretly entered into negotiations with the kaiser's iron chancellor, Otto von Bismarck, with a view to cementing a proletarian-Hohenzollern united front against the bourgeoisie. The latter similarly tried to secure himself a royal patron and thus a short cut to the social utopia - with everyone from Charles XV of Sweden, Louis Bonaparte in France and even the tsar of all the Russias himself, Nicholas I.

Marx and Engels frequently had to deal with ultra-radicals who thought nothing of firing off propaganda articles aimed directly against democracy and objectively siding with the autocracy. In *The German ideology* they lambasted the "old thesis" and accused its advocates of working gratis for the monarchy. But there existed another, more fundamental, reason why certain leftists shunned, or actively opposed, the fight for democracy.

Apart from proletarian socialism - which is the forward, self-liberating movement of the great mass of the population as it breaks free from the confines of capitalism - there are many other kinds of anti-capitalism: namely, varieties of elitist socialism. These socialisms - statist, feudal, bureaucratic, military, etc - owe everything to the scheme-mongering of certain would-be universal reformers or self-selected bands of revolutionary conspirators.

The desired reconstruction of society could hardly be entrusted to the ignorant multitude, mentally crushed, befuddled and circumscribed as they were by pulpit, yellow press and popular culture. Instead of the masses liberating themselves from the shackles of capitalism and remaking society according to their interests and wishes, the far-seeing genius, the revolutionary clique, the benign elite would preside over the envisaged transformation. For such schools of thought, democracy is a danger to be guarded against or carefully rationed. The stupid masses might after all prove less than enthusiastic about the fantastic blueprints dreamt up by the enlightened minority.

Marx and Engels believed that with the growth of working class confidence and the formation of the workers into a party such elitist socialisms would prove to be passing phase. Put another way, an infantile, or childhood, disease. As we know that was not to

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be ... yet.

The 20th century witnessed the complete surrender of social democracy to bourgeois society. But it also saw the degeneration of the USSR and Stalin's counterrevolution within the revolution. This anti-capitalism was spread to, or was copied in, many other countries - half of Europe, China, Vietnam, Cuba, North Korea, etc. Stalin and all the local Stalins - Mao, Ho Chi Minh, Kim Il Sung, Tito, Pol Pot, Castro, *et al* - paid lip service to democracy. Stalin even declared that his 1936 constitution was the "most democratic in the world". In actual fact the masses languished under a tyranny far more deadly, draconian and all-pervasive than anything seen in 19th century Europe.

Despite routine claims to practise the full list of basic democratic rights - right to free elections, right to organise, right to publish, right to demonstrate, etc - reality was altogether different. There were no free elections nor right to publish or demonstrate. The democratic rights *won* and *maintained* through popular struggle in the advanced capitalist countries - North America and western Europe - were far more substantive. People could organise independently of the state in the USA. In the USSR they were organised by the state. Bureaucratic socialism was anti-capitalism but it was also anti-proletarian socialism.

Marx and Engels took an altogether different approach to their liberal reformist and ultra-radical contemporaries. They viewed democracy neither as a thing in itself nor as a threat. Rather than counterpose democracy to socialism they saw their task as to integrate the two objectively (in terms of programme and, crucially, the real mass movement). In general, Marxism as a programme, says Hal Draper, can be defined as the "complete democratisation of society, not merely of political forms".<sup>43</sup> Like the revolutionary democrats of the 19th century Marx and Engels began by prioritising the fight to democratise political forms. But for them this was an integral part of the fight for socialism and communism.

For them democracy meant unrestricted popular control over all aspects of society. Practically that meant the successive removal of all juridical, structural and socio-economic restraints on, or distortions of, control from below. That is why for Marx democracy points to socialism and communism. To use a negative formulation: without a social content there can be no consistent democracy; without democracy there can be no socialism.

Marx and Engels did not come to this conclusion simply through quiet contemplation in their book-lined studies. The revolutions of 1848 - in which they were active participants - were key to solving the correct relationship between socialism (communism) and democracy - an analysis fully rounded off by the Paris Commune of 1871 which produced a new kind of state, a semi-state, with a definite working class content, along with truly democratic forms. Far from taking an "ambiguous attitude" towards democracy, the Commune showed that democracy must constantly be broadened and taken to new heights so that society comes to be fully controlled by the masses. As democracy steadily advances, the state - a special body for administration and force - withers away, as its functions cease to have any purpose or are simply absorbed into society itself.

The revolutions of 1848-49 temporarily put power into the hands of the bourgeoisie in Germany and France. In terms of programme and social composition their governments were bourgeois and, compared with the previous regimes, were more or less democratic. Marx and Engels did not operate through a specifically workers' party - the workers'

movement was still at an elemental level and their Communist Party consisted of no more than 30 secret local sections with a membership of under a thousand. Instead they launched a daily paper the *Neue Rheinische Zeitung* as an organ of extreme democracy: “a democracy which everywhere emphasised in every point the specific proletarian character”, as Engels said many years later in 1884.<sup>44</sup>

Marx and Engels mercilessly attacked the Prussian monarchy but did not flinch from criticising the shortcomings and pretensions of the opposition movement, left and right. Opponents were treated with deserved “scorn”. Eg, the ultra-radicals around Andrew Gottschalk - a member of the Communist League and leader of the Cologne Workers’ Association - were given short shrift. Gottschalk urged his supporters to shun any participation in the broad democratic movement and he soon clashed with Marx. Marx and Engels likewise rejected the ‘left economism’ of Stephen Born, who sought to keep working class demands within the narrow confines of “occupational economic goals”. This would have diverted workers from the democratic tasks that faced the German people - above all founding a centralised republic and waging a liberation war against the tsarist bulwark of reaction.

Neither Marx nor Engels doubted, even for one moment, the advantages of democracy under the bourgeois system of production. Rather they sought to overcome those limits imposed upon democracy by the bourgeoisie: eg, property qualifications. Popular influence and control had to be maximised. That included arming the masses and thus the right to overthrow an unacceptable or oppressive government.

For Marx and Engels German society stood between an uncertain future and an overhanging past. While constitutional assemblies had been established in Frankfurt and Berlin and wide freedoms gained by the revolution, Prussian absolutism remained intact and exercised executive power. Alongside the citizens’ militia there stood the Prussian army. The police state had been weakened but lived on. There was then a dual power monarchy.

The workers and the extreme left of democracy had therefore to unite their efforts in order to sweep away the monarchy using the most revolutionary methods conditions allowed. Things would though not stop there. Democracy had to be given a social content and the rights and power of those below pushed forward again and again. What became known as the permanent revolution.

That necessarily meant combating the backtracking tendency amongst liberals and other inconsistent democrats to seek a compromise in the form of a British-style constitutional monarchy. Indeed, everywhere the representatives of the bourgeoisie shrank back from a direct clash with the Prussian monarchy.

With that in mind *Neue Rheinische Zeitung* encouraged popular pressure on, or intimidation of, parliamentarians. A motion proposed by the radical Johann Jackoby to the effect that all decisions made by the Frankfurt assembly should automatically have the force of law without needing consent by the monarch saw the conservative deputies Hansemann, Reichensperger and von Berg jump to their feet in order to denounce this outrageous attempt by the leftwing minority in the assembly to rouse outside support, an attempt which was “bound to lead to civil war”.

Engels replied to such objections that the “outsiders” in question were the people, the

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voters, who made the assembly through the March revolution. He denounced von Berg and other such worthies for wanting to abolish political propaganda, which is nothing more than the freedom of the press and the right to organise in practice. Whether these rights do or do not lead to civil war is “not our concern”, said Engels. It is sufficient that such rights “exist” and “we shall see where it ‘leads’ if they continue to be infringed”.<sup>45</sup>

Engels took obvious delight in excoriating one particular deputy - a former young Hegelian opponent. Speaking to the Frankfurt assembly, Arnold Ruge made his political direction all too clear: “We do not want to quarrel, gentlemen,” he politely announced, “over whether we aim for a democratic monarchy or a pure democracy; on the whole we want the same thing: liberty, popular liberty, the rule of the people.” With such hollow catchphrases Ruge sought to simultaneously please the right and subsume the programme of the left into that of the right.

Such cowardice was typical of the liberal left and encouraged reaction to go onto to the offensive. As soon as it could, the autocracy began to “cheat the revolution of its democratic fruit” by chopping back on the rights won on the March barricades. Democratic clubs were closed, free assembly compromised, the democratic press hauled before the courts. The *Neue Rheinische Zeitung* fought back at every stage before constitutional phrases were transformed into Prussian realities and full blown counterrevolution was imposed. The revolution was put to death in the name of the fatherland. Marx and his family sought safety in Paris.

In the decade that followed the European-wide defeat of the 1848-49 revolutionary wave Marx wrote extensively on constitutional forms. Hal Draper concludes that for Marx the distinguishing feature of a “truly democratic constitution” was the degree to which it “limited and restrained the independent scope of the executive power”.<sup>46</sup> Democracy is only genuine to the degree which it means popular control from below.

The first constitution Marx analysed was the French constitution adopted in November 1848. Marx showed how worthless were the democratic guarantees enshrined in the constitution. Every one of them could be nullified by subsequent laws enacted by the government. Freedom of movement, freedom of the press, the right to hold opinions and to associate are all there. However, the constitution stipulates that the “enjoyment of these rights has no other limit, than the equal rights of others, and public safety”. For Marx “public safety” was the joker in the pack and he showed how the enjoyment of constitutional rights has in fact been systematically violated. Press freedom was taken away by the imposition of a mass of financial hurdles - stamp duty, etc - while the right to associate and assemble were effectively removed through decrees which put everything under police “supervision and caprice”.<sup>47</sup>

Voting and other such rights were undermined using similar devices. Labour books and internal passports were made obligatory so as to make the worker dependent on the employer and the police. Under the facade of freedom, freedom was repressed.

In other articles discussing the draft constitution of Schleswig Holstein and the Prussian 1850 constitution Marx showed with devastating effect the gulf that existed between fine phrases about liberty and the sorry practice which reduced all the rights of the people to a “dead letter”.<sup>48</sup> Under the Prussian constitution most of the population was denied the franchise. Those privileged enough to be allowed to vote were, however, subject to all

manner of restrictions. Elections were indirect, constituencies could be altered at a whim and gerrymandered and each of the tax-paying colleges of electors - high tax-payers, middling tax-payers, lower tax-payers - were given equal representation despite their unequal size.

Marx wanted to curb bureaucracy and the powers of the executive. As Hal Draper lists, he consistently stood for a wide range of freedoms - opinion, the right to assemble, organise and demonstrate. He also railed against all property and educational qualifications put in the way of voting and each and every gerrymandering measure. Marx generally advocated a unicameral representative assembly. No upper house to delay legislation and block change. The single-chamber parliament can more effectively stand up to the executive and is subject to greater and more immediate pressure from below.

However, Marx was fully aware that parliament and the whole political system of what we call 'bourgeois democracy' could be used as a "safety valve" which dissipated the anger and passions of the population. That did not imply that democracy as such was a swindle but that democratic forms were used by capitalism - the plutocracy - to "frustrate genuine democratic control from below".<sup>49</sup> The highest example of this was the USA. Not because there was less democracy there, but the contrary. Unlike the monarchical and Bonapartist pseudo-democracies of Europe, the USA had, through the revolution of 1776 and its aftermath, taken the formal structures of democracy to highly developed forms - referendums, the election of judges and local sheriffs, etc. The USA was therefore the least unfree country in the world.

To successfully dominate through such a system establishment politicians had to perfect the art of lying, double-dealing, corruption and divide-and-rule manipulation to the highest degree. Tricking the masses, persuading them that they are masters of the country's destiny, assumes cardinal importance. Again it should be stressed that such an assessment led neither Marx nor Engels to shrink from the struggle to remove all obstacles, shortcomings and perversions imposed upon democracy by the bourgeoisie. Equally it should be stressed that for Marx and Engels the working class should not only fight for formal democratic rights but for a society that would satisfy the wants of all. Engels called this a "social democracy" in his 1845 book *The condition of the working class in England*.

That class agenda was summed up by the physical-force wing of Chartism, led by George Harney and Ernst Jones, which proclaimed that it wanted the "charter and something more". That is, the vote plus the social programme which challenged bourgeois property and wealth. That battle could not be fought on the narrow ground of democracy or politics. Another principle must gain a hearing - the principle of socialism, which transcends everything that is merely political.

"Merely political" as Hal Draper states, "is merely political democracy" which stops short at governmental forms and does not extend into social questions, the "democratisation of socio-economic life".<sup>50</sup>

Marx and Engels recognised that democracy under capitalism inevitably has two sides. There is the mystification by which the masses are reconciled to their exploited position and fooled into imagining themselves to be free. On the other hand there is the struggle to give democratic forms a new social content. This is to be achieved by pursuing

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democracy to the extreme of popular control from below, which must entail “extending the application of democratic forms out of the merely political sphere into the organisation of the whole of society”.<sup>51</sup>

Such a struggle continues not only before the revolution but after it too. To expand upon our negative formula: there can be no socialism without the masses first educating and empowering themselves through the struggle for extreme democracy; by the same measure there can be no socialism without extreme democracy.

### 3. What is the euro?

Any kind of serious analysis of the euro, and the complex spider's web of economic interests, social relations and national aspirations that surround it, must start out with money itself.

As a student of Marxism, I will start with Karl Marx himself. Following in the trail-blazing footsteps of the classical bourgeois economists William Petty, Adam Smith and David Ricardo, Marx defined money not only as a universal equivalent but also as an embodiment, or store, of social wealth - or value (value being the average socially necessary labour expended on the production of a commodity).

Money, Marx went on to explain, emerged *historically* along with the development of commodity production - and its contradictions. By degree, as a greater and greater quantity and range of products flow onto the market, barter and other primitive forms of exchange become impractical and come to stand as barriers to expansion. The spontaneous answer emerged with the gradual putting aside of a certain part of society's wealth to serve as money. Iron bars, rare shells and common sea salt were all tried. But, whatever the particular form, commodities bifurcate into commodities and money.

The typical form that money took from ancient times onwards was, though, some kind of precious metal - silver, and after that, in early modern times, gold. Such metals have the advantage of being uniform in quality and easily divisible. A definite weight of metal can function as a standard monetary unit. As the reader will know, today's pound and penny derive from the Roman pound and denier. The pound was till recently a legal measure of weight in the United Kingdom. And, much to my surprise, the penny still serves as a measure of weight in the "grading of nails".<sup>52</sup>

The disadvantage of non-precious metals serving as money was illustrated by the recent British Museum exhibition (summer 2002). In Sweden - which for its own parochial reasons adopted a copper standard in 1625 - the coins were huge in both size and weight. Lumbering wagons pulled by teams of heavy horses had to be employed in order to facilitate everyday transactions. One presumes that petty thieves did not dream of stealing large-denomination coins - the flat rectangular blocks could weigh as much as forty-three pounds a piece (the price of copper being one-hundredth that of silver). Silver and gold, in contrast, were far more practical. Thumbnail amounts - equal value to whole slabs of copper or iron - had the great advantage of being easy to stow away and move from place to place.

Gold coins were used by the Romans. Gold florins circulated in mercantile Florence and gold sequins or ducats in Venice. Louis IX introduced gold coinage for the feudal kingdom of France in 1255. This metal suited larger transactions. But in most cases for day-to-day purposes silver was the dominant form of money. Hence throughout the medieval and early modern period a bimetal system operated. Payments could be made in

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silver or gold. However, maintaining a bimetallic system proved difficult: “Gold and silver were in competition”.<sup>53</sup> The value of silver and gold tended to alter. Gold would increase in value compared to silver or vice versa. There could be wild oscillations and ‘bad’ money driving out ‘good’.

Britain accidentally adopted a *de facto* gold standard in 1717, when Isaac Newton, master of the mint, set “too low a gold price for silver”, inadvertently causing all but “very worn and clipped silver coins to disappear from circulation”.<sup>54</sup> Token coins were introduced and used for small transactions but under an overall gold standard. When, in the early 19th century, new minting techniques allowed the easy detection of forgeries, silver was formally abolished as legal tender.

Gold was both sufficiently common and sufficiently rare. Found in unevenly dotted outcrops throughout the world, it does, however, require a large expenditure of labour to produce even a few grains compared with almost any other commodity. New mining or smelting techniques which made extraction easier, or the discovery of cheaper sources (the conquest of the Inca empire by Spain in the 16th century, the discovery of the Californian goldfields in 1848–49, Australia’s in 1851 and those in South Africa at the end of the 19th century, etc) might lower the value of gold. But only marginally.

Money is therefore a uniform measurement based on a precious metal that in its developed form can be almost infinitely multiplied or divided. Through being given a money name - a price - one commodity is compared with another, no matter how different its qualitative properties and the nature of the labour needed for its production. Beer, boots and books are that way equated and easily exchanged - not as of old directly (eg, 10 pints of beer for one pair of boots) but indirectly, by a second-order mediation, for money.

By functioning as a universal medium of exchange, the concrete labour expended in mining gold was through that mediation translated into an ideal expression of the social labour expended on the production of the whole universe of other commodities. That ideal relationship between the price name of a commodity and its exchange value is, of course, only confirmed by a sale - the exchange of the commodity in return for money.

Equivalent exchange, it must be stressed, is only a tendency, albeit a dominant one. There are innumerable market variations. Once price exists, there exists also the possibility of a difference between the value of a commodity and the money for which it changes hands. Whim, fashion, shortage or glut ensures that one commodity exchanges for a money equivalent above its value. Another will exchange below its value. Price then, is the money name for the *imaginary* value of a commodity. As Marx said, the exchange-ratio may express “either the real magnitude of that commodity’s value or the quantity of gold deviating from that value, for which, according to circumstances, it may be parted with”.<sup>55</sup>

Self-evidently this possibility of a deviation between value and money is characteristic of the price-form itself, as is the tagging of a price label to less tangible non-values (ie, the sale of the Blair government’s ‘impartiality and honesty’ in return for generous donations to the Labour Party).

Nevertheless over time, and countless billions of sales and purchases, value and price are drawn together. And in the normal course of events after a sale money continues to

circulate and is again used to purchase some other commodity. It is not extinguished, as in barter. Money is constantly being converted into commodities but always remains money. Money does not vanish. It merely changes hands.

Commodity production takes its highest form under bourgeois or capitalist society. Money ceases to be simply a means of exchange, a means of obtaining one use-value for another: eg, beer for books. Instead money is the prime object of production. Production comes to be for its own sake. Beer, boots or books are not produced for any intrinsic value they may have. They are produced solely with the aim of realising a profit. After the point of sale there must be more money than was initially advanced to purchase raw materials, etc, at the beginning of the cycle.

Marx brilliantly showed that this trick of apparently conjuring something out of nothing could be performed throughout capitalist society not by anything as prosaic as cheating: that must by definition leave losers along with winners and thereby in the end cancel itself out. On the contrary the uncanny ability of capitalism to get money to beget money lay in *social relations* - namely the fact that labour-power had been turned into a commodity. Where once that relationship existed only on the margins of society, buying and selling labour-power is generalised by capitalist society (to begin with as the unintended by-product of the separation of the mass of labourers from the land and the emergence of a middling class of tenant farmers in England).

The worker sells their ability to labour - the commodity labour-power - to the capitalist for a wage, which is on average equal to its value (what is required for the physical and cultural reproduction of labour-power). However, unlike electricity, steel, leather, computer chips, paper, etc, labour-power is a special commodity, a commodity that is inextricably bound up with the worker, who is a living, sentient and creative human being. That is why labour-power is uniquely capable of producing a surplus. In expenditure labour-power renews and actually develops itself.

Capitalist society is, however, riven with innate contradictions. The very existence of money separates qualitatively - not just in time and space - the acts of production and consumption. With money comes the possibility of a crisis born out of a delay, or even an inability to make a sale, and thus to realise surplus value (profit, interest or rent). But what was potential becomes under capitalism a social determinate, with huge consequences, through the generalisation of commodity production and the transition of money into capital (self-expanding money or self-expanding value).

Whether the crisis manifests itself primarily in a disproportion between supply and demand and general overproduction, the underconsumption of the masses or a crash in profit rates, the basic underlying contradiction, from which there can be no escape, is capital itself and subordinating the production of things to the production of value. Production is no longer directly related to human need.

By making money (capital) the overriding objective of production, the exchange relation inadvertently comes to stand over the capitalist individually and collectively as a *compulsive* external power which forces them forward. Without a sale, in the final analysis to another capitalist, disaster threatens. Expansion is a necessity. Costs must therefore be reduced below those of competitors. Rest is an impossibility. Over-accumulation inevitable.

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What was cribbed and cramped in ancient Athens, medieval Nuremberg or renaissance Venice - mercantile cities all - has under capitalism metamorphosed into a global system which must constantly search out new sources of surplus value. Its permanent technological revolution goes hand in hand with periodic bouts of destruction, the overthrow of old social bargains and the clash of class against class.

With Britain's emergence as the world's dominant industrial, commercial and financial power in the 19th century its gold-based money became an increasingly attractive and logical alternative to silver-based money. Countries seeking trade with the United Kingdom or wanting to borrow from it adopted the British system. Portugal did so in 1854. Sweden, Argentina and Holland followed suit. And, with the shockwaves produced by the Franco-Prussian war and the spread of industrial capitalism, the days of the bimetallic system were numbered. Germany led the way in 1871 and abandoned silver for gold; by the 1880s virtually the entire civilised world had gone over to gold. Silver remained the standard only in China and a few Central American countries. Out of these spontaneous decisions the international gold standard was born.

Withdrawal of silver as legal tender triggered a whole period of deflation. Price levels plummeted by 18% in Britain between 1873 and 1879 and by an additional 19% by 1886, "as less money chased more goods".<sup>56</sup> One price was that of wages. Social unrest inevitably resulted: including in rural United States, where small farmers found themselves trapped between fixed mortgage payments and falling prices for their products. Nevertheless attempts to reintroduce bimetallicism failed. Germany, but above all Britain, blocked any moves to restore the monetary role of silver.

So the rise and triumph of capitalism was inextricably associated with gold and the functioning of gold as *world* money; though only four countries - Britain, Germany, France and the US - maintained what might be called a *pure* gold standard, whereby internal money circulation took place in the form of gold or paper notes which could be exchanged for gold. Weaker powers - Japan and Russia - made do with token coinage and paper money, a percentage of which was backed up by gold or overseas bonds that were convertible for gold.

The gold standard imposed upon capitalism a self-discipline welcomed by its grim ideologues. Not only were relations between various countries regulated - debtors and creditors - but so too were relations between classes. Obviously value is closely linked with the degree to which the working class is exploited and therefore the degree to which the working class can force concessions. By lessening absolute exploitation (the length of the working day) or relative exploitation (the intensity of labour) the working class erodes value and thus the value of money in one country compared to another. Central banks could though hit back by increasing interest rates, lowering demand and thus triggering rises in unemployment levels; working class bargaining power is in that way diminished and the value of money restored. The invisible hand of the market pummelled the working class with golden fists.

As Barry Eichengreen remarks, the ability of the central banks in the 19th century to guard the national currency in such a brutal manner was in part ensured by the fact that the working class "were ill positioned to make their objections felt".<sup>57</sup> In most countries the franchise was tightly limited by property qualifications (workers and women were

excluded). Workers could not punish the government in the ballot box. Moreover working class organisations were in most cases weak or in their infancy.

The fact that in the US those below had achieved something resembling universal male suffrage put pressure on those above and meant that its commitment to the gold standard was equivocal until the dawn of the 20th century. Populist and Democrat politicians urged electors not to sacrifice American farmers and workers on a “cross of gold”.<sup>58</sup> The demand was for unlimited silver coinage in order to depreciate the value of gold and make money cheaper. The election of the Democrat S Grover Cleveland as president in 1892 prompted a flight of capital to Europe. However, here was a poacher turned gamekeeper - he quickly changed sides. The dollar’s link with gold was, though, finally saved by discoveries of new reserves in South Africa, Alaska and Australia. The development of the cyanide process of extracting gold from impure ore also stimulated the growth of money supply. The association of the gold standard with deflation and the class struggle temporarily receded. The US safely passed the Gold Standard Act in 1900.

World War I showed beyond doubt that capitalism had entered its declining or moribund phase. Essential laws remained but were overlaid by new determinates. The epoch was, concluded Lenin in his *Imperialism*, one of “transition from the capitalist system to a higher socio-economic order”.<sup>59</sup> Free competition and money gave way to monopoly, militarism and organisation. In a perverted, negative, way capitalism anticipated the invading socialist future.

Total war demanded massive state intervention and the subordination of short-term profits to the *needs* of the military machine. Prices and returns were fixed by bureaucratic decree. Gold reserves were freely used by the state to import strategically vital supplies. Exports of gold by individuals prohibited. The link between gold and the currency had to be abandoned. Hard money became soft money or even token money. As each power turned to autarky, exchange rates between currencies floated. Money and value drifted apart. Corruption, need and state power filled the vacuum.

The most hard-pressed countries paid soldiers and purchased supplies at home in *fiat* money (token money unbacked by gold). In conditions of endemic shortage inflation pushed prices skyward. At the same time class peace at home was purchased in return for allowing the growth of trade unions and giving basic living standard guarantees. Rationing and subsidies kept people alive. As the war dragged on, however, and bled Europe white, social antagonisms inexorably reached breaking point.

The 1917 October Revolution in Russia proved that there was an alternative to capitalism and the murderous barbarism it had unleashed upon Europe and its peoples. The party of Lenin, Trotsky and Zinoviev inspired millions of class-conscious workers. Bolshevism entered the collective consciousness of a global generation. Within the space of five years virtually every country had planted within it an influential Communist Party. In Italy, France and Germany the mass parties of social democracy cleaved down the middle. Communism was a liberating idea and a ubiquitous material force. Capitalism, for its part, emerged from World War I riven with contradictions and face to face with its nemesis.

Britain’s industrial and banking supremacy collapsed with World War I and would never return. Foreign assets had to be sold off to pay for the carnage. Sterling could no longer operate as the hub of the world economy. Germany was reduced from a creditor to

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a chronic debtor country. The Austro-Hungarian empire disintegrated. France, which had been the world's lender, lost a staggering fortune with the overthrow of tsarism and the removal of Russia from the capitalist global system. Only the US managed to hang on to the gold standard.

But the ruling class still possessed immense collective reserves of strength. The Soviet Union was, through joint efforts, successfully isolated and it began its terrible metamorphosis into a counterrevolution within the revolution. Revolution elsewhere was crushed or diverted. Nevertheless, despite these feats, capitalism could only save itself by organising its own decay. Everywhere the working class was on the rise. Controlling labour could no longer be achieved primarily through the money market and the threat of unemployment.

Overcoming inflation and re-establishing the gold standard was premised upon curbing, or compromising with, working class ambition. Among the first countries to put their currency back onto the gold standard were those that had experienced revolutionary upheavals and hyperinflation: Germany, Austria, Hungary and Poland. The monetary economy had all but disappeared and without money capitalist accumulation becomes to all intents and purposes untenable. John Maynard Keynes, a partisan of the bourgeois status quo, writes, in 1919, that as inflation proceeds "all permanent relations between debtors and creditors, which form the ultimate foundation of capitalism, becomes so utterly disordered as to be almost meaningless ... There is no subtler, no surer means of overturning the existing basis of society".<sup>60</sup>

The debts of the state and industrial capitalists are wiped out. But so too are middle class savings and workers' wages. Strong organisation can buttress the working class. Fear of "communist insurrection" represented a "credible threat" in Italy, France and Germany.<sup>61</sup> But normal social relations are turned upside-down by the precipitous plunge of money. We all know the apocryphal story from Germany. A thief snatches a poor woman's shopping bag; but contemptuously discards the wads of paper notes she was carrying to the shops. The bag has far more value. Between 1914 and 1923 wholesale prices in Germany rose by a factor of around "1.3 trillion".<sup>62</sup>

Austria stabilised its exchange rate in 1923, Germany and Poland in 1924 and Hungary in 1925. The new currencies were backed by gold, albeit often in the form of loans obtained from the US or the League of Nations. However, in each case re-establishing money required either counterrevolution or an internal agent. Social democracy willingly acted on behalf of capital but could do so only in return for expensive concessions. Austria's 'third way' and Red Vienna; the Weimar Republic and an SDP government; the Polish Second Republic, radical land reform and "advanced welfare provisions".<sup>63</sup> Fascism appeared ever more attractive to febrile bourgeois minds.

Other countries that had experienced moderate inflation stabilised their currencies by re-establishing the link with gold too. Belgium in 1925, France in 1926, Italy in 1927. Showing the ravages of even 'moderate' inflation, the French franc was stabilised at a level which meant it purchased only one-fifth as many dollars it could before World War I. Britain which could though just about restore pre-war parity with the dollar returned to the gold standard in 1925. And with the core countries back on the gold standard most others quickly followed suit - Canada, Australia, South Africa, Switzerland, Chile, Finland, etc.

As the gold standard was restored, inflation gave way to deflation. Soft money hardened.

But the return to the old could not hold. Money and value could not be united. With the economic crash of 1929 the gold standard system disintegrated, beginning at the periphery. Class struggle - no matter how deflected - determined. Argentina and Uruguay limited gold convertibility in 1929. Canada put a hold on gold exports, while Brazil, Chile, Paraguay, Peru, Venezuela and New Zealand ensured that gold was difficult to obtain, thereby allowing their currencies to slip below their official exchange rates. In 1931 Austria and Germany suffered banking crises as they drained of gold. Exchange controls were introduced and convertibility suspended. The crunch came when Britain was forced off the gold standard in September 1931. After that body blow the whole system crumpled. Many key countries still relied on trade with Britain, so pegging their currencies with the pound and keeping reserves in sterling was perfectly logical.

The world economy shattered into three zones. The gold standard countries around the US; the sterling area; and the countries of *Mitteleuropa*, led by Germany, where exchange controls prevailed. Such a tripolar arrangement could not hold either. Depreciation of sterling and exchange controls in Germany eroded the position of the gold standard countries. In the end even the mighty US was compelled to suspend convertibility and devalue.

The political cost in terms of industrial shutdowns, agricultural ruination and mass unemployment radicalised US society. In the 1932 presidential election Franklin Roosevelt defeated Herbert Hoover, who fought the election around his commitment to the gold standard. Taking the dollar off the gold standard was one of Roosevelt's first acts. His famous promise was the New Deal. State power was subsequently used to push down the value of the dollar and thus raise commodity prices and once again generate prodigious productive activity. Roosevelt also presided over an associated massive programme of public works. Other countries still on the gold standard had no choice. The competitive position of Czechoslovakia, Belgium, France, Holland and Switzerland deteriorated rapidly and the link with gold had to be ended.

The gold standard gave way to the violent oscillations and chaos of floating exchange rates. World trade declined and was overshadowed in political and economic importance by empire or zonal self-sufficiency and import controls. Redivisionism once again comes to the fore. Greedy eyes surveyed China, Stalin's Russia and the sprawling Dutch, Belgian and French empires. Britain's global empire and the associated sterling zone was, though, the main prize.

During World War II the US extracted from a financial-naval-colonial Britain a binding pledge to restore sterling's convertibility and the principle of downgrading import controls in return for aid. Britain was in effect bankrupt. The Churchill-Attlee government therefore agreed to peg sterling to the dollar, which would in turn be based on a percentage relationship with gold. The dollar was to act as the world currency and other currencies would float around it within strictly defined banded limits. This system of half-soft, half-hard money became the basis for the Bretton Woods system, which in the 1950s and 60s coincided with - though did not cause - an unprecedented economic boom and the social democratic state.

In Europe capitalism had in the 1930s and 40s become associated in the popular mind

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with fascism or collaboration with fascism. That and the boom simultaneously necessitated and allowed yet more systemic concessions - higher wages, full employment, expanded higher education, health services, social housing, nationalisation. Socialism was once again put off by capitalism anticipating the future - albeit in a half-hearted and negative fashion.

Bretton Woods operated as a kind of pyramid selling system. While the world economy expanded and the dollar remained strong, greater and greater heights of accumulated profits could be sustained. Confidence generated confidence. But, once growth started to falter and become problematic, the dollar weakened and cracks began to show. Throughout the 1960s the dollar came under increasing tectonic pressure. The Kennedy and Johnson administrations enacted all manner of stop-gap measures, but to little or no effect.

The US war in Vietnam proved enormously costly and added to inflationary pressures. By 1971 there were precipitative runs on the dollar. Dollars exchanged for marks. The federal German government permitted its currency to float sharply upwards. Official holders of the dollar sought to convert them into gold - the agreed price was \$35 an ounce. However, to fend off an impending crash the Nixon administration unilaterally suspended the commitment to provide gold on demand. Instead of consulting with the International Monetary Fund the US delivered a *fait accompli*.

Frantic negotiations followed and an agreement was eventually hammered out which allowed banded currency fluctuation to increase from 1% to 2.25%. US import surcharges were abolished. But non-convertibility of the dollar for gold remained. Within two years any pretence of maintaining the Bretton Woods system evaporated, as the dollar suffered devaluation time and again.

The demise of the Bretton Woods system ushered in another uncertain period of floating exchange rates. In general the dollar fell relative to other major currencies. However, the dollar remained the world currency. Elsewhere a strong working class, buoyed up by its post-World War II gains and the gap separating soft money from value, was checked by national governments allowing inflation to rip. Subsequently forcing down inflation became an economic orthodoxy, behind which a full-scale attack on the working class took place - from wage controls to high interest rates and allowing unemployment to reach 1930s levels.

It is against this background that the birth of the euro ought to be understood. What was the European Economic Community - and is now the European Union - had been originally envisaged by its founders as a way to ensure that Germany and France never went to war again. However, a whole network of trade and monetary agreements gradually evolved, going far beyond the initial coal and steel community.

Success of the overall project saw an ever-increasing share of economic activity accounted for by inter-EEC trade. Exchange rate stability between these partners was therefore highly desirable, facilitating as it did further openness and integration. After a customs union the next logical step was a monetary union, "especially for those who saw the EEC as a nascent political entity".<sup>64</sup>

Political appetite, combined with worries over the dollar's instability and the possible consequences for Europe, led establishment circles towards economic and monetary union

(Emu). In 1970 to a high powered study group under Luxembourg's prime minister, Pierre Werner met. His team outlined a plan whereby monetary union would be achieved by 1980. Exchange rates would be steadily drawn together and the fluctuation of one currency against another progressively narrowed. Werner recommended coordinating national economies and policies, especially fiscal measures, but offered no vision of a single currency or a European Central Bank. There would be a system of central national banks. The Werner report and its recommendations were endorsed.

Enlargement delayed monetary integration but did nothing to put off the desire for ever closer union. However, attempts at convergence through currency pegging proved fraught with difficulties. Dollar devaluation and the shock of successive oil price hikes had an asymmetrical effect on national economies. The so-called 'snake' system effectively collapsed in the mid-1970s. The mark emerged as "Europe's reference currency" and its "anti-inflationary anchor".<sup>65</sup> That by definition implied an accountability deficit. The Bundesbank would rule Europe.

France sought to politically rectify that situation in 1979 through the creation of the European Monetary System. Under EMS measures were put in place to support weaker currencies and associated provisions agreed for unlimited short-term credit facilities. Germany's social democratic chancellor Helmut Schmidt saw the creation of EMS as a step towards a federal Europe and cementing the Franco-German alliance.

Eight of the nine EC countries participated in the exchange rate mechanism from the outset (the exception being Britain). There were frequent realignments between the national currencies, but within set banded limits - shades of Bretton Woods. Economic stagnation and the need to compete with the US and Japan lent additional impetus to the integration process, however. The decision was made to go for the creation of a single European market in commodities and labour-power. That went hand in hand with ending those opportunities that still existed for national governments to manipulate exchange rates for narrow protectionist purposes. Both of those goals unmistakably pointed towards a single currency. And this goal found explicit expression in the 1989 Delors report - and after that the Maastricht Treaty adopted by the European Council in December 1991 and formally signed by the heads of government on February 7 1992.

Maastricht outlined a three-stage transition to a single currency. Stage one, which commenced in 1990, was to eliminate capital controls (though Greece, Ireland, Portugal and Spain were permitted to miss the deadline). Central banks were to be given greater autonomy and this, so it was hoped, would remove them from political pressure exerted from below. Fines were to be imposed on any country running an 'excessive' budget deficit. Concessions to the working class are that way supposedly limited. Stage two, set to begin in 1994, was to be characterised by the coordination of economic policies and the transition towards a single currency. Stage three would irrevocably fix exchange rates, and the European Central Bank would then introduce the single currency.

As we know, ERM went into crisis almost from the off. The collapse of bureaucratic socialism in eastern Europe and the Soviet Union between 1989 and 1991 derailed initial plans. Federal Germany, in particular, having incorporated the German Democratic Republic and overseen a one-to-one monetary union, was forced to shoulder a huge budget deficit. The dollar's further decline increased the competitive pressure on Europe and a damaging

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economic downturn ensued. Denmark then rejected the Maastricht Treaty with the June 2 1992 referendum. The peseta, escudo, lira and franc all wobbled. The pound dived. Britain and Italy were forced to withdraw from the system.

Yet, despite all the many cast-iron predictions from rightwing Tory pundits and 'Marxist' sages alike to the effect that the single currency was doomed to fail, the facts speak for themselves; Peter Taaffe and Lynn Walsh of the Socialist Party in England and Wales, staked their rather threadbare reputations on their prediction that "it is almost certain that the euro will break down before completion of the final stage, the replacement of domestic currencies by euro notes and coins planned for 2002".<sup>66</sup> Evidently the EU is more than a loose collection of nation-states doomed to fly apart with the first tremors of an economic downturn. After three years of being a virtual currency - a financial instrument used by banks and money traders but not ordinary citizens - the euro became, on December 31 2001, a tangible reality. The euro now exists as coins and notes. Stage three happened.

Europe has to compete with the US and Japan. They might have smaller markets and populations (in the case of Japan much smaller). Nevertheless due to an historically constituted nationality and an economically centralised territory they are each blessed with a unitary working class and a unitary ruling class. Like every other commodity, labour-power can easily move, and therefore be bought and sold anywhere in the US or Japan. Here Europe is disadvantaged. Europe is divided not only by history but language. Commodities can freely circulate. Not the special commodity, labour-power. Language is a material barrier except for those with higher, specialist, education (worst paid labour being a partial exception).<sup>67</sup> A multinational, and therefore fragmented, political and business elite constitutes a similar handicap for Europe.

To successfully compete the EU cannot magic into existence a unitary working class. Unemployed Spanish workers are unlikely to migrate *en masse* to southern Germany. But the EU's component states can oversee the levelling down of wage rates and social provisions. In that way Germany can be made more like Spain. The code words for this are legion: "labour flexibility", "over-regulation", "rigid labour markets".<sup>68</sup> In plain language what that means is lower pay increases, enhancing the ability of employers to sack workers, weakened trade unions and removal of unemployment and other entitlements. The main ways of implementing these attacks are through the Central European Bank and the single currency. The ECB has deliberately been distanced by its architects as far away from popular democratic control as possible. Supposedly the ECB "cannot be given instructions by any democratic body" ... it is in that sense treated "as if it were a court of law".<sup>69</sup> According to ECB statutes it is bound to automatically oppose spending plans that violate agreed thresholds. Governments are expected to abide by the three percent GDP deficit limits and 60% of GDP debt limits. Of course, there are those like the SWP's John Rees who appear to believe that the ECB and the associated growth and stability pact represent some kind of ultimate weapon which means that governments are prevented from bowing to "pressure from the working class".<sup>70</sup> However, the facts speak for themselves. The 2004 deadline has already been "relaxed" due to what might be called "pressure" from governments in Portugal, Italy, France and Germany and their "continued slippage".<sup>71</sup> And, siding with them, Romano Prodi, president of the European Commission, dismissed the rigidities of the growth and stability pact as "stupid".<sup>72</sup> In the

last analysis that must come down to *class politics*.

The historian Niall Ferguson takes a dim view of the euro's prospects. According to him no monetary union can long endure when labour mobility is "so hampered by cultural barriers" and when the "fiscal politics of its member states are so out of kilter".<sup>73</sup> He bases his case partially on past attempts. Parallels with the monetary unions of the US, Italy or Germany are unconvincing, he says, because in each case a single currency went hand in hand with political unification. A pregnant observation.

For Ferguson the best analogy is with the monetary union of multiple states or loose confederations. He cites the West African Economic and Monetary Union (which was pegged to the French franc and later the euro) and the Austro-Hungarian empire after 1867. However, as he points out, the African example is little more than a French satellite, while Austria-Hungary constituted a single state, having a common army.<sup>74</sup> Of course, the chaos caused by defeat in World War I and the accompanying hyperinflation tore the dual monarchy apart. Monetary union disintegrated. Yugoslavia, Czechoslovakia and then Austria broke away and issued their own currency notes.

Another example - which is even more "illuminating" - is the Latin Monetary Union of 1865-1927 between France, Belgium, Switzerland, Italy, the Papal State and Greece. The intention was to expand the union and in due course create a political European Union along with a parliament. As things turned out, Italian and Papal fiscal laxity undermined the union. Louis Bonaparte's fall after the defeat of French armies at the hands of Prussia in 1870 ended the prospect of new members. France could no longer aspire to dominate the continent. The only thing that stopped the LMU collapsing was the excessive costs associated with dissolution. Its death in 1927 was a long delayed formality.

The EU consists of unevenly developed state units. Maintaining a *strong* euro can only but precipitate tensions. Achieving some kind of level playing field, or evenness, faces many countries with the prospect of imposing swingeing tax increases, privatisation or unprecedented cuts in government spending. That has been the case with Portugal, Finland and Spain and is now the case in the bigger and more wealthy Italy, France and Germany. All options represent a challenge for the working class. Perhaps after 2004 borrowing by these countries will be allowed to exceed limits here or there through creative accounting. Governments retain fiscal independence. The much vaunted borrowing limits imposed by Maastricht are, as we have already noted, flexible, not rigid in terms of interpretation (Gordon Brown is also reportedly keen on a "crash rethink of the eurozone fiscal policy regime").<sup>75</sup> Portugal has overstepped them without incurring fines or other kinds of ECB retribution. Germany is as we write just about to. But what is to stop other 'irresponsible' governments systematically exploiting 'responsible' governments?

Power decides. If all EU governments were in approximately the same hard pressed situation a quick solution instantly follows. ECB independence is violated. Perhaps that is what we see now Italy, France and Germany are in trouble. Maybe inflation will be triggered. That certainly requires a coordinated response from those across Europe who are seeing wages devalued along with real cuts in social provisions (pensions, unemployment benefit, etc). Another possible scenario after 2004 or whenever is a clash between a particularly hard pressed and isolated national government - held 'hostage' by a combative working class - and the ECB. Unwilling or unable to impose spending

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cuts and tax increases, such a government would find itself at odds with the ECB (bound by statute to maintain price stability - article two). Instead of permitting inflation, the ECB, if it follows the rules, would simply respond to “irresponsible” behaviour by an embattled government by resort to massive fines. Discipline is thereby enforced by an external and ‘depoliticised’ agency which is removed as far as possible from working class influence. But how would other governments react under such circumstances? If they abide by the rules and leave inviolate ECB independence there would be a severe political crisis - not least in the weakest link.

There is as yet no provision for secession from Emu. EU Commission president Romano Prodi has made this quite clear: “It’s a definitive marriage. You cannot leave the eurozone once you’re in”.<sup>76</sup> Nevertheless such legal niceties have never proved an obstacle in the past. States have armies and powerful bureaucracies. Suffice to say there are countless pitfalls, entanglements and snares over debt obligations to overcome. The costs of withdrawal from the euro are therefore prohibitive and implementing spending cuts and tax increases could prove to be the lesser evil. Labour would be told, or forced, to show flexibility and bow to the ECB’s ‘modernising’ discipline. The national class struggle quickly takes on an external, international, dimension.

## 4. Their United Europe and ours

Valéry Giscard d'Estaing, president of the European convention, has unveiled the first "skeleton" draft of what could be the future constitution of the European Union. The convention has been meeting in Brussels since March 1 and is due to finalise its proposals in June 2003.

In terms of method, scale, ambition and probable consequences the only parallel under capitalism is the formation of the United States of America in 1787 out of the loose confederation of 13 states which emerged victorious from the revolutionary war against the British crown. Giscard d'Estaing has himself compared the work of his convention to that of the founding fathers of the US, and the expectation is that the EU will over the next 10 to 20 years emerge as a superstate of some kind.

The proposals coming from the EU's constitutional convention therefore demand the closest attention of communists and revolutionary socialists - not only in Europe itself but throughout the whole world. Just dismissing the EU as a "bosses' club" and posing an abstract United *Socialist* States of Europe will not take us a centimetre forward. If the working class is ever to realise the goal of socialism in Europe, or anywhere else, it is vital to actively intervene and take a *lead* in the battle for democracy under capitalism. Without that socialism is impossible. Where Giscard d'Estaing has presented a cribbed and cramped, quasi-democratic EU, the left is duty-bound to develop our alternative vision of a united Europe in which democracy is greatly expanded and filled with a definite social content.

Consisting of 105 delegates - chosen by the 15 member and 13 candidate states, the national parliaments, the European parliament and EU commission - the constitutional convention has been given the remit of detailing various broad options for the EU's inter-governmental summit in 2004. Each government has one representative, while the national parliaments have two. Former Europe minister Peter Hain is the voice of the UK government, Gisela Stuart and David Heathcote-Amory speak respectively for the Labour and Conservative sides of parliament. Efforts have also been made to involve non-governmental organisations, trade unions and commercial and industrial bodies.

Sixty themes were set for debate under a series of working groups. They include the future of EU policy-making; the division of powers; the legitimacy of EU institutions; institutional planning in an enlarged EU; the role of the EU in world affairs. The need for reform is urgent. In 2004 there are expected to be 10 new member states, "leading to the risk of paralysis if institutions and procedures are not adapted".<sup>77</sup> And expansion, and thus pressure for radical change, is set to continue. By 2010 some well placed commentators predict that the EU will have within its space 28 states.

Compared to the US in the 18th century, European unity has evolved thus far at a much more cautious and protracted - and for our rulers an altogether safer - pace. There has been no great wave of liberation nor the voluntary coming together of risen peoples.

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Nevertheless European integration, though piecemeal and only quasi-democratic, has gone a long way since the 1957 Treaty of Rome. The customs union - born of the terrible slaughter and mutual destruction of World War II and then the cold war system which divided the continent - has become an economic giant embracing 380 million people.

The aim of the EU's leading bureaucrats and top politicians is clear. Wim Duisenberg, the first president of the European Central Bank, says economic and monetary union "is, and was always, a stepping stone on the way to a united Europe". Germany's Joschka Fischer is also of the opinion that there must be a "translation from a union of states to a federation". The Bundesbank issued statements in 1990 and 1992, arguing that monetary union had of necessity to be followed by political union. Otmar Issing, the chief economist of the ECB, notes: "There is no example in history of a lasting monetary union that was not linked to one state".<sup>78</sup>

Through presiding over the process of unification, the EU bureaucracy is confident that by 2010 Europe will not only possess a greatly expanded membership but have far outstripped the US in terms of GDP. By streamlining this huge political-economic bloc and putting it under centralised direction comes the possibility of the EU playing a *determining* global role and thereby gorging itself on the whole planet's human and natural resources as the imperialist top dog.

Meanwhile militarily and politically the EU punches far below its economic weight. It resembles something like the 13 confederated American states before 1787 - the parts are more important than the whole. The EU is an amalgam of unevenly developed states. But the grain of development is not hard to discern: wider, in the form of honeymoon candidates like Poland, Hungary and the Czech Republic; deeper, in the form of enhanced politico-legal institutions. The EU already has the European Central Bank, a council of ministers, the European Commission, an elected parliament and a European Court of Justice. But how wide and how deep? That essentially is the question being asked in Brussels by the EU's constitutional convention.

The convention is reportedly seeing a "battle between pro- and anti-federalists". However the pro-federalists have the "biggest firepower" and count France and Germany among their number.<sup>79</sup> Evidently the Giscard d'Estaing "skeleton" shows that the balance lies firmly with the pro-federalists.

Commitment to an "ever closer union" is to be ended on paper. But the convention also envisages ending the national veto in certain key areas such as taxation and asylum. Furthermore the EU is to be given a single legal personality. Proposals exist to protect subsidiarity - the principle that decisions should be made at the lowest appropriate level. However, the group responsible for defence matters is looking towards instituting an EU "undertaking of common defence similar to Nato's article five, as well as an agency for joint arms procurement and research". Member-states would be given a minimum annual target to spend on the armed forces.

Former Irish prime minister John Bruton, as the head of the group looking at internal affairs, has mooted the controversial idea of a "common border guard". On foreign affairs there is a proposal to unite the EU's divided approach under a single commissioner who would be responsible to the member-states. Britain and France reportedly prefer giving an extensive foreign policy role to a president of the EU council.

The European constitution is designed to inspire supranational loyalty. Giscard d'Estaing's preamble is to be drawn in part from the French Revolution's 'Rights of man' and the US declaration of independence. There will be fine words and talk of human dignity, the rule of law, tolerance and fundamental rights. The EU is described as a "union of European states which, while retaining their national identities, closely coordinate their policies at the European level, and administer certain common competencies on a federal basis". Giscard d'Estaing has even suggested a name change to the United States of Europe or simply United Europe and a system of dual citizenship - home country and EU.

The draft constitution mentions the possibility of putting in place procedures for voluntary withdrawal from the EU. An innovation. At present there are no provisions for opting out. Plans for the "possibility of establishing a Congress of the Peoples of Europe" - combining the EU and national parliaments - has also been floated, along with appointing a president of the EU states as well as the EU council.

Naturally the little-Britain, anti-EU press enjoyed a field day. *The Times* condemned the constitutional draft as federalist to the core and thundered that it "severely circumscribes the meaning of statehood". *The Daily Telegraph* warned that the government would swallow too many of Giscard d'Estaing's proposals: "The danger is that Blair, like his predecessors, will go along with the bad in the hope of retaining influence on the continent." True to form, the *Daily Express* wrote of a "slippery slope - leading to Britain becoming part of a federal republic". The *Daily Mail* gave the parliamentary Tory Party's representative on the constitutional convention, Heathcote-Amory, a full page to paint his nightmarish vision of the EU's future. Britain is a mere member of United Europe - worse, the BBC becomes the "European Broadcasting Organisation", income tax is set at 70% and kilometres are used on motorway signs - "miles are just a distant memory".<sup>80</sup>

Hyperbole and lurid chauvinism aside, it is clear as day that the anti-EU press are right. British sovereignty and independence are being steadily eroded. But what history poses is not some atavistic harking back to a semi-mythical past. The British empire can never return. Nor can British independence. Britain cannot operate effectively in the world alone. Nor can Germany, France, Italy or the other EU countries. Only together can they hope to compete with and rival the US and Japan.

The real question before us is what sort of EU? Is the EU to evolve into a quasi-democratic superstate, as proposed by Giscard d'Estaing? Or can those below pursue their own agenda and create an EU which embodies extreme democracy?

Whether European unity is to be federal or confederal, at present it is not being brought about under the direct or indirect impact of working class self-activity - as envisaged by Marxists such as Fredrick Engels, Karl Kautsky and Leon Trotsky. EU unity is proceeding fitfully through a whole series of tortuous, behind-the-scenes compromises and makeshift deals, hatched between member-governments - all presided over by an unelected EU bureaucratic elite. Indeed there can be no doubt that the whole project is moving according to the rhythm, requirements and restrictions imposed by capital. So the working class has no reason whatsoever to endorse, applaud or join with either the EU federalists or those who stubbornly defend state rights and call for a looser confederation. Capitalism is attempting to organise Europe into a blood bank - a huge source of surplus value, ever ready to meet its vampirish needs. That must, and will, call forth a working class alternative.

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The working class has never been simply a passive victim. The power of capital has always been confronted by the power of labour. Moreover, our class is ascendant. History is on our side. After World War II capital could only maintain itself through a far-reaching historical compromise - the social democratic state. And with each year that passes capitalism becomes ever more impossible and riven with contradictions. Hence, whereas Giscard d'Estaing and the EU's constitutional convention is proposing half-democratic measures and palliatives, we require *our* alternative that can help create the objective and subjective conditions for the epochal transition from capitalism to communism.

Communists wish in general to bring about the closest voluntary unity of peoples - and in the biggest state units at that. All the better to conduct the struggle of class against class and prepare the wide ground needed for socialism. Hence the formulation: "To the extent the EU becomes a superstate, the working class must unify its resistance and organisation across Europe".<sup>81</sup>

That explains why we are far from indifferent about the EU constitutional convention and the bureaucratic-bourgeois project of unifying Europe. The call from left-nationalist reformists, 'official communism' and various Trotskyites and sub-Trotskyites to pull the UK out of the EU because it is a "bosses' club", or because it is not "socialist", is a blundering mix of political illiteracy and intellectual bankruptcy. One might just as well suggest pulling the working class out of Britain.

In the 18th and 19th century there were, of course, those utopians who argued that communists should have nothing to do with bourgeois society. It was by definition a capitalist or "bosses' club". They established colonies in the Americas, which would practise equality and fraternity. Suffice to say, they were ill-fated. All failed. And not surprisingly Marxism has consistently criticised such schemas. The utopian communists' denunciation of capitalism provided wonderful ammunition. However, opting out of the struggle within capitalism was attacked as tantamount to surrender.

Capitalism and the capitalist state as it historically presents itself in the here and now is where the socialist-communist project starts. The journey begins not with the destination, but the first step. So we begin with the capitalist EU. There can be doubt that European integration, through the Maastricht and Amsterdam treaties, is, as the Socialist Workers Party-International Socialist Group majority wing of the Socialist Alliance states, the "central project of the European employers". Nor can it be denied that the EU is an "anti-working class project" aimed at increasing the exploitation of European workers in order that European capital can "compete more effectively in world markets". The EU "bosses' club" aims to "maximise job flexibility" and "increase the power of the bosses in the workplace". To that end EU institutions have been made as "undemocratic" as possible, with an "unaccountable" ECB, etc.<sup>82</sup>

Yet from these elementary - and uncontroversial observations - it is quite perverse to claim that a 'no' referendum vote on the euro follows. Naturally, being sincere socialists, the SWP-ISG majority say their campaign will shun xenophobes and chauvinists and promote demands such as 'For a workers' Europe, not a bosses' Europe' and 'No to Fortress Europe' - there was a two to one majority at the SA's October conference favouring a 'no' campaign as against an active boycott. But, try as you might, you will find no programme outlining how to achieve a workers' Europe other than rejecting the bosses'

Europe. There is no logically established linkage joining means to ends. Just saying ‘no’ to the euro and the bosses’ Europe does not lead to a workers’ Europe.

The EU is an undemocratic “bosses’ club” and the introduction of the euro will be accompanied by further attacks on the working class. There is no difference here. But, instead of joining with the Tories, the Murdoch press, the British National Party and the national socialist left and opting for the pound and dreams of a return to long-gone glory days, communists take up the weapons of organisation and democracy.

We argue for a social Europe, within which the political power and economic interests of the broad masses - albeit initially under capitalism - are qualitatively advanced. To bring forward these immediate ends the following seven demands, specifically concerning the EU, are presented:

1. For a republican United States of Europe. No to Giscard d’Estaing’s EU monarchical president. No to the EU senate, a second chamber, proposed by Tony Blair. Abolish the council of ministers and sack the unelected commissioners. For a single-chamber executive and legislative continental congress of the peoples of Europe, elected by universal suffrage and proportional representation.
2. Nationalise all banks in the EU and put the ECB under the direct, democratic control of the European congress. No to the stability pact and spending limits. Stop privatisation and so-called private finance initiatives. End subsidies to, and tax breaks for, big business. Tax income and capital. Abolish VAT. Yes to workers’ control over big business and the overall direction of the economy. Yes to a massive programme of house-building and public works.
3. For the levelling up of wages and social provisions. For a maximum 35-hour week and a common minimum income. End all anti-trade union laws. For the right to organise and the right to strike. For top quality healthcare, housing and education, allocated according to need. Abolish all restrictions on abortion. Fight for substantive equality between men and women.
4. End the Common Agricultural Policy. Stop all subsidies for big farms and the ecological destruction of the countryside. Nationalise all land. Temporary relief for small farmers. Green the cities. Free urban public transport. Create extensive wildernesses areas - forests, marshes, heath land - for the preservation and rehabilitation of animal and plant life and the enjoyment and fulfilment of the population.
5. No to the Rapid Reaction Force, Nato and all standing armies. Yes to a popular democratic militia, equipped with the most advanced and destructive weaponry.
6. No to ‘Fortress Europe’. Yes to the free movement of people into and out of the EU. For citizenship and voting rights for all who have been resident in the EU for longer than six months.
7. For the closest coordination of all working class forces in the EU. Promote EU-wide industrial unions - eg, railways, energy, communications, engineering, civil service, print and media. For a democratic and effective EU Trade Union Congress. For the closest possible EU Socialist Alliance as part of the process of establishing a single, centralised, revolutionary party: ie, the Communist Party of the European Union.

Armed with such a continental-wide programme, a social Europe, the United Socialist States of Europe, can be realised. By taking the lead over every democratic shortcoming,

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by coordinating our defensive and offensive activity, by building upon our strength and extending our room for manoeuvre through securing far-reaching economic and political gains, the “bosses’ club” can become a workers’ club.

## 5. American echoes

Together the 13 American states fought as one in an “epoch-making revolutionary war” (Lenin) against the Hanoverian crown from 1775-83. However, they could not begin to put in place even a customs union of the type that later laid the foundations for the timid Zollverein unification of Germany. Nor was there a single foreign or domestic policy. The revolution cut the link with Britain but did not put in place any other unifying authority. Indeed, after the crunch Battle of Lexington unity tended to weaken. The smaller states jealously guarded their quasi-independent power. Congress existed on sufferance and the states began to erect customs barriers against each other. Their “bickering” was in danger of getting out of hand and tearing the confederation apart.<sup>83</sup>

What became the United States of America emerged not only as a result of a straightforward victory in the war of independence conducted by a subject people against an external master. The USA came into history through a complex stand-off between mass democratic forces unleashed by the revolutionary war on the one side and, on the other, exploitative interests, and rival state interests, which from the beginning stood above.

In point of fact, it was the threat from the ‘mobocracy’ that more than anything else brought together the northern merchant and industrialists and the southern slavocracy in a keen realisation of the inadequacies of a loose confederation. The existing articles of confederation had to be rewritten. Having unleashed a revolution, the problem that confronted the constitution-makers in 1787 was how to curb the masses and how to harness their energy behind one or the other exploitative system - labour or slavery.

The promise to nationalise state debts accumulated during the revolutionary war, the mutual advantages offered by protection of nascent industries and the prospect of lucrative trade deals with overseas powers were all factors that encouraged the jealous states to overcome their parochial concerns. Danger of war with France and restive native tribes were important factors too.

The 1786 Shays rebellion in Massachusetts - named after Daniel Shays - and the seizure of the Rhode Island government by indebted small farmers “served notice on the ruling classes of the precariousness of their position in face of the rising popular clamour”.<sup>84</sup>

Confronted by a population who had muskets in their hands and Tom Paine’s revolutionary manifesto *Common sense* in their heads - published in January 1776 it advocated independence, republicanism, egalitarian democracy and inter-colonial unity - the drafters of the constitution had to tread a careful line between the interests of the northern capitalists and the southern planters on the one hand and, on the other, gaining acceptance from the great mass of the people whom they feared with a passion.

In point of fact, it is no exaggeration to say that the overriding principle that guided the 55 delegates to the Constitutional Convention - all from the propertied classes - lay in keeping political power as far as possible away from the hands of the urban and rural

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masses. Their thinking can be gleaned from the famous federalist papers of 1787-88. In them Alexander Hamilton argued that a “firm” union would be of the “utmost moment to the peace and liberty of the states, as a barrier against domestic faction and insurrection”.<sup>85</sup> Some kind of democracy was unavoidable - the people had risen and were liable to organise on their own behalf. Yet the natural inclinations of those above were aristocratic and anti-democratic. So the smaller the proportion of the people represented and the more checks and balances, the better. Black slaves, native Americans and women were automatically excluded. Ellen Meiksins Wood adds pointedly that the American role model was Rome, not Athens; Cicero, not Pericles; not the rule of the *demos* but SPQR, the “mixed constitution” of the senate and the Roman people, the *populus* with rights of citizenship “but governed by an aristocracy”.<sup>86</sup>

It is therefore one of those historical tragedies that the Committees of Correspondence, the Sons and Daughters of Liberty, the so-called ‘Mohawks’ (led by the great revolutionary, Sam Adams) who, taken together, were the American equivalent of the English Levellers and the French Enragés, failed to transform themselves into a programmatically coherent national party completely separate from the men of property.

The constitution that emerged was therefore a multi-layered compromise. A compromise between rival states; a compromise between two contradictory social systems - the slave system of the southern plantation owners and the wage-labour system of the budding northern industrialists; and most fundamentally a compromise between the aristocratic and democratic principles of government.

The US constitution exists as a system of checks and balances *against* democracy. It has an *indirectly* elected monarch, who exercises enormous executive powers. The president is head of state, chief administrator and commander-in-chief of the armed forces. He appoints all secretaries of state (ministers) and members of the supreme court - who serve for life. The two houses of congress - the House of Representatives and the Senate - exist to ratify presidential proposals. If, for one reason or another, he is met by stubborn refusal, the president can override the congress and try again. Popular initiatives and pressures from below can in that way be held back and frustrated time and again - either by the presidency, the congress or the supreme court.

Democratic forces in America - including popular leaders such as Mercy Otis Warren, James Warren and Eldridge Garry - had little trouble in recognising the constitution as a victory for the Tories (as the country’s conservatives were then called). They opposed not unity, but unity without liberty. In her *Observations on the new constitution* Mercy Otis Warren objected to the lack of democratic guarantees - no press freedom, no right of conscience, no right to trial by jury. In addition she opposed the standing army as “the nursery of vice and the bane of liberty”. Furthermore she objected to representatives setting their own salaries and called for annual elections. The electoral college - which to this day elects the president - was accurately summed up as an “aristocratic junta”.<sup>87</sup>

The democratic left rallied around the demand for a Bill of Rights - which became for them a condition for the adoption of the constitution and was finally enshrined in the first 10 amendments to the constitution. Thomas Jefferson and James Madison took the initiative here, so reconciling the anti-federalist left to the constitution. Not that these rights were realised in practice. The practical fight devolved to each separate state.

Two great parties arose after the fierce arguments around the US constitution. Through a clarifying course of splits and fusions the pro-centralist and anti-centralist camps became the Federal Party and the Republican Party (officially the Democratic-Republican Party till 1828). Crudely put, the Federal Party - led by Alexander Hamilton - articulated the interests of the northern merchant class and the up and coming industrial capitalists. The Republican Party - under Jefferson - defended the south and the plantation system. After a bitter struggle within George Washington's cabinet the Federal Party triumphed. It took over the reins of government and embarked on a single-minded programme of primitive capitalist accumulation.

A national bank and common finances and a system of industrial protection against British competition were put in place. Tough restrictions on land sales in the west. Labour-power had to be retained and kept cheap. Funding for the nationalised debts came from taxation - primarily on landowners and the country's rural masses (90% of the population). This programme stimulated overseas trade and allowed capitalist accumulation to take-off. However, it provoked stiff opposition from the southern slavocracy. Wasteful and ecologically unsustainable plantation agriculture - tobacco, sugar and especially cotton - quickly exhausted the soil. Virgin land was therefore vital for the continued health of the system. Yet the great plantation-owners found their 'natural' route to the west blocked by the Federal Party administration.

Jefferson, Madison, Monroe and similar figures from amongst the slavocracy moved into opposition and sought to rally the majority of the population behind them through an overlapping series of political and class alignments. Their main slogans concentrated on championing state rights and western expansionism. The industrial bourgeoisie found support draining away. Isolated and desperate, it enacted the draconian Alien and Sedition Act in order to scapegoat the democratic clubs founded in the wake of the French Revolution. There was much vitriolic talk of "French gold" and outside subversives. The 'red menace' before the reds. But the tide continued to move against the Federal Party. The slavocracy aligned the whole countryside to their programme. Doubtless that is why in the mid-1930s Earl Browder, general secretary of the Communist Party of the USA, attempted to claim Jefferson as a representative of "agrarian democracy".<sup>88</sup> Despite the Stalinite hall of mirrors, he was, of course, no such thing.

Jefferson and his party captured both the presidency and congress in 1801. However, the Federal Party, in a pre-emptive move, stacked the courts - especially the Supreme Court - with their chosen men. Jefferson's two administrations were characterised by a constant to-and-fro struggle with the judiciary. Under John Marshall, a leading Federalist, the Supreme Court tried to impose a judicial dictatorship. Marshall deliberately issued a loaded court decision - a coup waiting in the wings - which declared that a particular piece of obscure legislation passed by congress was unconstitutional and therefore void. This highly controversial precedent was kept in reserve - they had no stomach for a popular explosion - till the notorious Dred Scott case in 1857 ... and then a revolutionary civil war was necessary to expunge that decision and its consequences.

Federalist minds turned to out-and-out treason. They plotted with Britain to halt the western expansion of the US. The old colonial power stood to gain the west and regain New England. Plans were also discovered to hive off the newly acquired Louisiana

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Territory. Justice Marshall, presiding over the trial of the conspirators, ruled administration evidence out of order. He thus saved the necks of the high class conspirators.

Though the Federalist Party quickly collapsed, never to rise again under that name, none of the administrations that followed touched the foundations for American capitalism laid down over the years 1789 to 1800. Indeed Jefferson knew that the slavocracy had no long-term future - he actually prohibited the importation of slaves in his second term as president.

The slavocracy willingly cemented a historic compromise with the northern industrialists and the small family farmers - it held fast till the constitutional crisis that led to the civil war of 1861-65. America rapidly spread to the west through a series of mammoth purchases, violent land grabs and peaceful absorptions of frontier states - all at the expense of the native tribes. Each successive enlargement benefited both the slavocracy and the small farmers. However, industry found itself more than compensated for the loss of eastern proletarians to the lure of the west by the huge surge in demand for its commodities and the encouragement of mass migration from Europe.

The civil war was America's second revolution. National rights and union authority triumphed over state rights; the north over the south; the system of wage labour over slave labour. After the war the banking and industrial bourgeoisie stood alone as the sole ruling class in the US. The slavocracy and the southern secession were crushed using the plebeian methods favoured by the most extreme wing of democracy. Civil war excluded any middling course. Having taken up the struggle against the slave states, the northern bourgeoisie and their working class and rural allies were forced to resort to increasingly daring and far-reaching revolutionary measures.

However, following the civil war the northern bourgeoisie took fright and recoiled from any thoroughgoing and permanent democratic transformation in the south. Most Republican leaders - the Republican Party was formed in 1854 out of the remnants of the Federal Party - were unenthusiastic about freeing the slaves. Lincoln hesitated time and time again before finally announcing abolition.

After the confederacy had been defeated they feared that the poor - especially the doubly oppressed black population - would push democracy way beyond the limits imposed upon it by the interests of property. Black soldiers in the union army kept their guns and the freed slaves organised action committees and defence squads. There was a series of splits in the Republican Party. What had been a military dictatorship over the south with the support of the poor and black masses gave way in 1876 to a squalid deal between the managers of the Republican Party and the Democratic Party. Rutherford B Hayes was allowed to assume the post of president in return for the quid pro quo restoration of white supremacy in the south. Most Democrat hierarchs in the north opposed the confederate secession and did nothing to stand in the way of Lincoln's military conduct of the war; but they opposed ending slavery in the south. After abolition they were resolutely against giving any kind of equality to former slaves. Military government in the south officially came to an end in 1877 - radical democracy had been under constant attack throughout the entire period following general Lee's surrender at Appomattox Court House and now it ended as counterrevolution within the second revolution.

Looking at the USA of today, it is clear that, whether the Republicans or the Democrats

hold the presidency or have a majority in the congress, it is the plutocracy which wields real power. Elections are about money and buying politicians from either persuasion. Meanwhile the gulf separating rich from poor has never been greater. Blacks remain the poorest of the poor. For the vast mass of the US population democracy is purely formal. They have, as Karl Marx famously said, “the right” every two or four years to “choose who will misrepresent them”. No wonder millions abstain and only a minority vote in presidential elections.

In envisaging their third, workers’ revolution within the revolution socialists and communists in the US will, of course, learn from the Patriots of 1776 and the Radicals of the Civil War. What these revolutionaries began in terms of democracy the third revolution must complete. The third revolution must therefore arm itself, as a vital precondition for success, with a programme for a root and branch overhaul of the 1787 constitution.

As is their “inalienable right”, the American people should as a matter of elementary self-interest abolish the monarchical presidency. It is an oppressive system of government. No one should allow George W Bush to forget that he was appointed by a rightwing Supreme Court majority and secured less popular votes than his Democratic Party opponent, Al Gore. Bush was elected indirectly by an aristocratic electoral college. And he only secured the Florida electoral-college delegates after the Supreme Court stopped the hand counting of votes. The Senate and life-long appointments to the Supreme Court must also be abolished and “new guards” to secure the well-being and happiness of the people immediately put in their place. Likewise all judges without exception must be elected and subject to instant recall.

A single chamber congress, elected annually, which has full legislative and executive powers, is what is needed. Congress delegates, or representatives, should get their democratic mandate from an equal constituency basis. End the Senate state system. The democratic case against the standing armed forces - grown to the point of hypertrophy since World War II - is surely unanswerable. A system of popular militias must be initiated.

Technically none of these demands in themselves go beyond the limits of capital as an exploitative metabolism. However, they do, taken together, provide the necessary salient from which the battle for democracy can be fought and won. Then the rule of the majority can be realised - not merely in form but in substance. That is a truth we communists hold to be self-evident.

## 6. Marx and Engels on German unification

German unification does not represent a direct parallel with European unification in the 21st century and the European Union - there is, for example, no common language. Nonetheless valuable lessons - theoretical and programmatic - can be drawn from the fight for German unity in the 19th century. This is particularly so because Germany was the birthplace and revolutionary testing ground of Karl Marx and Fredrick Engels and remained central to their ongoing intellectual interest and political activity during their permanent exile in Britain.

Admittedly, given the division of labour that existed between the two men, much of what we shall quote comes over the signature of Engels. Yet they communicated with each other virtually daily and worked so closely together, to all intents and purposes they formed a single identity. Therefore when one says 'Engels' one might just as well say 'Marx' - or 'Marx and Engels' or even better 'Marx-Engels'. Having underlined that particular point, we shall move on.

When Marx and Engels began their life-long partnership, Germany was woefully backward compared with France, Belgium, Holland and above all Britain. Moreover Germany was in decay. Everywhere there was frustration, oppression and ignorance. No state education, no free press, no public spirit, no extended commerce with other countries. Migrants were Germany's biggest export - labourers but especially prostitutes. Internal disputes and wars of foreign intervention were endemic. The people suffered from the double burden of government overtaxation and lack of government spending. Nothing worked.

Protracted decline was caused in part, and was definitely exacerbated by, the division of Germany into dozens of rival absolutist states, ranging from the medium to the micro. A fragmentation that went hand in hand with different currencies and different weights and measures. Customs posts were ubiquitous. In short, Germany desperately required radical unification. Without unity there could be neither capitalist progress nor hope for working class rule - so reasoned Marx and Engels. Tasks of national unification and the social revolution therefore interweave.

Germany was a cultural expression reflecting common language but was not a unified politico-economic unit. During medieval times this was, of course, true for most of western and central Europe. Feudalism is characteristically decentralisation and fragmentation *in extremis*. Only England - because of the thoroughgoing nature of the 1066 conquest - constituted a partial exception.

Let us take a slight detour and expand upon this point. Present-day nation-states such as Spain, France and Italy were in medieval times little more than geographical terms, and

even relatively stable kingdoms were cut across by countless and often overlapping feudal domains. Hence it is misleading to speak of 'French kings' in this period. Better 'kings of France' and their aristocratic vassals. Standard *national* histories which project modern borders and contemporary notions of nationhood back into the mists of time owe everything to recent invention and subsequent narrow-minded prejudice, nothing to the truth. Standard "national" history is indeed imprisoned, in what Hugh Kerney calls a "cage of partial assumptions".<sup>89</sup>

For example, the *feudal* social location and outlook of the 'English king' Henry II is more accurately and evocatively rendered as Henri II roi de l'Angleterre ... and putative overlord of adjoining realms such as Scotland, Wales and Ireland, besides being Henri du Mans, Henri Courtmanteau, comte de Maine et de Tours, duc d'Anjou, de Normandie et d' Aquitaine. Like the Kingdom of the Two Sicillies and the Crusader states in Palestine, the Kingdom of England was an "outpost" of the French feudal order.<sup>90</sup> Not surprisingly later kings of England claimed the crown of France.

Before he became king, Henri FitzEmpress had visited England only twice ... and briefly. Certainly if anyone had dared call Henri English to his face such an appellation would either be met with blank incomprehension, or taken for the words of a fool. Henri's everyday language was Norman French, his wife, Eleanor of Aquitaine, originated from high aristocratic France and his main source of revenue derived from the extensive and wealthy fiefs in France. Meanwhile the humble subjects of the house of Anjou spoke not only the various patois of early English but numerous other mother tongues - ranging from Gaelic in the far northern domains to Provençal in the deep south.

Germany displayed the same checkerboard feudal pattern. Take the empire of the Salians (1024-1125). It was a conglomeration of kingdoms and principalities, duchies and marches, church lands and free towns, each with their own political structure, legal standards and customs. Furthermore this 'German' empire incorporated Slav lands to the east, Burgundy to the south west and the whole of northern Italy. The imperium was therefore made up of an official 'trias' - Germany, Italy and Burgundy. Equally to the point, the royal house presented themselves - to themselves and the outside world - as the legitimate inheritors and continuation of Roman civilisation. In a word, they ruled the Holy Roman Empire.

During the late medieval period Germany ranked as an advanced feudalism. Besides cutting edge improvements in agricultural and mining technique, guild industry produced amongst the best in ecclesiastical and secular luxury - gold and silver, sculpture and engraving, wood carving and armour. Towns prospered and grew rich. The trade league - cemented between Lubeck, Hamburg, Wismar and Rostock in 1259 - ensured a grip over Baltic maritime trade and sucked in a differential profit from Pomerania, Sweden, Courtland and Novgorod.

However, as Engels observed, by the 16th century relative decline is unmistakable. Germany found itself strategically bypassed. Once northern Europe's trade route to India and the far east were fixed and went through Rhineland Germany. Then Vasco da Gama discovered the Cape and a much cheaper way to access the exotic riches of the Indian Ocean. Then Portugal, Holland and following them England seized control of Atlantic trade. The consequences were revolutionary. In France, England, northern Italy and the lowlands serfdom faded and died. Moreover the tendency to parcelise power and the

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unproductive extraction of surplus associated with feudalism was replaced by strong, centralised states or mercantile capitalism and in the case of England a self-generating agrarian capitalism. Germany fell progressively behind. When the steam-powered industrial revolution took off in Britain, the “small is beautiful” manufactures in filigrated Germany faced extinction.

‘Old Germany’ - the Holy Roman Empire - was founded in 962 and lasted till 1806. Quixotic Roman empireship ideologically ruled out any goal of German unification from above and dissipated energies and resources in fruitless campaigns of Italian conquest (reminiscent of the feudal monarchies in England and their countless attempts to re-establish themselves in France). To cap it all the German religious revolution proved inconclusive. Protestant imperial knights, free towns and the peasant masses failed to unite their efforts against the common catholic enemy. The empire was nevertheless reduced to a shell and as such fell into the hands of feudal princes, barons and dukes. Their centralising powers overwhelmed the centralism of the whole. Over these hardening petty divisions Germany now found itself cleaved into hostile theological zones - a predominantly protestant north, a predominantly catholic but mixed south west, and an exclusively catholic south east.

Here Germany shows an opposite pattern to France and England. France exterminated or exiled the protestant Huguenots in 1685. England had already broken with Rome under Henry VIII. Both powers were therefore essentially monoreligious. Aside from the obvious advantage of cohesion this brought, the “eventual suppression” of protestantism in France was, comments Engels, “no misfortune”. Instead of protestantism France got enlightenment thinkers such as Voltaire and Diderot. Anti-clericalism is the other France and stands today as the *dominant* intellectual tradition.

Being a precursor the English form of development is in many ways comparatively primitive. The official protestantism of the Tudor and Stuart monarchs was catholicism without the pope. Put another way - cod-catholicism. Engels mockingly describes England’s universities, colleges and public schools as being “protestant monasteries”.<sup>91</sup> Real protestantism in England came in the form of the Lollards, puritans and methodists. Yet there is still no theoretically rigorous mass tradition of anti-clericalism, let alone militant atheism here - a definite misfortune.

Religious divisions and the hollowing out of the Holy Roman Empire turned Germany into the main battleground for the contending protestant and catholic powers in the 16th and 17th centuries. The pope, the Spanish and Austrian Hapsburgs, the German catholic princes fought it out with the protestant German states and their backers in Bohemia, Denmark, Sweden and the Dutch Republic. The result of the Thirty Years War (1618-46) was the plunder and ruination of Germany. The treaty of Westphalia in 1648 sealed the political-theological dismemberment of Germany. The German empire became a byword for disunity and ineffectiveness. Outside powers too gained the right to freely intervene as they saw fit.

One ray of light existed amidst the mordant decline. High intellectual life flourished. Handel, Mozart, Goethe, Schiller, Kant and Fichte. A short while later Beethoven and Hegel. German economic and social backwardness found its opposite in music, literature and philosophy, which served as a kind of hope. After Copernicus, Galileo and Newton

catholicism hardly deserves to be taken seriously as an object of criticism. It could be defeated by invective and ridicule alone. On the other hand German protestantism was “worth criticising”. It could only be overcome “scientifically”: that is, in the words of Engels, “explained historically”, a feat which still remains and will forever remain beyond the natural sciences.<sup>92</sup> Hence Ludwig Feuerbach and the ‘Theses on Feuerbach’ and Marxism.

Where Britain forged itself into a nation with a common economy binding its peoples together, Germany languished in fragmentation. Each electorate, principality and duchy acted independently of the other. They were all formally subject to the power of the emperor - if there was one - and the diet (consisting of deputations of the petty states, it was intended to keep the emperor in check). However, the emperor increasingly became ever more a fiction and the diet never did anything positive - its deliberations were laughably insignificant.<sup>93</sup>

German passivity condemned it to the predatory designs of its more dynamic neighbours, crucially France. To further its own ends catholic France was quite prepared to finance German protestant princes. It was not uncommon to find that when the German empire declared itself at war (with the traditional enemy, France) some of the German petty states took the other side.

The French-speaking areas on the western bank of the Rhine were under these conditions hacked away. Burgundy, then the three bishoprics of Metz, Toul and Verdun, then the rest of Lorraine, then parts of Flanders and Alsace – all were split off and joined to France. In a similar manner Switzerland was allowed to break away and become independent and Belgium was handed over to Spain by the legacy of Charles V. They all fared better separated from Germany.

Germany was in a hole. Remnants of feudalism still held sway and serfdom was rigorously reinforced in the east. The embattled nobility had aristocratic standards to maintain. For the serfs that meant labour services, tributes, land-sale taxes, death taxes, protection money, etc. Besides taxes the serfs were expected to hand over an inexhaustible supply of female flesh without complaint. Either that or earn a savage beating. Every attempt at revolt was crushed without mercy. To add insult to injury, bloodsucking armies were routinely quartered on the oppressed. Needless to say, the emperor showed not the slightest concern either for the peasants or the internal life of the petty states.

What of the so-called free cities? They were hardly beacons of liberty. The burgermaster and a caste of self-selected senators ruled like tyrants. Cheated and robbed by the princes, the bourgeois class tried to profit from the chaos. They righted the wrongs done to them by their oppressors by cheating and robbing in turn.

If they had put themselves at the head of the people, they might have been able to refound the country, as the bourgeoisie did between 1640 and 1688 in England and the French did in 1789. But the German bourgeoisie lacked the courage. Engels seethed with angry contempt. He compared them to shit, or in polite translation, dung: “Germany is nothing but a dunghill, but they were comfortable in the dung because they were dung themselves, and were kept warm by the dung about them”.<sup>94</sup>

The 1789 French revolution acted like a thunderbolt - not upon the mass of the people in Germany, but the middle classes and sections of the nobility. However, their enthusiasm

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was, said a qualifying Engels, “theoretical”. Once the French revolution moved to its most extreme stage with the fall of the Girondists, as those below exerted the maximum pressure, odes of joy gave way to hostility: “Germany was converted to a fanatic hatred against the revolution”.<sup>95</sup> The bourgeoisie preferred a quiet life in the dunghill to the French whirlpool.

But the days of the Holy Roman Empire were fast coming to an end. The revolutionary armies of France punched straight into the heart of Germany and effortlessly made the Rhine the frontier of France. France preached liberty and equality. A social acid. Nobles, abbots and princes fled in droves. The purple migration.

Once Napoleon Bonaparte became the democracy with a “single head”, after the month of Thermidor 1794, he poured armies into Germany time and time again. Napoleon dissolved the Holy Roman Empire with his stunning wars of conquest and sweeping reorganisation of Europe. Christian-Germanic society expired.

Napoleon was “always revolutionary *vis-à-vis* the princes”.<sup>96</sup> In Germany new, larger states were formed under his sponsorship. The *code Napoléon* was exported to them - a code which enshrined equality before the law and which was infinitely superior to the feudal law that had previously crippled Germany.

Napoleon tried to unify Europe from above using dictat and brute force - he was a civilised Adolf Hitler. Not surprisingly, though he shattered the *anciens régimes* in Germany, Spain and Italy, his methods alienated those whom he had freed. In Germany the peasants resented the taxes and the recruitment of their sons into Napoleon’s armies. In their uneducated minds France became associated with atheism and wickedness. The bourgeoisie were even more parochial. The embargo against British goods might lay the basis for a future German manufacturing industry but it meant certain imports were unavailable - Engels cites coffee.

Disappointed by their lack of revolutionary zeal, he tore into all classes. The peasants must be, he said, “the most stupid set of people in existence”. German students and the run-of-the-mill intellectuals fared no better. As to the bourgeoisie, they merely wanted to buy cheap and sell dear ... and drink unadulterated coffee. Nevertheless Engels has to admit that, where before there had only been self-interest, a German national consciousness appeared.

As an aside it is worth mentioning the reactionary anti-imperialism of Andreas Hofer. He was the leader of peasant guerrilla war against the French army in Tyrol in 1809. Shades, one might say, of Hamas, bin Laden, the Taliban, etc. Years later Hofer had evolved into something of a folk hero amongst republicans and democrats in Britain. They would toast his memory and cheer his name. Engels was fed up with such nonsense and sought to put the record straight. He roundly condemned Hofer and his backward-looking programme. Hofer was a “stupid, ignorant, bigoted, fanatical peasant”. He fought for the “church and emperor”, for the paternal despotism of Rome and Vienna. Yes, he fought bravely, but as Engels pointed out, so did the counterrevolutionary French peasantry, the Vendéans.<sup>97</sup> Engels contrasted him to Thomas Münzer, the leader of the peasant insurrection of 1525. He was worthy of being toasted and cheered.

Britain, Austria, Russia, Prussia and the whole of reactionary Europe fought for the downfall of Napoleon so as to destroy the French revolution. However, so afraid were

they of the French people that, though the Bourbon dynasts were re-imposed upon them and maintained by an army of 150,000 foreign muskets, they got a tolerably liberal constitution. Other countries saw the counterrevolution pressed home - the old despotisms were restored in Spain and Italy. The surly masses in Britain were put in their place by dragoons and sabres at Peterloo. In Germany things took a similar course.

At the 1815 Congress of Vienna the nations of Europe were brought and sold, divided and augmented. However, only three powers knew what they were about. All the rest was sentimentalism and egoism.

Britain wanted to keep its colonial plunder and extend its commercial supremacy. France sought not to suffer too much. Russia - the most reactionary state in the European system - determined to add yet more territory to its vast empire. And each was out to weaken the other European powers. The result was a counterrevolutionary new world order. France managed to spoil the plans of the bigger German states, not least Prussia. Britain extended its maritime power and domination of continental markets. As for Russia, it became master of eastern and central Europe.

The tsar humiliated Prussia, crushed Hungary, divided Poland, appointed his creature king of Denmark, etc. Germany was once again 'Balkanised'. To ensure it could never stand up to Russian might 36 states were carefully crafted and, to make matters far worse, they were disorganised into over 200 separate small or larger patches of land. Not surprisingly most of these states were obsessed with their own legitimacy. What Germany won in the war against Napoleon it lost in the peace.

The German despots purged French liberties and reintroduced old ways. Yet a return to pre-1789 conditions was impossible. The middle classes possessed neither the daring nor the strength enough to govern. But they were strong enough to force some concessions. Hence the reaction was somewhat timid and listless. Constitutional guarantees were given to the middle classes in some places: Bavaria, Wurttemberg, Baden, Hanover. Everywhere else bureaucratic governments - directed by aristocrats - pretended to take care of the interests of the middle classes through good governance.

Ironically William III's Prussia was another factor holding back the counterrevolution. But he did so for his own counterrevolutionary reasons. Prussia now vied with Austria for domination over Germany - and in order to weaken the other German states he encouraged them to enact "mongrel constitutions" and provide for vaguely representative assemblies. Yet, while the micro autocracies were weakened, no power was given to the people - not even the middle classes.

Such an arrangement could satisfy no one. Neither the christian Germanists, romantics and reactionaries, nor the liberals. And from these two sects - they were not parties - arose the "mongrel liberals" who between 1815 and 1830 formed the dominant opposition current. Yet, trapped in the numerous petty states, the liberal-reactionary middle classes proved utterly impotent. In their secret societies they dreamily planned for a German emperor decked out in crown, purple, sceptre and all the gaudy imperial rubbish, not to forget an assembly of estates in which clergy, nobility, bourgeoisie and peasants would be properly separated. They shunned the 1789 revolution. Their model was medieval, their intentions servile.

Germany was made a confederacy of states by the post-Napoleonic order in Europe.

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But there was no risk that the people might impose their will. There was no genuinely representative national assembly. The delegates who formed the confederal diet were sent by the governments alone. Every state was bound by resolutions of the diet. Yet between them Prussia and Austria ruled absolutely. All they needed to do was to threaten to abandon the micro-autocracies in their struggle with their assemblies and the lesser princes would fall into line and utter obedience. Nothing could be done in the petty states. Prussia and Austria were crucial.

Engels contemptuously dismissed the Prussian king, William III, as one of the “greatest blockheads that ever graced a throne”.<sup>98</sup> The man knew only two feelings - fear and imperiousness. The king of Prussia had been cheated by Britain, cheated by France, cheated by the emperors of Russia and Austria. Nevertheless he was happy. Napoleon had been overthrown. There was no fear. Having had half his kingdom confiscated by Napoleon, he surrounded himself with a party of half-and-half reformers. They abolished serfdom, feudal services and reorganised the municipalities. An unthreatening constitution was drafted - though it never appeared in law. However, fear returned. Fifteen years after the Congress of Vienna the masses of Paris once more rose up. Fear of revolution replaced fear of Napoleon.

The 1830 revolution signalled the general outbreak of middle class, aristocratic and popular discontent throughout Europe. The results were mixed. In Italy the popular party insurrection - partly middle class, partly national - was suppressed. The aristocratic Polish revolution was also put down. The bourgeoisie in France and Belgium succeeded and in Britain the middle classes got the reform bill that gave them the vote.

In Germany too there were numerous movements and several dozen insurrections between 1830 and 1834. They were hampered by the division into numerous states. There was no community of interest and no focal point. However, two or three of the middle class revolutions managed to succeed. Germany began to move. Headed by Prussia, 17 of the states came together to form a customs union - the Zollverein - in 1834. Austria was kept out and wrapped itself up in its own separate tariff system. Zollverein oversaw the general introduction of steam power and the growth of an internal market. This brought the states and provinces closer together. Interestingly the US historian, Paul Kennedy, argues that in this respect the situation in mid-19th century Germany was “similar” to the European Economic Community - economic success encouraged new members to join and that created the possibility of turning the customs union into “a power state” and a “major new actor in the international system”.<sup>99</sup>

The Zollverein customs union paved the way for Prussian hegemony. Something welcomed by many middle class provincial patriots, who believed that the Prussian bureaucratic straightjacket was the only means whereby Germany could obtain some kind of cohesion.

Despite the miserable record of the middle classes Marx and Engels were in 1847 still looking for a re-run of the 1789 French revolution. “The party of the bourgeoisie is,” said Engels, “the only one that at present has a chance of success”.<sup>100</sup> Both men expected the bourgeoisie to do their historic duty and take the lead. Their party, the communists, would try to win the minuscule but growing working class to fight alongside them. But once the bourgeoisie got themselves into power the workers would constitute themselves as the

party of extreme opposition. From here the proletariat would gather their strength before squaring up for the next, final, battle which would be with the bourgeoisie.

Marx and Engels had definite immediate aims *vis-à-vis* the constitutional question in Germany. The first demand of the Communist Party was that the whole country "shall be declared a single and indivisible republic".<sup>101</sup> The working class required the unification of Germany at long last into a *nation*. But to ensure a democratic and lasting unification, the 'giants' of Germany - Austria and Prussia - had to be broken up into autonomous provinces. The interests of the proletariat forbade either the Prussianisation or Austrianisation of Germany just as much as the perpetuation of its division into petty states.

Interestingly for our purposes, Engels mused about the possibility of a European federation. However, for him, a "European federation" had to be based on the unity of all the main nations of Europe - each defined by common language and fellow-feeling - in their own broadly homogenous nation-states. In other words a centralised German republic was a precondition for the voluntary coming together of a federal Europe.<sup>102</sup>

In 1848 a powerful revolutionary wave swept Europe. Paris took the lead. Italy and Hungary followed. The Chartists in Britain made plans for a nationwide, physical-force uprising. Germany was no exception. Munich, Cologne, Berlin, Vienna, Dresden, Frankfurt. Crowns wobbled, street barricades were built, constitutions rewritten. Marx and Engels hastily packed their bags and returned to Germany along with some 400 fellow Communist Party members. Under their leadership the working class appeared before history in its own right and with its own mission. And yet, though the communists pushed, kicked and pulled, the bourgeoisie refused to act in any decisive fashion. A miserable bunch. No Cromwell, no Ireton, no Marat, no Robespierre.

The Frankfurt national assembly generated plenty of speeches and countless proclamations. Huff and bluster. It was the parliament of an imaginary country. Resolutions were empty. Not one prince was overthrown. No army recruited. The official left of the Frankfurt assembly was no better. Marx and Engels lambasted the radical democrats for their timid plan for a federal *monarchical* Germany. The petty princes would remain as constitutional monarchies but the central government was to be republican! The 'model' of these radicals was the USA. But, of course, they shied away from the methods of 1776.

It was under these circumstances that Marx and Engels developed their programme of permanent revolution - the working class would have to take the lead in the anti-autocratic national revolution, and, having done so, would not hand power to the bourgeoisie, but would take things as far as objective circumstances allowed.

Because of its autocracy, relatively large size and long militaristic tradition, Prussia was viewed as the main obstacle to revolution in Germany. Prussia might move to unite Germany as an act of counterrevolution. But even then it could only unite Germany by tearing Germany apart. Prussia would have to exclude German Austria. The same would apply to Austria - the most reactionary German state. An Austrian Germany would have to exclude Prussia. Under either Prussia or Austria there could only be a 'smaller Germany'. That is why, in the name of "real unification", Marx and Engels wanted to see the "dissolution" of Prussia and "disintegration" of the Austrian state.<sup>103</sup> If Germany were ever to achieve anything worthwhile there could be neither an Austria nor a Prussia.

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It should be stressed that Marx and Engels sought the “dissolution” of Prussia and the “disintegration” of Austria in the context of bringing about a *centralised* revolutionary and social republic. A country like Germany - which had suffered extreme fragmentation - if it was to survive, needed the most “stringent revolutionary centralisation”. This was especially so because the Germany of 1848 contained “20 Vendées” - an allusion to the peasant counterrevolution in France - and found itself sandwiched between the two most powerful and most centralised European states: ie, Russia and France. Such a country cannot, in the present period of universal revolution, avoid “either civil war or war with other countries”, proclaimed Engels.<sup>104</sup>

Specifically Marx and Engels advocated a revolutionary liberation war against Russia - that would unite Germany on the basis of democracy and hold out the promise of Polish independence and reunification. But, though Germany had made “several dozen small and big revolutions”, these narrowed the mental horizons of the middle classes instead of broadening them. To ingratiate itself with the partitioning powers - Russia, Prussia and Austria - the Frankfurt national assembly endorsed the partition of Poland!

With such a cowering, directionless and powerless high command, the writing was on the wall. By 1850 the situation had been stabilised in favour of reaction - especially in the ‘big’ German powers, Prussia and Austria. Concessions were rolled back. However, Engels explained the defeat of the revolution not in the betrayal of this or that leader. Rather he looked to the fragmentation of Germany itself. The incoherence, myopia and irresolution which prevailed at every turn derived from interests so varied, so conflicting, so frustratingly cancelling each other out that decisive action was impossible.

After the failure of 1848 some disillusioned liberals yearned for unity under Prussia. But, as outlined above, that little Germany meant excluding Austria. Fanatical nationalists, on the other hand, hoped for the restoration of the feudal empire. This dream, if it ever came to fruition, would be a Greater Austria. Austria, Prussia and the rest of Germany unite into a federal state and proceed to Germanise Austria’s Hungarian and Danube empire by means of schools, colonies and gentle violence. The formerly Austrian Netherlands would also be incorporated as a vassal state. Engels damned these “patriotic fanatics”.<sup>105</sup> Meantime, disorientated radicals sank into admiration of the Swiss constitution. Only the communists remained committed to a German republic “one and indivisible”.

In 1866 the armies of Prussia defeated those of Austria in a stunning eight-day war. From this moment onwards Prussia stopped viewing the rest of Germany as prey. Prussia became *nationalised*; Germany was its protectorate - even if that meant excluding a large part of Germany: ie, Austria. War with France followed. Again Prussian forces scored a swift and resounding victory. France surrendered. Napoleon III was replaced by a republic. Prussia could now impose its terms on the rest of Germany, and in 1871 the king of Prussia became the German emperor.

Let us note that both Marx and Engels predicted a European wide war - between Russia (aligned with France) and Germany. This was something they dreaded. The transition to socialism would be put off by such a war for a long time. Engels warned that such a “conflict will be the downfall of the Prussian state and the Prussian army - probably in a war with Russia, which might last four years and would yield nothing but disease and

shattered bones".<sup>106</sup> He also talked of 20 million deaths.

How did Engels assess this Prussian version of German unity? Bismarck - Prussia's uncrowned Bonaparte - had, he said, carried out a "revolution" and a "revolution with revolutionary methods". Only, because it was carried out from above, it was "not revolutionary enough"; this half-unification of Germany was only a "half-revolution".<sup>107</sup>

Real measures which unified the country were welcomed as a step forward: eg, the common legal code and Bismarck's legislation creating common banking laws and a common currency over 1873-75. Engels expressed the opinion that it would have been better if the mark could have been pegged to one of the big three - dollar, pound or franc.

Yet Prussia had not dissolved into Germany. Instead Bismarck introduced the Prussian system throughout most of Germany. Bavaria and the southern states retained a degree of autonomy. In certain ways it was as if the semi-feudal Scottish highlands had managed to conquer England in 1645. Political power resided with the emperor and a caste of aristocratic bureaucrats and the military top brass. Universal male suffrage was granted, but the emperor appointed the chancellor and the feeble Reichstag could not turn down tax demands. A carbon copy of the 1850 Prussian constitution. Put another way, there existed a pseudo-constitutionalism. The Reichstag served as a cover for absolutism. Germany was in fact a police-guarded military despotism with parliamentary embellishments.

But this was no return to the past. Germany set itself on a course of rapid industrialisation and with that the bourgeoisie came to exercise a decisive influence. There also came into existence a powerful, well organised and highly educated proletariat.

It was in these promising circumstances that Marx - writing in 1875, in what became known as the *Critique of the Gotha programme* - took issue with his comrades in the newly formed Social Democratic Party. They were reluctant to highlight the demand for the abolition of the monarchy. By contrast Marx renewed his call for a "democratic republic" against the Prusso-German monarchy.<sup>108</sup> A theme Engels elaborated upon some 15 years later in his *Critique of the draft programme* in 1891 (unlike our SWP allies, parties associated with Marx and Engels regarded programmes as vital and took great pains in trying to perfect them).

Engels attacked Prussianism and the peaceful illusions being entertained by some party leaders in Germany. There could conceivably be a peaceful transition to socialism in countries where the "representatives of the people concentrate all power in their hands, where if one has the support of the majority of the people, one can do as one sees fit in a constitutional way; in democratic republics such as France and the USA, in monarchies such as Britain ... where this dynasty is powerless against the people".<sup>109</sup> But not absolutist Germany.

Engels admits that due to police censorship and legal restrictions it may not be possible for the SDP to feature the abolition of the monarchy in its programme. Some devious formulation ought therefore to be concocted. Either way, Engels is insistent that the working class "can only come to power under the form of a democratic republic". He calls this the "specific form for the dictatorship of the proletariat": that is, the rule of the working class.<sup>110</sup>

So as to open up the road to power Engels argues for the "reconstruction of Germany".

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The system of small states within Prusso-Germany “must be abolished”. How, he asks, can you revolutionise society while there are special rights for Bavaria-Wurtemberg and even the small state of Thuringia consists of statelets? Again he balances off the abolition of the small states with the call to abolish Prussia and break it up into “self-governing provinces”. For Engels the system of small states and Prussianism are the “two sides of the antithesis now gripping Germany in a vice”, in which one side “must also serve as an excuse and justification for the existence of the other”.<sup>111</sup>

What should take the place of Prusso-Germany? Engels opposes federalism and repeats the demand for the “one and indivisible republic”. He is no dogmatist. Remember, there is no principle involved. The goal is to achieve the maximum voluntary union between peoples, most importantly the working class.

In his reckoning, federalism is on the whole necessary in the “gigantic” USA, although in the eastern states it was already “becoming a hindrance”. “It would be a step forward” in the British Isles, where the two islands contain four peoples - English, Scots, Irish, Welsh - with three different systems of legislation and, at the time, a single parliament. In “little” Switzerland federalism “has long been a hindrance, tolerable only because Switzerland is content to be a purely passive member of the European state system”. For Germany, federalism on the Swiss model would be an “enormous step backwards”. Germany already had a second, federal, chamber - the Bundesrat - that, like the House of Lords in Britain, served reaction. Germany certainly did not need separate legislation enacted in each state or canton.

No, the best conditions for progress and preparing the working class for the revolutionary transition is the unified *democratic* republic: ie, elections at every level, local self-administration and absence of bureaucracy, a militia system and the abolition of the standing army.

## 7. Lenin and the United States of Europe slogan

Opportunism often gives itself orthodox airs and graces by regurgitating various half-digested ‘theoretical’ snippets and catchphrases. Hence one tried and tested way ‘official communism’ and ‘official Trotskyism’ alike counter the fight for extreme democracy in the European Union is to cite Lenin. After all he did write a forthright article in August 1915 on the United States of Europe, dismissing it as either “impossible” or “tantamount to an agreement on the partition of colonies”.<sup>112</sup>

It would, of course, be easy to contemptuously brush aside attempts to dragoon Lenin’s shade into the ‘no’ camp for the forthcoming referendum on the euro, and to curtly reply that what Lenin said in 1915, in the midst of World War I, has little or no relevance to the situation in Britain nearly a century later. But that would be wrong. We consciously inhabit and draw strength from our movement’s history and achievements in theory.

Even if we think Lenin displayed a one-sidedness, or was simply wrong in 1915, those of us who consider correct theory vital for the success of the workers’ self-liberation movement, especially those who call themselves Marxists and Leninists, are obliged to approach a thinker and revolutionary politician of Lenin’s calibre with the utmost seriousness. Objections and disagreements must be put forward after much thought and in a fully considered manner.

Before dealing with Lenin’s article, ‘On the slogan for a United States of Europe’, it will benefit our discussion if some background is provided. The Stalinite editors of Lenin’s *Collected works* say the slogan in different variations “gained wide currency” during World War I and was promoted by bourgeois politicians and the “Kautskyites, Trotskyites and other opportunists”.<sup>113</sup> This is indeed true. By the same measure it is also true that the slogan had a prior life - moreover, the Bolsheviks, under Lenin’s leadership, deployed it as part of their first collective response to the outbreak of inter-imperialist war.

After he managed to get away from Krakow in Poland to Berne, and the safety of neutral Switzerland, during August 1914, Lenin drafted a set of theses which were approved by the ad hoc Bolshevik leadership gathered there - Zinoviev, Bukharin, Shylovsky, etc. ‘The tasks of revolutionary social democracy in the European war’ included the demand for the “United States of Europe”.<sup>114</sup> This very same formulation was carried over into the manifesto of Russian Social Democratic Labour Party central committee - again drafted by Lenin.

In this manifesto, as before, it was stressed that the slogan for a United States of Europe did not imply the coming together of existing dynastic Europe. The Bolsheviks presented a *revolutionary democratic* way out of the carnage. Without the “revolutionary overthrow of the German, Austrian and Russian monarchies” the slogan of a United States of Europe is “absolutely false” and “meaningless”, Lenin explained a short while later.<sup>115</sup>

The Hohenzollern and Hapsburg monarchies in Germany and Austria were, of course,

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only half-democratic. Behind the facade of parliament lay autocracy. As to Russia, the tsar's дума was nothing more than a pathetic fig leaf - Bolshevik deputies who expressed militant opposition to the war found themselves summarily clapped in jail. Exile in Siberia awaited.

Hence the Bolshevik demand: "propaganda for republics in Germany, Poland, Russia, and other countries"; and "transforming of all the separate states of Europe into a republican United States of Europe".<sup>116</sup> Naturally such a "republican United States of Europe" went hand in hand with other key elements in the minimum programme, such as self-determination for Europe's colonies in Asia and Africa and the oppressed nations languishing in the internal Russian and Austro-Hungarian empires.

As indicated above, the Bolshevik slogan for a "republican United States of Europe" did not spring out of thin air in September 1914. The slogan was part of the common culture of the pre-World War I Second International. A loose parallel might be drawn with the pan-Africanism of the Organisation of African Unity. Before the "winds of change" in the 1960s actually reproduced a series of petty states - and therefore vested bureaucratic interests - *within* the arbitrarily drawn old French, Belgium and British colonial boundaries, the likes of Kwame Nkrumah and Sekou Touré envisaged a petty bourgeois African socialism stretching from the Cape to Cairo.

I am not sure exactly who originally coined the "republican United States of Europe" slogan. Suffice to say, within the Second International differences over the slogan reflected broad factional alignments and philosophical inclinations. Hence in his *The national question and social democracy* (St Petersburg 1909) the Austro-Marxist, Otto Bauer, writes of "a United States of Europe" in essentially evolutionary terms. It is "not an empty dream" but the "inevitable end of the road on which the nations set foot long ago".<sup>117</sup> Rosa Luxemburg, Parvus and other ideological heavyweights might also be cited. But it seems clear to me that the moving spirit behind the republican United States of Europe slogan was the Second International's leading theoretician, Karl Kautsky.

Eg, in his April 1911 article, 'War and peace', Kautsky argues in favour of linking anti-militarist propaganda to a United States of Europe. The United States of Europe is thought of as an alliance "with a common trade policy", a single parliament, a single army, etc. Not that Kautsky preached pacifism and social reformism. On the contrary, the Kautsky of 1911 is convinced that "a European war is bound, by natural necessity, to end in social revolution". That is why the most far-sighted sections of the ruling class strive to "preserve peace" and seek measures of "disarmament." They dread war because it will bring revolution. "War", considers Kautsky, "is followed by revolution with inevitable certainty." This is not the result of some devious "social democratic plan" but "the iron logic of things".

Industrial capital has given way to finance capital and brought to a halt all measures of social reform. Nevertheless, despite the difficulties of realising the United States of Europe, "efforts to peacefully unite the European states in a federative community" are by no means hopeless. "Its prospects are bound up with those of the revolution," maintained Kautsky.

Whether revolution arises from "competition in armaments" or from "war" itself - there will in any case be an "international revolution". Even if revolution "does not arise from reaction against the burden of armaments" or "against the horrors of war" but from other causes, and even if at the outset it is not international, but restricted to a single state, it "cannot remain so for long under present conditions". The revolution is "bound to spread

to other states". As that happens, Kautsky believes that the "United States of Europe" and eventually the "United States of the civilised world" progressively comes into being.<sup>118</sup>

Obviously, having been content to repeat the "republican United States of Europe" slogan in 1914, Lenin began to rethink. His first objections, in 1915, appear secondary, or technical. At the RSDLP's conference of groups abroad, held in Berne, he expressed himself keen to put the slogan on hold "pending a discussion, in the press, of the economic aspect of the matter". So far, the discussion had been "purely political" - the economic aspect had, by implication, been neglected.<sup>119</sup>

However, a blistering criticism soon followed. *Social Democrat* No44 - the Bolshevik central organ - carried Lenin's article, 'On the slogan for a United States of Europe'. What was Lenin's argument?

Propaganda backing the *republican* United States of Europe "expressly emphasised" that the slogan was meaningless "without the revolutionary overthrow of the German, Austrian and Russia monarchies". Lenin said he did not quarrel with such a presentation of the question "*within the limits* of a political appraisal". In others words Lenin rejected the charge that the republican United States of Europe slogan "obscures or weakens" the "slogan of a socialist revolution".

To counterpose democracy and socialism is to fall head first into the murky waters of economism - still inhabited by the bottom-dwelling left in today's Britain. "Political changes of a truly democratic nature", especially a political revolution, "can under no circumstances whatsoever either obscure or weaken the slogan of a socialist revolution". Quite the reverse. In Lenin's opinion, they always bring it closer, extend its basis and draw in petty bourgeois and semi-proletarian masses into the struggle for socialism.

The republican United States of Europe slogan - if accompanied by demands for the revolutionary overthrow of the most reactionary monarchies - is "quite invulnerable as a political slogan". However, there still remains, argued Lenin, the "highly important question of its economic content and significance". From the angle of the economic conditions of imperialism - the export of capital and the division of the world by the leading powers - a United States of Europe "is either impossible or reactionary".

Britain, France, Russia and Germany controlled vast tracks of the planet either directly in the form of colonies and dominions or indirectly in the form of semi-colonies. These powers (bar Russia) also exported capital in huge sums so as to exploit the world and extract super-profits - from which elite state officials, high clergymen and "other leeches" gain their fat sinecures.

The system of plundering the majority of the world's population by a handful of great powers represented the highest stage of capitalism. Britain, Germany, France and Russia could no more renounce their colonies and spheres of influence than they could the export of capital, reckoned Lenin.

Following this line of reasoning, Lenin insisted that a United States of Europe under capitalism must be tantamount to an "agreement on the partition of colonies". Furthermore such an agreement between the great powers is itself impossible except by way of a trial of strength. And that in plain language means war. Germany was growing economically four times faster than Britain and France. As to Japan, its economic growth was 10 times more rapid than Russia's. Hence the *redivisionist* inter-imperialist contest and its attendant

slaughter.

So temporary arrangements were possible, conceded Lenin. In that sense a United States of Europe is possible “as an agreement between the European capitalists”. But to what end? Only for the purpose of “suppressing socialism in Europe” and jointly “protecting colonial booty” against Japan and the United States: ie, great powers denied their ‘fair’ share of colonies.

Compared with the USA, the United States of Europe “denotes economic stagnation” and signifies the organisation of reaction. Under capitalism a United States of Europe would retard the more rapid economic development of the USA. Lenin also wanted to strike a blow against the Eurocentric prejudices that frequently passed for common sense in the Second International: “The times when the cause of democracy and socialism was associated only with Europe have gone for ever”, announced Lenin.

Lenin concluded on the basis of the above arguments that the slogan for a United States of Europe “is an erroneous one”.<sup>120</sup>

Lenin elaborated upon the *economic* argument against the United States of Europe in his *Imperialism the highest stage of capitalism*. Much of the raw material for this pamphlet came from *Imperialism* by the British liberal anti-imperialist, JA Hobson (first published in 1902).

Hence we find Hobson approvingly quoted by Lenin when he warns that imperialism - the conquest of colonies and the export of capital on a huge scale - carried the risk that western Europe would end up like the south east of England, the Riviera or the “tourist-ridden” or residential parts of Italy and Switzerland - “little clusters of wealthy aristocrats drawing dividends and pensions from the far east”, surrounded by professional retainers and tradesmen, personal servants and workers in the transport trade with all the real work done in Asia and Africa.

Hobson specifically held out the danger of an “alliance of western states, a European federation of great powers which, so far from forwarding the cause of world civilisation, might introduce the gigantic peril of a western parasitism”. Hobson admitted that the “situation is far too complex, the play of world forces far too incalculable, to render this or any other single interpretation of the future very probable”. But the influences which govern the imperialism of western Europe today are “moving in this direction”, and unless “counteracted or diverted”, point towards some such “consummation”.<sup>121</sup>

Lenin enthusiastically concurs: “The author is quite right: *if* the forces of imperialism had not been counteracted they would have led precisely to what he has described. The significance of a ‘United States of Europe’ in the present imperialist situation is correctly appraised”.<sup>122</sup>

So what is Lenin’s own political perspective? Essentially it lay in making revolution in one’s own country. Not in some messianic nationalistic fashion, but as the beginning of a process that can only be completed on a global scale.

Not surprisingly Lenin argued against the United States of the World as an immediate slogan in ‘On the slogan for a United States of Europe’. Such a state form of the unification and freedom of nations is associated with socialism. But as an immediate slogan it would be wrong for two reasons. Firstly, it merges with socialism. Secondly, it may be wrongly interpreted to mean that the “victory of socialism in a single country is impossible”.

This second point was squarely directed against Leon Trotsky, who, as his splendid biographer Isaac Deutscher says, had “seemed to imply that revolution could break out in Russia only simultaneously with a European upheaval”.<sup>123</sup> Trotsky, we should add, denied the charge and defended the slogan of a United States of Europe throughout World War I ... and beyond.

Lenin feared that, if erected into a rigid, self-fulfilling prophesy, such an insistence on a simultaneous European revolution could excuse revolutionary fatalism and breed passivity: “Uneven development,” states Lenin, “is an absolute law of capitalism”. Hence the “victory of socialism is possible first in several or even in one capitalist country alone.” After expropriating the capitalists and organising its own socialist production the victorious proletariat of that country would “rise against the rest of the world” and attract to its cause the oppressed classes of other countries. The use of force is not ruled out in order to spread the revolution abroad: “A free union of nations in socialism is impossible without a more or less prolonged and stubborn struggle of the socialist republics against the backward states.” Finally, Lenin once again stresses, the “democratic republic” will be the “political form” of the dictatorship (rule) of the proletariat and the oppressed classes.

This argument on the possibility of a victorious socialism in one country is, of course, now famous - infamous. Having discovered it nearly 10 years later, Stalin went on, in 1924, to use this very passage quoted above in order to justify his theory of socialism in one country against what he dubbed Trotsky’s “theory of the simultaneous victory of socialism in the principal countries of Europe”.<sup>124</sup>

It has to be admitted that Lenin’s formulation about the victory of socialism in one country is open to such a nationalist interpretation - if one shamelessly ignores the corpus of his writings that take for granted the necessity of socialism being international. Evidentially on that basis what Lenin meant - and here Trotsky agreed - was that in all probability the proletariat of one country would seize state power ahead of others and might have to survive in isolation for a short period of time before revolutions arose elsewhere. No country should wait for others. An elementary principle. Revolutionary initiatives in one country take forward the struggle in others. But in the face of a counterrevolutionary Europe, revolutionary Russia could only but succumb or turn into its opposite.

Nevertheless in ‘On the slogan for a United States of Europe’ Lenin is hardly at his best. Leave aside the sloppiness around the “victory” of socialism in one county, Lenin rests the whole weight of his case against the republican United States of Europe slogan on a rigid conceptual separation between the political and the economic. Politically he says it is a good slogan. Economically bad. True, capitalism has put in place such a structural separation between the ‘economic’ and the ‘political’ spheres. It is, though, argues Ellen Meiksins Wood, “the most effective defence mechanism available to capital”.<sup>125</sup> Let us see why.

Previous modes of production - such as feudalism and Asiatic despotism - are completely bound up with political force. ‘State unit’ and ‘economic unit’ are indistinguishable. The position of exploiter is inseparable from their political (military) power and consequent place in the hierarchy. Surplus is extracted from the direct producer either by custom backed by armed might or simply obtained through employing naked force. The exploiter has nothing or very little to do with production itself or even supervising production.

It is capitalism that creates a separate sphere of economics by discarding the former extra-

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economic means of exploitation. Conventional labour duties, tithes, royal tribute. Social obligations and functions are discarded too. The business of the capitalist is business.

The extraction of surplus value can, in principle, be achieved through purely 'economic' mechanisms. Private property becomes absolute. Having been 'freed' from the means of production, workers must sell their ability to labour to the capitalists - who now monopolise the means of production. So although the coercive force of the political sphere is still necessary in order to stand guard over property and the general conditions of production and reproduction, the inescapable need to gain a living provides, in normal circumstances, all that is required to persuade workers to make themselves available for exploitation.

That is precisely why the capitalist market is a political as well as an economic space. By taking up the struggle for democracy and giving it a definite social content, the working class thereby begins to challenge not only the state but the conditions of its own exploitation. As a rule Lenin experienced no problem whatsoever in recognising that. Hence for him the task of Marxist politicians was to lay bare the economics in politics and the politics in economics.

In that light Lenin's numerous writings on the right of nations to self-determination oddly contrast with his rejection of the republican United States of Europe as either being "impossible" or "reactionary". Leftist critics - eg, Luxemburg, Bukharin and Pyatakov - maintained almost exactly the same thing when it came to "self-determination". Self-determination of small nations under the conditions of imperialist capitalism was either a "reactionary utopia" or "impossible". "So long as capitalist states exist," writes Luxemburg in her Junius pamphlet, "there can be no 'national self-determination' either in war or in peace".<sup>126</sup>

On the contrary, Lenin replied, the demand was perfectly feasible. He used Norway's separation from Sweden in 1905 as proof. Furthermore, he insisted, if they were to achieve anything serious, not least socialism, Marxists must champion the rights of oppressed nations, especially against the great powers. Not to do so is to abandon the fight for socialism.

Self-determination is a demand for the equality of rights between nations. No serious Marxist - leave aside Alex Callinicos - imagines that the right to self-determination is limited to oppressed nations alone. There is no need, for example, to get into a complete tangle about whether or not Scotland is, or is not, an oppressed nation. The right to self-determination is nowadays exercised by all advanced capitalist powers, especially to the degree real measures of democracy have been won from below. Marxists merely demand that that same right be extended to all nations. The bottom line must be the right to secede. Those who do not stand by this right are condemned by Lenin as chauvinists.

However, self-determination is just that. The *right* to leave. National self-determination does not guarantee equality of population, military hardware, economic development or anything of the kind - a stupid argument fielded by stupid people *against* the call for a secular, democratic Palestine alongside a secular, democratic Israel. Self-determination simply means the right for a nation to determine - through a referendum or by electing deputies - its own future. Palestine should have that right - and so too should Israel - even though the latter will remain for some time militarily and economically much the more powerful state.

Nor does self-determination suggest, or hint at, advocating breakaways and the establishment of a multitude of dwarf states. Lenin touches upon this in 'Socialism and war'

- the pamphlet he and Zinoviev jointly wrote in 1915.<sup>127</sup>

“The championing of this right”, the right to self-determination, “far from encouraging the formation of petty states, leads on the contrary, to the freer, fearless and therefore wider and more universal formation of large states and the federation of states.” The authors insist that such states “are an advantage” to the masses and that workers, in the *oppressed* nation, must “unfailingly” fight for the “complete” unity of the workers of the oppressed *and* oppressor nationalities, “including organisational unity” - Alan McCombes, Tommy Sheridan and other comrades in the Scottish Socialist Party might care to take note.

It is one thing to oppose a United States of Europe brought about by blood and iron. But there is no need to conflate that with the republican United States of Europe won through revolution and completed by the voluntary agreement of the peoples. If there is a general right to freely merge into larger and larger state units and federations, surely that applies as much to Europe – which is ripe for socialism and has long established economic and cultural ties - as it does to any other part of the world.

So why did Lenin perform a 180-degree about-turn between 1914 and 1915 on the republican United States of Europe slogan? Undoubtedly there were numerous reasons, including, I suspect, psychological factors, besides those of economic analysis, political programme and factional calculation.

But let us begin with the obvious. There existed many out-and-out reactionary advocates of a United States of Europe. Germany was not untypical. Here such people ranged from conservative Humboldt university professors and influential figures in the imperial high command to social chauvinists. A modern-day version of Charlemagne’s Holy Roman Empire appealed to those beguiled by romantic national historiography and obedient to Hegelian state worship. Bayonets, artillery bombardments, poison gas and brutal conquest were, though, the methods they excused, or directly promoted, in order to achieve their chosen ends. Unity brought about in such a way could only but multiply existing social oppression and national grievances many times over. Their Europe was to be swaddled in chains.

German military strategy, in the words of Friedrich von Bernhardi, a junker general, writing in his 1912 best-seller, sought to finally settle scores with France in the west and expand territorially deep into tsarist Russia in the east. After the crushing victory, continental power would be consolidated through a “Central European Federation” - with at its core a Greater Germany incorporating Austria, Holland, South Prussia, etc.<sup>128</sup> From this ‘fortress Europe’ Germany proudly steps forth - fulfilling its god-given destiny - as the world’s leader. The narrow-mindedly commercial Anglo-Saxon powers, Great Britain and the US, are henceforth reduced to a more fitting place in the international pecking order.

In good measure the German ruling classes turned to imperialism in an attempt to put off socialism. The Social Democratic Party achieved remarkable electoral successes after Bismarck’s anti-socialist laws were lifted. The 1912 election in particular “frightened all the forces of the establishment”, notes the US historian Paul Kennedy. The results, which were a “stunning victory” for the SDP, provoked pan-German calls from big industrial capital, the great landowners and Lutheran newspaper owners for a “coup d’etat from above”. Plans to curb the Reichstag’s already severely limited powers were certainly given a more than sympathetic hearing “in court and army circles”.<sup>129</sup>

However, German socialism was far from united and far from single-mindedly revolutionary.

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German armies fighting in the trenches of Flanders were complemented and given succour on the home front by rightwing social democrats such as Gerhard Hilderbrand. This socialist empire-builder had even before the outbreak of war in August 1914 vigorously promoted the idea of a "United States of Western Europe" (he excluded Russia) fronted, of course, by Germany. His united Europe would fend off the "great islamic movement" rising in Asia and teach the "African negroes" the virtues of hard work and industry. The "African people require guidance and care", he said, "for an indefinite time to come".<sup>130</sup>

The August Bebel-Karl Kautsky leadership quite rightly expelled him from the party. Yet with the declaration of war Hilderbrandism - to use a phrase - almost instantly infected the majority of the SPD. Rosa Luxemburg, half in mourning and half in defiance, described the SPD as a "stinking corpse".

Other equally disgusting personifications of social chauvinism can be cited from Russia, France and Britain. Longuet, Guesde, Vaillant, Chernov, Plekhanov, Hyndman, Snowden, etc. Meanwhile Lenin shifted through a vast mass of books, journals and papers in the well stocked libraries of Switzerland to find the political ammunition he needed in order to expose not only the predatory war aims of the belligerent powers but to polemically demolish rightwing social democracy. Suffice to say, the views of Hilderbrand, and his ilk, on *their* united Europe were useful for "understanding the tendencies of opportunism and imperialism within social democracy!"<sup>131</sup>

Besides the united Europe advocated by the generals and the social chauvinists there were, however, other plans for a united Europe - crucially those still emanating from former comrades who Lenin now scornfully referred to as the Kautskyites. Lenin was determined to draw a clear line of demarcation that would completely separate off the Bolsheviks and the principled internationalist left from Kautskyite centrism.

Centrism is not so much defined as a political category by what it is. Rather it must be grasped in movement. To avoid a split, Kautsky, for example, refused to condemn the SPD majority when the entire Reichstag fraction voted to finance the war. Nor did he protest when the right acted as the kaiser's loyal recruiting sergeant. Indeed he asked for understanding and himself urged social peace in Germany for the duration of the war.

Kautsky alibied the right and held out the prospect of recementing unity with them once the war finally finished. Palpably, in so doing Kautsky betrayed himself and, of course, the great cause of socialism. What made him a particularly dangerous source of social contamination, though, was not only his past reputation as an outstanding Marxist theoretician, but the fact that he still continued to speak in the name of an authoritative Marxism.

Such centrism was not isolated to Germany. Far from it. Every country had its centrists and, whether they stood on the right of that spectrum or on the extreme left, what marked them out for Lenin was their unwillingness to countenance an irrevocable political and organisational schism with the social chauvinists *and* those who defended them. In Russia this amorphous and ever shifting centrist current included Jules Martov - the Menshevik Internationalist leader who would, in 1918, gain an overall majority in the Menshevik Party - and so-called independents, most notably Trotsky.

Here I think we must bring into our account psychological as well as factional considerations. The relationship between Kautsky and Lenin before 1914 might be described

as that of star pupil to learned teacher. Lenin expressed his disagreement with Kautsky on this or that episodic issue. However, he considered Kautsky the worthy intellectual leader of the Second International and sought wherever possible to secure such invaluable support in the inner-party struggle against the Mensheviks. Kautsky often wrote about Russian affairs and in general sided with the Bolsheviks - eg, over the worker-peasant nature of the Russian Revolution, election tactics and combining insurrection with general strike in 1905.

Kautsky's miserable collapse in 1914 hit Lenin like a bolt from the blue. He could hardly believe the news when it came. Nevertheless he quickly fought back, hurling invective against Kautsky for all he was worth. The strategic goal, in Lenin's mind was, though, a complete and absolute rupture with such centrists, as well as the social chauvinists. The Bolsheviks intransigently raised the call for a Third International and turning the inter-imperialist war into a civil war of social liberation. To begin with, the Bolsheviks made little headway. Nadezhda Krupskaya, Lenin's wife, writes amusingly of the situation of the Zimmerwald left in 1916 when it consisted of "The Dutch left plus ourselves, plus the German left, plus nought".<sup>132</sup>

The general mood internationally - as revealed by the socialist conferences in London, Berne and Zimmerwald - was for arriving at a broad consensus around inoffensive slogans such as "peace" and harmless resolutions pointing out the errors of social chauvinism.

It was in this context of murderous world war and the left's continued conciliation with centrist and rightwing traitors that Lenin turned against the republican United States of Europe slogan. Lenin decided to associate the slogan with Kautsky and those who refused to break with the right. It became intertwined with Lenin's undeniably correct campaign to draw lines of demarcation

Surely, however, he overcompensated and drew a line that was far too defensive on this occasion. In so doing he gave away a highly serviceable political weapon. Post-1914 Kautsky might have come to give the slogan a "pacifist reading". But, if the slogan was supplemented with the call for revolutionary civil war throughout Europe and other key planks in the minimum programme such as self-determination for the colonies and oppressed nations, then, yes, even in the darkest days of World War I, it would carry a powerful message.

Workers throughout the European continent share a common history and can together make a common contribution towards finishing the world revolution.

## 8. Trotsky and the United States of Europe slogan

Comintern's draft programme - published in 1928 over the signatures of Nikolai Bukharin and Joseph Stalin - deleted all mention of the United States of Europe slogan. This was an integral part of the headlong retreat by the Communist International away from the goal of world revolution. Not surprisingly, given the closure put on serious debate - Comintern's 6th Congress met over July-September 1928 - the draft was adopted without any substantial alterations. From now on the ruinous 'theory' of socialism in one country served as official doctrine.

Leon Trotsky - hero of the October Revolution but 10 years after an outcast - subjected the whole draft to a detailed and devastating critique (punishment soon followed - internal exile became exile abroad). The United States of Europe slogan featured prominently: "There is no justifying the omission", protested Trotsky.<sup>133</sup>

His trenchant defence of the slogan - not only in 1928, but as far back as 1915 - deserves serious study by revolutionary socialists and communists. Trotsky now has a secure reputation as one of the 20th century's foremost Marxists - he stands alongside Lenin and Luxemburg as a theorist and practical revolutionist. Anyone who fails to properly engage with Trotsky's programmatic and strategic thoughts, including on the United States of Europe slogan, deliberately disarms themselves intellectually. The result is not mere benign ignorance but the unconscious acceptance of bourgeois ideology. When it comes to an issue such as the forthcoming euro referendum, such a socialist is therefore likely to succumb to cynical popularity-chasing and the fallacies of leftwing nationalism.

Equally worthless when it comes to the class struggle are those sects who specialise in repeating parrot-fashion various passages and formulations plucked from Trotsky and treating them as timeless verities. The results owe more to theology than science (ie, rational debate and testable investigation). Truth that is frozen perishes. Such sects might once have found a certain justification by guarding the flame of Trotsky's Marxism against the calumnies and quackery of Stalin and his successors. But if we are to avoid the trap they have inevitably fallen into of unintentionally turning Trotsky's Marxism into its opposite - fought over by warring sects using calumnies and quackery - there must be *critical* engagement.

Hence, despite the essentially descriptive limitations of this chapter, the reader will find sympathy and respect for Trotsky the revolutionary and thinker, combined with an attempt to point out ambiguities and shortcomings in his writings. Our aim at the end of the day is to separate out what is mistaken or transient from what is enduring.

In 1928 Trotsky felt compelled to refer back to Lenin and his rejection of the United States of Europe slogan in 1915 - Stalin and Bukharin were wielding the dead Lenin like

an ideological club in order to bludgeon the living Trotsky. We have already discussed Lenin above and came to the conclusion that he wrongly “gave away” the slogan because of its close association with Karl Kautsky. As argued above, Kautsky was not Lenin’s sole target in the 1915 article, ‘On the United States of Europe slogan’. Though he did not say it openly, Lenin also had his sights on Trotsky - during this period Trotsky can best be described as a leftwing centrist. Lenin attacked the unnamed Trotsky with cutting remarks about the United States of Europe slogan being used as a cover to excuse revolutionary inaction. Trotsky, as readers of the Bolshevik press knew, had appeared to suggest that there must be a simultaneous revolution across the whole European continent. That or nothing. How did Trotsky respond? In his ‘The peace programme’ - published in 1915 - Trotsky shows that there existed a basic affinity between the two men. “A more or less complete economic unification of Europe accomplished from above through an agreement between capitalist governments is a utopia”, writes Trotsky. Remember this was in the middle of World War I and at a time when Germany, Russia and Austria-Hungary were still ruled over by autocratic monarchs. “Along this road” of unity from above “matters cannot proceed beyond partial compromises and half-measures” - again that sentence shows that both Trotsky and Lenin actually shared a similar outlook.

However, Trotsky continues: the “economic unification” of Europe - which would bring colossal advantages to both consumers and producers, and advance culture in general - “is becoming a *revolutionary task of the European proletariat* in its struggle against imperialist protectionism and its instrument - militarism”. Hence for Trotsky the “United States of Europe” represents “the only conceivable form” of the dictatorship of the proletariat in Europe.<sup>134</sup>

Trotsky intentionally blurs what is, I believe, the necessary distinction between minimum, immediate, demands - ie, demands which train, mobilise and empower the working class, but can technically be met under conditions of capitalism - and those of the maximum programme. Throughout his writings we find the terms ‘United States of Europe’, ‘United Socialist States of Europe’, ‘United Soviet Republics of Europe’ used interchangeably. One slips and crosses over into the other. A methodological problem that will not be explored here.

Looking back, the Trotsky of 1928 concedes that there had been no example of working class rule in a single country, nor any theoretical clarity on this possibility amongst Marxists before the reality of Soviet Russia. So in 1915 the United States of Europe slogan “might” have given rise to the notion that proletarian revolution could only take place simultaneously across the whole of Europe. But he pleads not guilty to advocating any such thing. Indeed Trotsky quotes himself from 1915 insisting: “Not a single country must ‘wait’ for the other countries in the struggle.” Moreover in 1915 he lambasted the idea of substituting temporising international *inaction* for “parallel revolutionary action” - conclusive proof if it was needed. Trotsky unhesitatingly called for beginning and continuing the revolutionary struggle on “national grounds” in the conviction that all initiatives provide inspiration and will enhance the “struggle in other countries”.<sup>135</sup>

Trotsky considered that an isolated revolutionary Russia could not hold out against counterrevolutionary Europe. The same applied, he said, to an isolated Germany. Yet by 1928 any such hint at the necessity of world revolution had become heresy: for Stalin

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such “Trotskyism” went hand in hand with “lack of faith” in the inner forces of the Russian Revolution. Trotskyism was officially deemed antithetical to the new party-state cult of Leninism. Of course, Trotsky could, and did, cite Lenin on any number of different occasions saying exactly the very same thing. “Without a revolution in Germany, we shall perish”, etc, etc.

Stalin rested his case ‘theoretically’ on the undeniable fact that capitalism develops unevenly - supposedly a brilliant discovery made by Lenin. True, Lenin’s writings are full of rich observation about uneven development. But the same can be said for those of Marx and Engels - especially in regard to their native Germany.

Anyway, according to Stalin, uneven development - brought about by imperialism - virtually precluded simultaneous or parallel revolution. Furthermore, as revolution would typically break out in one discrete country at a time, the primary task of communists lay not so much in spreading the conflagration. Instead of international socialism he preached national socialist construction. His island socialism in the USSR would become a paradise on earth and henceforth the object of unalloyed admiration by the whole of humanity. The USSR’s success would thereby stimulate attempts at emulation - *Imagine* by the SSP’s Tommy Sheridan and Alan McCombes is founded on exactly the same premise.

Needless to say, Stalin was radically shifting the political-linguistic meaning of the term ‘socialism’. Socialism, according to Stalin is post-capitalism and entailed little more than the nationalisation of industry and agriculture. He had at his command the full might of the Communist Party apparatus and the Soviet state to give a crushing authority to his every statement.

The Soviet Union, he famously claimed in the second, 1924 edition, of the pamphlet *Foundations of Leninism*, did not simply aspire towards socialism - previously understood as the self-liberating rule of the working class and a transitional period between the system of global capital and fully fledged communism. Stalin now maintained that the Soviet Union possessed everything required by way of human material and natural resources to “build a socialist society”.<sup>136</sup>

In the mid-1930s Stalin triumphantly proclaimed that the Soviet Union had actually achieved socialism. The path to a national communism now stretched out before its happy peoples. Reality was very different. The triumph Stalin announced was of his counterrevolution within the revolution.

The Soviet Union had expropriated the capitalists and landlords and set itself on a course of rapid accumulation. But after 1928 and the first five-year plan the working class had been forcibly driven back into the position of an exploited slave class. As to the peasants, they were effectively re-enslaved. The Soviet Union was post-capitalist, but had become anti-socialist.

Trotsky continued to categorise the Soviet Union as a workers’ state - albeit a “degenerate” one - till his murder by Stalin’s agent in 1940. Indeed some of his epigones - eg, in the International Socialist Group and Workers Power - actually maintain that Vladimir Putin’s Russian Federation is still some kind of workers’ state because 50% of the means of production, or some such figure, remain in state hands. These supposed conquests of the October Revolution in reality have as much to do with socialism as does Railtrack in Britain.

But we must pick up the main thread of our argument. Trotsky concluded that Lenin's rejection of the United States of Europe slogan in 1915 was of a "restricted, tactical, and, by its very essence, temporary character". That, says Trotsky, is best proven by the "subsequent course of events".<sup>137</sup> The fact of the matter is that in 1923 - at Trotsky's urging - the Communist International adopted the slogan. If, as Stalin maintained, the slogan of the United States of Europe was unacceptable on the basis of principle, why did Comintern adopt it - and why did Lenin raise no objection?

Indeed the slogan appeared in Comintern literature as late as 1926. Comintern's publishing house issued an official pamphlet *The United Socialist States of Europe*. Written under the name of John Pepper, it roundly polemicised against the "bourgeois-social democratic slogan" of a 'pan-Europe' to be brought about peacefully under capitalism. Communists, the author instructed, must not only demolish the "fraudulent pacifist" content of the 'pan-Europe' slogan, but should set up against it a "positive slogan". For the "next period" the "slogan of the United Socialist States of Europe" is to serve as the "comprehensive slogan for the *European* communist parties".<sup>138</sup>

However, that slogan quickly fell from grace. Factional consideration meant it had to be expunged. Firstly, the slogan was too closely associated with the pariah, Trotsky. Secondly, it ran completely against the grain of the Stalin-Bukharin national socialist programme.

Let us carefully examine Trotsky's case for the United States of Europe slogan in 1923. Responding to the French occupation of Germany's economically vital Ruhr region and the nationwide political crisis it provoked, Trotsky wrote a short discussion article, dated June 30, for *Pravda* - 'Is the slogan of the "united States of Europe" a timely one?'.<sup>139</sup> Here we find Trotsky's strategic application of the slogan to the immediate post-World War I conditions.

Defeat reduced Germany from a rabid oppressor nation, bent on the reorganisation of Europe under its militaristic domination, to the status of abject victim. The country underwent involuntary surgery - the amputation of whole wedges of territory - by the terms of the Versailles treaty. West Prussia, Poznan, Upper Silesia, Alsace-Lorraine, the Hultschin and the Memel districts. France, Poland and Denmark benefited. Danzig (Gdansk) became a 'free city'. The Saar region was placed under League of Nations administration for 15 years and a plebiscite was ordered in Northern Schleswig. All colonies in Africa passed to Britain.

Severe limits were also put on its armed forces. No more than 100,000 men. No tanks, no planes, no submarines. Fortifications along the Rhine were raised. Merchant ships, fishing boats, and railway wagons and locomotives were confiscated too. Furthermore the allies imposed onerous reparations upon Germany. In 1920 the Boulogne conference fixed the sum at 269 billion German goldmarks to be paid over in 42 annual instalments.

That proved impossible. In January 1923 Germany announced that it could not pay. Unemployment, poverty and hunger had crippled the country economically and socially. Compared with 1913, industrial production stood at around 50%. France cynically used the failure to make the reparations payment on schedule as a pretext to seize the Ruhr - the coal-producing heartland of German industry. An act of victor's aggression that triggered a massive wave of protest throughout Germany.

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Initially fascist bands and rightwing nationalists were to the fore. France is the traditional enemy dating back to before Napoleon Bonaparte. Wilhelm Cuno's conservative government even called for defiance and passive resistance. Strikes in the Ruhr were financed through recourse to the hyper-inflationary printing press. Adolf Hitler dared to take what the US historian, William Shirer, calls an "unpopular line": "No - not down with France, but down with the traitors of the fatherland!" "That must be our slogan," insisted the National Socialist leader.<sup>140</sup> Hitler admits he was "attacked no little" over this by men whose "national attitude" was nothing but an "outward sham".<sup>141</sup>

The Communist Party of Germany - born amidst the tragic failure of the November 1918 revolution - managed to outflank such forces. Under the so-called 'Schlageter line' - a strategic reorientation promoted by Karl Radek and named after the German nationalist gunned down by French occupation forces after he was spotted planting a bomb - there was even a brief "experiment" at cooperation between the CPG and the Nazis.<sup>142</sup> A large CPG rally on August 10 1923 included an address by one of their top speakers.

Actually that *joint platform* involved no softening of the struggle against fascism by the CPG - only a different angle of attack. CPG eyes were firmly set on the National Socialists' plebeian rank and file. There was no let-up in "hostility to" or "denunciation" of fascist doctrines and actions, reports EH Carr.<sup>143</sup> However, Germany's national crisis was skilfully linked with the CPG's social programme and willingness to agitate for militant methods such as the political general strike throughout Germany.

Minds in the Kremlin reawoke to the prospect of revolution in Germany. Trotsky - who was being eased from the topmost summit of power and was understandably disgruntled about the course of events - actually volunteered to put himself at the service of the German comrades "as a soldier of the revolution".<sup>144</sup> He did after all possess proven qualities when it came to organising an uprising. The emerging Stalin-Zinoviev-Kamenev triumvirate were, however, unwilling to allow Trotsky the chance he relished of leading the German revolution - and thus securing himself either martyrdom or an unassailable position of world influence. Nevertheless, given the objective balance of forces, plans for an uprising spluttered out into something of a humiliating fiasco. Mutual recriminations followed in Moscow.

For our purposes though what matters is Trotsky's analysis of Europe and the political solutions he offered. World War I was in essence, he said, a European war. US and Japanese participation did not alter this. Behind the outbreak of hostilities in August 1914 Trotsky saw the productive forces of capitalism - productive forces which had outgrown the narrow framework of the nation-states of Europe.

Germany in particular - populous and economically dynamic - needed to reach out globally and expand its markets. However, Germany found itself blocked by Britain's vast official and semi-official empire on the one hand and the customs barriers that restricted and divided Europe on the other. World War I showed that the continent had to be thoroughly reorganised - only labour could perform that task using civilised and humane methods.

Germany's great rival, Britain, had little concern for Europe. Battered by the war, what was once the biggest creditor nation found itself in hock to the US. Assets around the world had been sold off in order to finance the titanic struggle against Germany. South

America effectively changed hands. From being a British sphere of influence it became a US one. The Monroe doctrine of 1823 at last came to fruition. Britain licked its wounds and looked to its Asian and African empire and the Canadian, Australian, New Zealand and South African dominions as the source of recovery.

France could aspire to nothing more than keeping Germany permanently bled white. In any armed conflict the much more numerous and industrially developed Germans would always win. France therefore demanded - and got - debilitating peace conditions. France also encouraged the national fragmentation of middle Europe. The Austro-Hungarian and Turkish empires - allied to Germany between 1914 and 1918 - were shattered in to innumerable petty states. None of which were capable of anything like an independent role in world affairs or doing much militarily. The same applied to those national areas shorn from Russia - Finland, Estonia, Lithuania, Latvia, Poland, etc.

The US now ranked as the world's leading economic power. Yet, rather than pressing for the dismemberment of the creaking British empire and risking another cataclysmic war so as to impose its will on Europe, the US proved quite content to let the old world slowly rot. Ruling circles in Washington were convinced that the 20th century was going to be the American century. The trick was to patiently bide one's time until chaos in Europe reached the point where the US would be welcomed in and could buy the whole continent for a mere pittance.

Surveying this sordid mess, Trotsky said that "our unfortunate continent" had been cut up, exhausted, disorganised and "Balkanised" - unlike Chris Bambery, Alan Thornett, Tommy Sheridan and co, Trotsky did not welcome, or view with indifference, the 'break-up' of existing states. Europe had been transformed into a "madhouse" by capital.<sup>145</sup> Nothing positive could develop from within the petty state and tariff walls created by Versailles. Europe must either remove these barriers or face the threat of complete decomposition.

The methods used by the ruling class to overcome frontiers - total war and military conquest - had left millions dead and inadvertently exacerbated an already constricting fragmentation. Another bourgeois attempt to organise unity would result in either the destruction of European civilisation or US counterrevolutionary domination.

On the basis of this exceptionally far-sighted assessment Trotsky had no hesitation in declaring that only the proletariat could save Europe. He therefore proposed in his June 30 1923 *Pravda* article that the united front slogan of a "workers' and peasants' government" - put forward in a laudable attempt to win over the majority still wedded to social democracy - be posed more "concretely".

It should be coupled with the call for a United States of Europe brought about by the efforts of the workers themselves. Such a route alone offers "salvation for our continent from economic decay and from enslavement to mighty American capitalism".<sup>146</sup>

Could this play into the hands of pacifists and bourgeois reformists? Trotsky mocked these silly leftist worries. Like the demand for a federal Britain and a united Ireland, or a Sixth Republic in France, or a two-state solution for Israel and Palestine, the United States of Europe slogan could, yes, be taken up by any number of different political trends. That is undoubtedly true. However, the slogan was to be advanced not as a panacea, not by itself, but as an additional component, or plank, within the overall communist programme.

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Trotsky displays an admirable optimism. The Kautskyite centrists are in headlong retreat and in turmoil. Communist parties are growing in size and experience. Where others may yearn for piecemeal reform from above, Trotsky wants the communists to combatively link the slogan to the tasks of furthering world revolution.

His reasoning is straightforward. The revolutionary wave that exploded upon Europe in 1917 and 1918 had subsided by 1923. Communists must actively encourage a fresh upsurge by restoring the confidence of the European working class and overcoming their real fears about whether they too would share the awful fate of the workers and peasants in Russia - wars of intervention, misery, economic blockade, famine and epidemics (the shrivelling of effective democracy was another source of apprehension - but that can be left to another discussion).

The loss of class nerve produced by genuine worries about making revolution on diminutive national ground was to be assuaged by the perspective of the United States of Europe. This was an extensive continental ground and would moreover be free to join together with the Soviet Union to form a combination that could even withstand the United States.

Did Trotsky distinguish between his United States of Europe and the rule of the working class? He supplies no clear answer. The United States of Europe slogan "corresponds" to the slogan, 'a workers' and peasants state'. The United States of Europe has an "exactly similar and parallel significance" as the demand for a workers' and peasants' government. The United States of Europe is regarded as a "stage" towards the dictatorship of the proletariat.<sup>147</sup> Either way, without this supplementary slogan the communists could not hope to galvanise the workers of Europe, let alone storm the heavens.

Europe, for Trotsky, is rightly conceived of not as a mere geographical entity. Europe is thought of as an economic reality built upon layer upon layer of criss-crossing cultural commonalities and historical links that long predate capitalism. Hence the US could temporarily stand aloof from Europe. But Germany cannot stand aloof from France. And France cannot stand aloof from Germany: "Therein lies the crux, therein lies the solution to the European problem", Trotsky maintained.

What of unevenness? The continent consists of many different state units, all displaying marked variations one with another. And yet Europe moves according to a rhythm different to the other side of the Atlantic. Compared to the US, the European countries, taken together, exhibit a definite *evenness* economically and politically due to geography, culture and history. Put another way, European unevenness is relative. Europe exists on one scale of unevenness. The US on another. That is why a general strike or a constitutional crisis in France has a far bigger impact on Germany than on the US. Certainly a revolutionary situation in France will touch Germany, Italy, Spain and elsewhere in Europe in a profound sense - something that cannot be said about the US.

In general Trotsky is of the opinion that, although no one could predict when exactly Europe would be united under the leadership of the revolutionary working class, the sequence of events would probably put Europe ahead of the US. That is why events in Europe are, in the final analysis, of decisive importance for the US as well. Revolution in Europe will surely shatter the overarching confidence of the American capitalist class and accelerate the coming to power of the US proletariat no end.

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The United States of Europe is envisaged by Trotsky as an historically necessary stage that must be passed through. This *transitional* stage arises from the real situation: ie, the profoundly different situations faced by Europe and the US, not only before but after World War I. To deny this unevenness by pretending that everywhere is equally ripe, or unripe, for revolution obscures the actual path of development that must be followed and substitutes empty phrasemongering for hard analysis.

Naturally the spread of working class power will not stop at a European phase. Trotsky believed that the Soviet Union afforded a bridge for the United Europe into Asia. The Soviet Union plus a United Europe would exercise a magnetic attraction for the oppressed peoples of Asia. The gigantic bloc of the nations of Europe and Asia would then be established and would face down any threats coming from the United States. A disunited Europe could never do that.

## 9. Europe versus America

World War II was, of course, fought out between two great predatory blocs. On the one side, the axis of Germany, Italy and Japan and, on the other, the alliance of Britain, the United States and the Soviet Union. Yet within these bitterly opposed camps, not least that of the ultimate victors, there were underlying rivalries and deep contradictions. Britain, the US and the USSR each wanted to win out over the others. In that sense the war conducted against the axis powers was simultaneously a hidden conflict between Britain, the US and the USSR; a conflict which continued and intensified after VE and VJ day.

Britain beat Germany. And yet, in 1945, the country lay exhausted and massively in debt to the US. Britain's Yankee cousins exacted their two pounds of flesh - controlled decolonisation and subordination of sterling to the dollar. Leon Trotsky's prediction of an Anglo-American war proved accurate - except that it was carried out using other, peaceful, means. Till 1949 Attlee and the Labour government put up a timorous resistance. The empire in Africa and the Middle East was to be maintained and, when feasible, considerably expanded. John Kent, an expert on the 'close of empire', writes that the "overriding aim" was the "re-establishment of Britain as a world power equal to and independent of both the United States and the Soviet Union". British weakness was viewed by Whitehall as "a temporary rather than a permanent phenomenon".<sup>148</sup>

US might plus the aspirations of the national liberation movements proved irresistible, however. What had been the world's largest empire gave way to the insubstantial Commonwealth. Nevertheless the "special crisis of Britain", keenly anticipated by 'official communist' theorists, failed to materialise.<sup>149</sup> End of empire coincided with an unprecedented economic boom.

Divisions between the US and the USSR were overtly antagonistic by 1946. Indeed, even before the Japanese surrender, the US was busily preparing for a new war to be unleashed upon the Soviet Union.

Once Harry Truman received news that the US - and the US alone - had acquired the atomic bomb, relations with Stalin rapidly deteriorated. According to official minutes, in the summer of 1945 the US Joint Chiefs of Staff adopted a policy of "striking the first blow" in a nuclear war.<sup>150</sup> The 'Strategic Vulnerability' war plan envisaged a surprise, "preventative" attack on the Soviet Union.

B29s penetrate deep into Soviet airspace. Twenty cities are obliterated in the first strike. Within an instant millions perish. Conventional invasion quickly follows by sea and land. Moscow and other key centres are taken. Or so the Pentagon calculated. Having lost 10% of its population and something like a quarter of its industrial capacity in the titanic battle with Nazi Germany, the Soviet Union was believed to be in no fit position to fight a World War III. Hence after the fall, or removal, of the "totalitarian" regime, the plan was to dismember the Soviet Union and bring about a return of capitalism to the national

parts. Truman went into raptures about the atomic bomb being “the greatest thing in history”.<sup>151</sup>

The subsequent course of the Cold War is well known and does not need repeating here. The Soviet Union collapsed in 1991. The US beat the “evil empire” without firing a single shot. As a consequence the US now exercises a global influence that puts all previous empires into the shade. Neither Alexander the Great nor Ghengis Khan can remotely compare, let alone present-day Japan, Russia or China. Those, such as Samir Amin, Giovanni Arrighi, André Gunder Frank and Immanuel Wallerstein who prematurely announced “the decline of the United States as a hegemonic power” – eg, in their jointly authored book *Dynamics of global crisis* (London 1982) - were evidently suffering from what István Mészáros calls leftwing “wishful thinking”.<sup>152</sup> “America is now the Schwarzenegger of international politics: showing off muscles, obtrusive, intimidating,” complains a leading German journal.<sup>153</sup> By any serious reckoning the US must be regarded as super-imperialist and permanently militarised.

Joseph Schumpeter could not have been more wrong. Against Marxism, he maintained, in his famous apologia *Capitalism, socialism and democracy*, that imperialism and militarism were essentially pre-capitalist or semi-feudal features - alien to the capitalist business ethos. (Schumpeter’s book, first published in 1943, as Ernest Mandel points out with damning praise, is “one of the few bourgeois historical studies ... worth mentioning, and vastly superior to Popper’s critique of Marx, let alone Hayek’s anti-socialist rantings.”)<sup>154</sup>

Schumpeter tried to prove his thesis by claiming that in normal times the US possessed no army or military bureaucracy to speak of. Vast ‘empty’ native lands in the east, an unthreatening and sparsely populated northern neighbour and weak client states to the south did indeed allow the US to ply a very different course from European capitalism. Between 1870 and 1913 the US spent on average less than one percent of net national income on its military. Nor did World War I significantly alter that pattern. After peaking at 13% of GNP in 1919, arms spending fell rapidly to below one percent for most of the 1920s. World War II changed that. Today US spending on armaments outstrips that of Russia, China, Germany, France, Britain and Japan put together.

As an integral part of the Cold War, western Europe slowly coagulated into a single economic zone. Unity was regarded as creating a bulwark against communism externally and internally. Besides the Warsaw Pact there were strong ‘official communist’ parties in Italy and France. However, unlike the US, western European arms spending tumbled. After reaching a post-World War II peak of 38% of the government’s total budget in 1954, British arms spending fell there after. France followed the same course. In 1968 the figure for both countries was around 20% of total government spending. The Thatcher years in Britain did little more than slow the rate of decrease. By 1986 the military machine accounted for 11.8% of spending. In 1997-8 Gordon Brown allocated less than 7% of his budget to the military. “This is a figure lower than at any time in British history since the War of the Roses”.<sup>155</sup> Comparable figures for other western European countries are even lower. Germany allocated only 3.3% of government spending to defence in 1997. The working class has effectively extracted a tribute from capital in return for not making revolution. The welfare state replaced the warfare state.

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Relations between the US and the EU have been those of partnership, the EU being viewed essentially as an extension, or an arm, of Nato. Cooperation, however, takes place in the context of increasing tensions as EU interests and cherished aims come into conflict with US unilateralism, bullying and imperial arrogance. To be more specific - trade barriers against steel imports, the imposition of chronic US indebtedness upon the rest of the world, shunning the Kyoto accord, abrogation of the ABM treaty, National Missile Defence, demands for immunity from prosecution by the international criminal court, etc.

Over the recent period there have been a number of attempts to smooth out relations between the US and the EU. They mainly serve, however, to underline US determination to guard its national turf. Eg, through the transatlantic business dialogue the US proposed that EU trade regulations be subject to bilateral agreement. In other words the US wants to water down or veto EU legislation. The message is clear. US transnationals should be allowed to operate without let or hindrance. At the same time the Bush administration arbitrarily breaks World Trade Organisation statutes.

The EU has not limited itself to outraged protests and appeals to the WTO. There is plenty of evidence of EU-US divergence. The EU helps finance the Palestinian Authority; the US backs Ariel Sharon's 'war on terrorism' and refusal to deal with Yasser Arafat. The EU seeks constructive engagement with the Iranian regime; Bush brands it part of the "axis of evil". Another important area is space. Against fierce US lobbying the March 2002 Barcelona summit agreed to launch the \$2 billion Galileo satellite positioning system, which - unlike the US system - is dedicated to civilian use. Galileo allows users - aircraft, ships, etc - to locate themselves to within the metre without any danger that signals may be suspended because of overriding US military requirements. Before the project was given the go-ahead, French president Jacques Chirac gravely warned that US domination of space "would inevitably lead to our countries becoming first scientific and technological vassals, then industrial and economic vassals of the US".<sup>156</sup>

More unites the ruling classes of the US and EU than divides. Nevertheless stresses and strains are growing. A serious economic downturn would doubtless exacerbate things no end. As a result it is correct to say that the EU-US relationship is evolving into an *antagonistic* partnership.

The EU has high ambitions. Ambitions that can be gleaned from the EU's constitutional convention which is meeting under the chairmanship of the former centre-right president of France, Valéry Giscard d'Estaing. Speaking to the opening session of the constitutional convention on February 28 2002 Giscard d'Estaing looked magisterially towards the future horizon: "If we succeed," he said, "in 25 or 50 years time Europe will have changed its role in the world. It will be respected and listened to, not only as the economic power that it already is, but as a political power that will speak as an equal with the biggest existing and future powers on the planet".<sup>157</sup>

Introduction of the euro and the expectation that it will soon function as an international reserve currency alongside the dollar are part of an agenda whereby the EU can *politically* challenge US hegemony. That is no fantasy. As alluded to by Giscard d'Estaing, in economic terms there exists already a rough economic parity. Will Hutton, an enthusiast for EU liberal imperialism, writes that because of the euro, for the first time since World War II, the US "confronts an economic grouping approaching it in size and cohesion".<sup>158</sup>

He rather chillingly describes the euro as a “weapon with which to fight back” against the US.<sup>159</sup>

As a land mass the EU is much smaller than the US. But in population terms the EU is bigger. The US has some 280 million inhabitants, the EU 379 million. By the standard measure, the EU has a lower GDP than the US (\$7.8 trillion to \$9.9 trillion). However, as Hutton points out, the US economy is more privatised than the EU and certain costs – ie, health and education - are not fully reflected in the calculation of GDP figures for Europe. That, and a euro that was “undervalued”, explains why many economists estimate that the EU has a higher GDP than the US.

The EU accounts for a higher proportion of world trade than the US. EU exports amount to \$850 billion annually compared with \$780 billion. Furthermore the US runs a huge trade deficit. That has been financed by foreign purchases of US government bonds and stocks and shares. EC capital has snapped up a whole tranche of US-based corporations. Given Enron, WorldCom and Xerox, EU capitalism seems set to become the new model others are supposed to copy. Certainly, under the terms of the Bretton Woods agreement, the EU stands well positioned to ease itself into pole position over institutions such as the IMF. The US has 17.78% of the vote. But if the EU decided to vote as a bloc it has around 28% of the vote (some 23% for the eurozone plus Britain’s 4.98%).

The successful launch of the euro in January 2002 puts the EU in a strong position. Twelve countries now use the same currency for daily purposes - the biggest conversion in history. Transaction costs of converting one currency into another are now abolished within the eurozone. Capital thereby gains an instant profits boost. And it is not hard to predict that Denmark will soon reconsider and Britain and Sweden will find themselves in the eurozone in the short to medium term.

Given the huge acceleration of international capital flows, no single central bank in Europe can hope to set exchange and interest rates in isolation, as longed for by the euro’s ‘no’ opponents in Britain to the left and right. While central banks in the US, Germany, Britain and Switzerland have reserves of \$653 billion (\$404 in Japan) the daily turnover of capital on the markets is \$2 trillion. Margaret Thatcher once remarked that “you can’t buck the market”. With the free movement of capital it is indeed true that no central bank in a patchwork Europe can do that and hope to survive. Certainly Britain’s humbling experiences throughout the 1980s and 90s tends to confirm the prodigious influence of the money market - the suggestion that an independent Scotland, advocated by petty nationalists and national socialists alike, could withstand a flight of capital beggars the imagination.

The single currency allows the EU to fix interest rates that suit the whole eurozone. It is thought that interest rates will be appreciably lower than they would otherwise be and therefore sustain capital accumulation. Weaker economies should be buffered. There is no longer an outside anchor currency - the deutschmark or the dollar - which countries are obliged to follow no matter what their circumstances. Shadowing high German interest rates brought Britain, Italy and France to grief in 1992. Individual countries retain fiscal policy - taxation, government spending and borrowing - in case of adverse developments. But the overall expectation is that the EU will enjoy the considerable advantages experienced by the US.

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In addition, as a world currency the euro holds out the prospect of substantial revenue from seigniorage (central banks are in effect paid by the banking system in exchange for cash). Those outside the eurozone who trade in the euro pay a surcharge for the privilege. Money can be printed in this case without triggering inflation. Some economists estimate that by 2010 Britain would gain £4 billion a year - if it enters the eurozone.<sup>160</sup>

Throughout the 20th century capital operated in the US with all the blessings that come with a single economic space, common laws and a common language. Economies of scale have though been augmented by successive waves of migrants - the latest being the 10 million Hispanics who came from Central and South America in the 1990s. They provide a pool of cheap, worst paid, labour which is often made all the more easily exploitable by the fact that much of it is illegal and therefore lacks basic democratic rights.

Nevertheless, though the US has on average a much higher per capita income, productivity in the most advanced countries in the EU is greater. Output per hour in France, Holland, Belgium and the former West Germany has risen over the last 20 years so that they have now overtaken the US. Ireland, Austria and Denmark are not far behind. Higher US incomes rely mainly on the fact that people work more hours and have fewer holidays. Americans work on average 50 hours a week. Feeble and politically compromised trade unions help to ensure that. It should also be stressed that average income does not mean the income of the average person - the supposedly *classless* US society is actually the most *unequal* amongst the advanced countries with the bottom 20% officially living in poverty, while the richest one percent hold 38% of personal wealth.

So the US and the EU are economically comparable. However, when it comes to the realm of arms, the situation is very different. Annually the US spends \$290 billion, compared to the EU's \$180 billion. And to this must now be added George W Bush's projected \$48 billion post-September 11 2001 hike.

During the Vietnam war the US military machine accounted for nearly 10% of the total budget. In the 1980s Ronald Reagan increased military spending to new absolute heights. Writing at the time, Jeff McMahan, a British-based US academic, perceptively argued that surging ahead with the arms drive was designed to "cripple the less robust Soviet economy, ultimately bringing about the collapse of the Soviet system from within".<sup>161</sup> The end of the Cold War saw reduced arms spending in both the US and the EU. It was September 11 2001 which allowed Bush to push the arms budget back to 1980s levels. Anti-terrorism is the new anti-communism.

The 1991 Gulf War against Iraq, Nato's air war to tame Serbia and then the Afghan invasion helped to shape the EU's embryonic common foreign and security policy (CFSP). All these wars were, in purely military terms, American. Nevertheless, they were also for the governments of the EU an invitation to concoct a new, post-Cold War military doctrine, one which allows them to freely intervene in the affairs of small to medium-power countries - as long as it is for "humanitarian reasons". During the Cold War the risk of a nuclear conflagration ruled out such adventures as far too risky. Now that has all changed. Hence the move towards giving CFSP an armed wing in the form of the Rapid Reaction Force.

In military terms, however, the US is in a qualitatively different league. Crude budget figures do not tell even half the story. Not that the US is omnipotent. But, whichever way you look at it, the US is in a position to forcibly impose its will in virtually every area where

it believes it has vital interests at stake: Afghanistan, Iraq, the Taiwan Straits, Panama, Colombia (the EU even had to rely on US air power in order to deal with Slobodan Milosevic's Serbia). Let us briefly illustrate US superiority.

Firstly, the US has a single army, navy, air force, etc, and a straight line of command from the White House downwards. The EU's Rapid Reaction Force is in comparative terms a puny affair. More to the point, there are 15 separate armed forces in the EU, each with their own priorities and political masters.

Secondly, the Americans have the great advantage of being able to easily speak one to another. In the EU there is a cacophony of different languages.

Thirdly, the bulk of the EU's strategic capabilities are integrated into Nato structures, which are still dominated by US top brass and civilian bureaucrats.

Fourthly, the fragmentation of the EU's armed forces results in numerous different sources of supply. Britain, France, Germany, Italy and Spain each have their own defence industries. Often they produce systems which are incompatible - spare parts, refuelling facilities, weaponry, communications, etc.

Fifthly, the US is a global military power. It alone can exercise "full spectrum dominance". The EU's armed forces are essentially regional. The US has a network of geo-stationary satellites, bases in many different countries - Cuba's Guantanamo Bay, Greenland, Okinawa - and awesome fleets of aircraft carriers, submarines and cruise missile ships routinely patrolling the Pacific, the Mediterranean, the Persian Gulf, the Indian Ocean, etc.

Sixthly, the US has a huge nuclear arsenal. In the EU, only France and Britain are nuclear powers - and in terms of warheads, sophistication, accuracy and reach hardly compare. Then there is son of Star Wars and the chemical and biological capability, which the US possesses in abundance.

Whether or not EU competition with the US takes on a military dimension is an open question. But to dismiss the possibility is to turn one's back on the blood-drenched lessons of the 20th century. Capitalism engenders competition by its very nature. One capitalist is pitted against another in the market. Equally one coalition of capitalist states resorts to military means when peaceful methods fail. Hence the mounting EU challenge to US economic supremacy carries profound dangers. Trade war, proxy war, cold war, accidental war, world war.

Ideological lines of combat are being drawn. Liberals and social democrats claim that Europe has attained a higher, more humane, civilisation. That the US represents a brutal capitalism. The welfare state, public spending on health and transport are cited as evidence. So is the paucity of social provision in the US and the widening gulf separating the mega-rich and the poor. Ironically, Thatcher and the Tory right thereby become 'enemies within'. Their unrestrained admiration of 1990s US turbo-capitalism is branded anti-European. Tony Blair and New Labour must shed pernicious illusions in the US model forthwith and wholeheartedly embrace the up-and-coming European project. Otherwise they too will be accused of being a pro-American Trojan Horse.

Will Hutton champions EU imperialist unity on the basis of caricaturing both the US and the EU. Europe's capitalism is based on "reciprocal obligations" which go back to "early christianity". The US, on the other hand, "is in thrall to an extreme brand of conservatism" and prone to use the "iron fist".<sup>162</sup> Not to be outdone, the Republican

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right in the US depicts Europe as woefully undynamic, inflexible, statist and easily swayed by demagogic racists.

Capitalism does not come in ready-made models to be swapped one for the other according to intellectual whim or fashion. Eg, the Japanese, Singaporean, Swedish or American. Social relations are in constant flux and assume a particular equilibrium due to the balance of contending and opposite interests. Dead labour and living labour. Capital has no interest other than the continuous expansion of exchange value. Hope for humanity uniquely lies with the working class and its ability and willingness to struggle for a better world.

On neither side of the Atlantic can capital's paid persuaders admit the existence of another nation within each nation - powerful trade unions, traditions of solidarity, Marxism and working class self-liberation. Nor the vital role of the class struggle in constantly shaping and reshaping politics. Europe's post-World War II social democratic settlement owes everything to the clash of class against class. Nothing to the establishment's supposedly benign desire to see fair play and equality of opportunity. Useful lies. The ruling class in Europe put off socialism by organising far-reaching concessions. The same goes for the US. Roosevelt's New Deal originated in the economics of the working class, not the high bourgeoisie. Class struggle alone can reverse the rightwing tide that has polluted and suffocated US society since the days of Joseph McCarthy and Dwight Eisenhower.

Siding with either the EU or the US is no option. Both are reactionary. Nevertheless the tried and tested way to fight for socialism is in unity; beginning in our case on the continental-wide terrain represented by the EU. Communists and revolutionary socialists legitimately base their strategic evaluations on the probability that the working class in the EU will move on to the offensive quicker than workers in the US. To borrow a phrase - there is combined but uneven development. That is why the Socialist Alliance's manifesto is correct when it calls for "workers' and socialist unity across Europe". Instead of the Europe of the bosses and unelected bureaucrats we stand for a "democratic and federal Europe based on solidarity and cooperation".<sup>163</sup>

Such an internationalist perspective directly points to the necessity of organising across the EU at the highest level - from the European Social Forum to a Socialist Alliance of the EU and in due course a Communist Party of the EU.

The idea that our side would be collectively strengthened if one or two of our national battalions aligned themselves with the ultra-right and forced upon the government of a Britain, a Denmark or a Spain withdrawal from the EU displays a lack of internationalism as it does seriousness. Socialism in a breakaway country is the socialism of fools. Any reformist or revolutionary government that might arise amidst the national chaos would suffer instant retaliation. Fascist counterrevolution or, that failing, isolation through asphyxiating trade embargoes and perhaps a joint EU-US military 'peacemaking' force.

Our strategy is resolutely opposed to any renewed 'Balkanisation' of Europe. The SWP's Chris Bambery, the SSP's Alan McCombes and Alan Thornett of the International Socialist Group might irresponsibly campaign for, or indifferently excuse such a scenario. But, whether it comes from right or left, fragmentation can do the working class nothing but harm. Ethnic cleansing, cleaving apart historically established workers' organisations,

national hatred.

Communists strive for working class unity within, but against, the existing EU. Winning the battle for democracy in the EU and securing working class rule in this little but economically and politically powerful corner of the world would give us a revolutionary fortress from where US counterrevolutionary threats could be confidently rebutted. The revolutionary conflagration would then rapidly spread. That is the best service we in the EU can perform for our comrades in the Americas, Africa, Asia and Australasia.

## 10. The new right in Europe and the spectre of fascism

Over the last few years mainstream opinion in Europe has been shocked and dismayed by the electoral success of the far right. The Freedom Party of Susanne Reiss-Passer and Jörg Haider sat in the Austrian cabinet till recently, the Alleanza Nazionale of Gianfranco Fini in Italy still does. Denmark's conservative government relies for its continued survival on the MPs of Pia Kjaersgaard's Danske Folkeparti. Jean-Marie Le Pen caused a storm when he reached the second round in the May 2002 French presidential elections. While in the Netherlands the Ljst Pim Fortuyn came from virtually nowhere to push a humiliated Labour Party into third place, gaining 23 MPs in the process.

Other European countries have seen similar gains by the far right. In Belgium the Vlaams Blok is a palpable force in Flanders and in Antwerp has 20 of the 50 city councillors. In Germany there is the Party of the Rule of Law and Order led by Ronald Schill. Norway's Progress Party under Carl Ivar Hagen won over 15% of the vote in 1997. Christoph Blocher's Centre Democratic Union performed even better in Switzerland in 1999. His party secured 22.6% of the vote.

How should this political phenomenon - and it is a phenomenon, albeit a chaotic one, fragmented, coloured and shaped as it is by uneven national conditions - be assessed?

According to many on the economic left - most notably the SWP and its International Socialist Tendency - this is the 1930s in "slow motion". Europe is witnessing the renewed forward march of fascism. Indeed in the hands of the SWP's Anti-Nazi League - a narrow front of the typical kind - all far-right parties should be branded with the loathsome stigma of Nazism and treated as such. The ANL is not alone. Jacques Chirac, Lionel Jospin, Wim Koch, Jack Straw and their court media enthusiastically took up the Nazi cry. In the US isolationists warn that Europe is reverting to the madness that produced two world wars. A new holocaust is on the agenda, maintain these friends of George W Bush.

The dead Pim Fortuyn certainly makes an odd Nazi. Fortuyn claimed to defend Dutch liberalism, liberties and tolerance. Openly homosexual, he dressed the dandy. Chauffeured around in a Bentley, Fortuyn reportedly began political life on the left. His LPF movement attacks official corruption, highlights crime and tilts at consensus politics. Ideological shibboleths such as the pending ecological collapse and multiculturalism are mockingly derided.

Accept that Holland is essentially a single urban landscape. Forget agriculture, promote industrial and commercial growth, build more motorways and turn what remains of the countryside into parks. Worries about global warming and rising sea levels were answered by Fortuyn with the risible promise that he would increase the height of dykes.

Fortuyn wanted the assimilation from above of all recent migrants into his imagined Dutch

commonality. He singled out Koranic hostility to gays. Islam, he insisted, is a backward religion. Unlike christianity and judaism it had never gone through the 'laundromat' and undergone a reformation. A halt should be put on further mass migration. Holland is full.

Yet neo-Nazis such as the Nederlandse Volksunie were shunned. Fortuyn denied any affinity between Le Pen and himself. He also indignantly rejected charges of racism. Appearing on TV, Fortuyn famously slapped down one critic by saying that he had nothing against Moroccans - "After all, I've been to bed with so many of them". The fact that Fortuyn's deputy was born in the Cape Verdi Islands and is black is therefore not insignificant.

So is Pim Fortuyn a fascist? And what of Susanne Reiss-Passer's and Jörg Haider's Freedom Party, the Alleanza Nazionale, the Danske Folkeparti, Le Pen's Front National, the Vlaams Blok, the Party of the Rule of Law and Order and other such similar political formations?

Our intention is to provide an answer first by showing why a sloppy, catch-all use of the term is so dangerous. Next, what might be called the 19th century precursors of fascism will be briefly discussed. Thus fascism can be put in its proper historical and socio-economic context. Next we examine fascism through the prism of how it was theoretically assessed and explained away by the bourgeois establishment. On that basis the contemporary situation becomes altogether clearer.

The term 'fascism' has been subject to all manner of different definitions since first coined (Benito Mussolini adopted the *fascies*, a bundle of sticks with an axe at their centre, the symbol of state power in ancient Rome, as the emblem of his movement). Mussolini formed the 'Italian Fascisti of Combat' in March 1919, when 54 people - mostly demobilised soldiers, pro-war former syndicalists and extreme social chauvinists - signed up to his programme. Fascism, in the words of *Il Duce*, stood against liberalism, the "exhausted democracies" and the "violently utopian spirit of Bolshevism"<sup>164</sup>.

Nowadays on the left, however, the word has degenerated into little more than a throwaway insult. Members of the Genoese paramilitary police force are dubbed fascists by black bloc anarchists; the guerrillarist left in Turkey describe all the country's governments as fascist since the foundation of the modern state by Kemal Atatürk in 1923; fascism is frequently equated with any manifestation of racism or anti-semitism; restrictions of civil liberties imposed by David Blunkett are denounced as creeping fascism, etc.

Such abusive labelling rallies support, fills those who use it with righteous indignation and often provokes a pleasingly spluttering response from the target. Yet it does nothing to reveal the true nature of fascism as it emerged historically and functions as a social force in capitalist society. This is no matter of pedantry or semantics.

If you shear fascism of history, if fascism is reduced to little more than something unpleasant and threatening, an object of opprobrium, then one cannot methodologically distinguish between the role played by fascism in mercilessly destroying the organised working class in Europe during the 1920s, 30s and 40s on the one hand and on the other the Peterloo massacre of 1819 or the anti-trade union legislation introduced by Margaret Thatcher's government in the 1980s.

Giving back fascism a clear, definite meaning by rooting it in history has nothing to do with any softness towards carabinieri violence in Genoa, fondness for the Turkish state, toleration of racism and anti-semitism, or endorsement of Blunkett's draconian terrorism

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act. On the contrary, by labelling fascist what is not fascist terrible mistakes in political practice are inevitable and building an effective movement against the real fascist menace is severely impaired.

For example, in the late 1920s and early 30s 'official communism' dogmatically classified everything and everyone from the Labour left to Ramsay MacDonald's national government, and from German social democracy to Franklin D Roosevelt, under the rubric of fascism or tendencies towards fascism. Roosevelt's New Deal administration was written about by Britain's foremost communist political thinker as a "transition to fascist forms, especially in the economic and industrial field".<sup>165</sup>

Fascism was said to grow organically out of bourgeois democracy. According to Demitri Manuilsky - a trusted member of Comintern's presidium - in his report to the executive committee of the Communist International, only a liberal "can accept that there is a contradiction between bourgeois democracy and fascism".<sup>166</sup> Stalin summed this approach up by coupling together social democracy and fascism as "twin brothers".

The 'third period' theory led the Communist Party of Germany to shun any united front with the "social fascist" Social Democratic Party. Meanwhile Adolf Hitler - supposedly not especially dangerous - swept to power. After 1933 the Communist Party and the Social Democratic Party were both banned, trade unionism abolished and parliamentary democracy ended. Concentration camps awaited communists and social democrats alike.

Over 1934-35 Stalin's Communist International 'corrected' its analysis of fascism. First at the 13th plenum, and then at the 7th congress, Georgi Dimitrov delivered a new formulation which was duly adopted by all 'official communist' parties. Dimitrov redefined fascism as the "open terroristic dictatorship of the most reactionary, most chauvinist and most imperialist elements of finance capital".<sup>167</sup>

His cure was, though, not much better than the original disease. Fascism was still viewed as an outgrowth of capitalism. But overcoming fascism was completely divorced from the revolutionary class struggle against capital. Besides blessing cooperation with social democrats, the door was held ajar for the forthcoming drive for popular fronts in every country - Britain, India, US, Chile, France, Spain, etc. They would countenance communist support for the less terroristic, less chauvinist and less imperialist representatives of finance capital. Eg. Churchill, Roosevelt, de Gaulle.

From afar Trotsky damned the 'fourth period' as a headlong descent into naked class collaboration. He ranked Comintern's new line on a par with social democracy's collapse before inter-imperialist war in August 1914. The Marseillaise is drowning out the Internationale. The Communist International was entering the "social patriotic camp", he concluded.<sup>168</sup>

We can safely say then that putting the term 'fascism' on a firm scientific footing hardly blunts, but greatly sharpens serious, meaningful, political practice. Certainly without a correct theory the fascist germ that lies festering in the belly of present-day socio-economic conditions can be neither successfully fought nor killed.

Doubtless fascism's intellectual origins lie in the late 19th and early 20th centuries. Social Darwinism, the pseudo-science of race, state worship, romantic national history, anti-semitism, and the vilification of international socialism and the organised working class were the dominant ideas of the European ruling classes prior to the outbreak of World War I. Colonial empires found justification in racial theory. Romantic national histories bound masses of

people at home to the imagined community of the state, and social Darwinism reconciled them to the existing hierarchical social order.

Nevertheless, though fascist leaders and their shrill publicists freely deployed such ruling class notions, they did so in an entirely demagogic fashion. There is with fascism no body of logically sustainable reasoning of the kind found in the catholic church or Marxism. Read *Mein Kampf* or Mussolini's *My autobiography*. Hence frantic attempts to locate Le Pen's 'fascism' in some subtle anti-semitic code word or quoting Jörg Haider's 'fascist' admiration for the Third Reich's system of autobahns and public works programme is entirely misplaced. There is no fascist theory systematically linking proposition to practice.

Organisationally fascism has precursors in the anti-liberal and anti-socialist counterrevolutionary movements of the same late 19th to early 20th century period. A loose analogy can be drawn between Louis Napoleon Bonaparte's movement and fascism. While not pushing his case too far, August Thalheimer - a former top leader of the Communist Party of Germany - did just that and with rewarding results.<sup>169</sup> Thalheimer took as his *starting point* the profound insights he found in Marx's *The 18th Brumaire of Louis Napoleon* and *The civil war in France*. Leon Trotsky too argued that there "is an element of Bonapartism in fascism".<sup>170</sup>

In 1848 the bourgeois monarchy of Louis Philippe was overthrown. A popular, working class-led, revolution restored the republic. However, neither the workers nor the bourgeoisie proved strong enough to impose their rule upon society. The Cavaignac dictatorship could arrest Auguste Blanqui and suppress the workers but could not establish a stable order. There ensued an inherently unstable revolutionary-counterrevolutionary stand-off between the two classes. Under these circumstances Louis Bonaparte - nephew of emperor Napoleon I - met his destiny.

Bonaparte gathered together an amorphous layer of decayed elements - swindlers, thieves, pimps, discharged prisoners, beggars, former soldiers, gamblers, ruined adventurers, those whom the French call *la bohème*. Backed by this volatile but easily manipulable social base, Bonaparte skilfully constructed a broad, cross-class coalition.

Before workers and the lumpenproletariat he spoke with flamboyant revolutionary phrases; the peasants were fobbed off with traditional family values and the promise of national glory. At the same time Bonaparte quietly aligned himself to high finance.

In December 1851 he seized power with the help of the French army. The Bonapartist state raised itself above society. Bourgeois political power lay broken but bourgeois social power had been rescued from the working class threat.

The Boulangist movement and Paul Déroulède's League of Patriots was also something of a prefiguration. It shot to a fleeting prominence during the late 1880s. Mixing strident nationalism with mass agitation against parliamentary corruption, influential members of the French Workers' Party, including Marx's son-in-law, Paul Lafargue, entertained the illusion that the Boulangist third way represented a "genuine mass movement" which could, if encouraged, develop a socialistic character. Like so many impatient leftists today, Lafargue tried to swim with a popular tide. Political islam comes to mind.

Fredrick Engels for his part would have none of it. He urged the French comrades to "fight under their own flag" - against both the bourgeois political establishment and the Boulangists.<sup>171</sup>

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Action Française, established in 1899, bears an even closer approximate resemblance to fascism. Action Française combined anti-semitism with nationalism and dynastic royalism. Of key importance though, here we have the first 'shirt movement': ie, rightwing fighting squads. The 'Camelots du Roi' began as Action Française's street gang and in 1917 became a full-blown, mass counterrevolutionary militia.

In February 1934 they were part of a royalist-fascist bloc - armed with revolvers, clubs and razors - which invaded the parliament building in Paris and put the "the smiling, somewhat senile" Gaston Doumergue into power as prime minister.<sup>172</sup> Supported by big-capital tycoons such as Ernest Mercier of the electrical and oil trust, these fighting squads were in the main recruited from war veterans, the lumpenproletariat, the declining middle class and restless university students. They howled for the destruction of the republic and 'France for the French'.

The Union of Russian People, formed in 1905, likewise mobilised declassed elements into fighting squads. With the cry of Nicholas II on their lips and Holy Russia beating in their hearts, the Black Hundreds conducted vicious pogroms against striking workers, revolutionaries and jews.

World War I marks an epochal turning point. Capitalism metamorphoses into state monopoly capitalism and enters its decadent phase. The law of value, competition and other essential laws decline and can only be sustained through organisational measures such as state intervention and the arms economy. Market forces are partially demystified. They are exposed as political. Socialism is immanent. Where it can, collective capital puts off the transition by elevating state power above the immediate interests of profit. Wide-ranging concessions are granted to the assertive working class.

However, official Europe, especially in the defeated countries, emerged from the mayhem of World War I thoroughly discredited, weakened and riven with internal divisions.

Our class was presented with an unprecedented historic opportunity. Bolshevism brilliantly illuminated the path. Tragically, elsewhere, the organisations of the working class either proved inadequate or wretchedly backed away from the task and sought to reconcile themselves with capitalism. Bourgeois society was exhausted and chronically split. But the working class lacked the necessary leadership with which to deliver the final revolutionary blow. Fascism erupts as a counterrevolutionary social movement under these conditions.

Following World War I virtually every country in Europe spawned its clutch of fascist groups and grouplets. At first they were entirely marginal. Mussolini secured not a single MP in the 1919 elections. Polite society looked down at them with barely concealed contempt. Hitler was dismissed as a crank. However, the unresolved class struggle and the inability of the bourgeoisie to rule in the old way produced one spasm of economic and political dislocation after another. The malign aura of fascism vanished. Mussolini's blackshirts and Hitler's brownshirts appeared before the ruling class as saviours. The communist vermin must be exterminated.

Mussolini took power in 1922 at the invitation of king Victor Emanuel III - with the active encouragement of big capital the benign neutrality of the army assured. The famed march on Rome was pure theatre. Mussolini knew beforehand that the establishment would give him a hero's welcome. A decade later, in the aftermath of the 1929 crash, Hitler formed a government with the willing support of president Hindenburg and the parties of the far

right. He proceeded to impose fascism in its most brutal, most terroristic form. The fascist revolution was counterrevolution.

Not surprisingly the initial response from Marxists was somewhat confused. At the 4th congress of the Communist International in 1922 - the last attended by Lenin - the victory of fascism in Italy was blamed in part on the inability of the communists to resolve the revolutionary situation positively - which had in 1919 seen the seizure of the factories by the workers. "Primarily" fascism served "as a weapon" in the "hands of the big landowners" went the argument. Italy presumably was going backwards down a fixed evolutionary ladder from capitalism to feudalism. The bourgeoisie escaped blame in this clumsy schema. They were therefore said to be perturbed by Mussolini's "black Bolshevism". Crucially though, Comintern failed to come to terms with the fact that with fascism's triumph the working class had suffered a strategic defeat. The fascist danger tended therefore to be played down. Fascism could not hold for long. A renewed rising by the working class must occur - and very soon.

Actually fascist success in Italy plus the continued grip of a deep socio-economic crisis stimulated the growth of other fascist movements. There were inevitably some mere imitations - eg, the Romanian Fascist Party founded in 1923 and George Valois's Fasisceau of 1924. However, fascism is fundamentally a national chauvinist movement. That is how it gains a mass base - as stressed by Clara Zetkin and Karl Radek. Hence the general tendency was to aggressively take on the trappings, prejudices and antagonisms of extreme nationalism. Fascism was undoubtedly an international phenomenon. But it was though not in any way a united international movement.

Hitler's National Socialist German Workers' Party was no clone of Mussolini's fascisti. The same goes for the Austrian Heimwehren, Hungary's Arrow Cross, Spain's Falangists, the ABC and Falanga in Poland and the Croix de Feu and Solidarite Française.

Naturally the German military conquest of much of continental Europe after 1939 created not only a batch of Quisling collaborators, but an allure for Nazification amongst the fascist groups. Only in Poland did the native fascists resist this for any time. In general, however, the Germans did not elevate their fascist co-thinkers into governing satraps. They preferred to deracinate them. Many went on to serve on the eastern front with units such as the Waffen SS.

Characteristically the fascist movements of pre-World War II Europe were fanatically attached to a bloodthirsty nationalist outlook. War and violence are the ultimate manly virtues. The fittest countries alone survive. Others deserve to perish. Liberalism was rejected as an effete trap. Parliament dismissed as a den of corruption. Democracy is unnatural. Embrace the eternal spirit of the nation and submit to the will of the great leader.

A formless anti-capitalism was often rhetorically advocated. Gregor Strasser's wing of the Nazi party dreamt of a return to pre-monopolistic conditions and a kind of feudal national socialism. Suffice to say, the organised working class - trade unions and leftwing political parties - along with the ideas of Marxism and international socialism were the real enemy - not capital. Big business generously financed Mussolini and Hitler. In power, the upper echelons of fascism and capital merge.

Besides garbled propaganda denigrating Marxism, fascism launches itself against the working class using physical force. Mussolini recalls how in March 1921 squads of his

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blackshirts “assaulted” and “burned” the offices of *Avanti*. He brags that from that day onwards “Italian subversive elements”, the communists and socialists, were “driven like rats to the holes” and had to barricade themselves in workers’ chambers and district clubs.<sup>173</sup> Put another way, fascism is a terroristic variant of Bonapartism.

Fascism organises counterrevolutionary fighting squads *separate* from the state - though at critical junctures often in close cooperation with established forces of law and order. Fascism is therefore frequently structured internally according to command-and-obey military principles. *Mussolini ha sempre ragione!* (Mussolini is always right) chanted the blackshirts. Discipline and obedience were the watchwords.

Fascism beats down the working class with fighting squads and clears its own path to state power by rallying a wide, though disorientated mass behind its crude concoction of slogans, half-truths, hatreds and promises of national and personal redemption. Where exactly fascism gains its human raw material can obviously vary - but it tends to be desperate, ill-educated, insecure and in need of a sense of belonging. Obtaining power, fascism is obliged to restrain or even silence its mass base. Capital has no fondness for freelance armies. The blackshirts were therefore incorporated into the state by Mussolini. Hitler massacred his brownshirts. Fascism is thereby bureaucratized and becomes what Trotsky calls “Bonapartism of fascist origins”. From this bureaucratized position fascism brings to bear the whole unmediated weight of the state machine against any manifestation of working class independence.

Simultaneously fascism acts to temporarily suppress contradictions within the ruling class - if need be by recourse to state force. Property is usually left untouched but traditional political parties are turned into mere husks, dissolved or absorbed into the body of the bureaucratized fascist movement.

Hence while fascism strikes in two directions - against the working class and against divisions in the ruling class - it objectively acts to preserve the capitalist system of exploitation. Fascism is then a particular form of anti-socialism and counterrevolution under conditions of monopoly capitalism.

Not surprisingly, once fascism moved from the obscure fringes to the storm centre of big power politics and world conflict, it had to be explained - and urgently. A wide range of theories have been produced by semi-Marxists, non-Marxists and anti-Marxists - most of which are deeply flawed and deserve to be dismissed out of hand.

Christian apologists see fascism as the direct result of secularisation. By rejecting god, humanity is visited by evil. The antidote is obvious - take up the cross and restore religion. Conservative aristocrats paint fascism as a revolt of the immature masses, the common herd, who have been freed from the constraints and responsibilities of a properly ordered agrarian society. Forlornly they yearn for the days when they formed the natural class of governance.

Equally hopeless is the offering coming from modern-day evolutionary psychology. It puts fascism down to aggression and pack instincts genetically hard-wired into the male brain by the supposed conditions in the African Palaeolithic some 1.5 million years ago - a viewpoint shared by some radical feminists and in no small measure by the self-loathing male, Kevin Williamson, a regular columnist in *Scottish Socialist Voice*.<sup>174</sup>

Since the 1930s psychologists and psychoanalysts have sought to locate the rise of

fascism either at the level of some mass psychosis or in the warped personalities of its leaders. Wilhelm Reich argued that humanity is “biologically sick” and should free itself by discarding sexual repression.<sup>175</sup> Most Freudian psychologists disagreed. They insisted on entirely speculative clinical examinations of fascism’s leaders - Mussolini, but most of all Hitler. Raymond de Saussure believed Hitler exhibited a strong Oedipus complex and needed to channel his sexual energies in order to conceal his impotence from the public. The German Reich was a penis substitute.

An altogether more insightful, semi-Marxist, psychological approach is to be found in Eric Fromm’s *Escape from freedom* (first published in 1941). Fromm sought to understand how millions of Germans were captivated by Hitler. Capitalist alienation and the reduction of the human subject to a mere cog in the production process is blamed. Fascism answers the need in the human soul for a sense of belonging. Nevertheless Fromm can offer no effective solution, no escape from the dilemma. He merely posits a democratic socialist society.

Theodore Adorno amongst others in the so-called Frankfurt school claimed to have discovered the ‘authoritarian personality’ which was apparently rife amongst all classes in Germany. This was an integral part of a general theory of the period. Liberalism was in decay. Capitalism and mass culture were producing an all-pervasive, totalitarian society. Alienation becomes absolute. The Soviet Union was essentially no different. Herbert Marcuse believed that fascism was the almost inevitable result of monopoly capitalism - a view he subsequently modified by claiming, that though post-World War II western capitalism still maintained a democratic outer shell, the tendency was towards a grey conformity and complete subordination of the personality to the needs of capital: ie, a totalitarian society. New Left radicals in the 1960s US gleefully denounced fascist Amerikka!

Establishment figures such as Hannah Arendt and Zbigniew Brzezinski readily adopted totalitarian theory. Its great virtue lay in the fact that it directly linked Nazism and Stalinism. However, they gave the theory a none too subtle twist by disaggregating capitalism from totalitarianism. Capitalism, in this rightwing version of the totalitarian theory, is equated definitionally with freedom, democracy, choice and personal liberty. That capitalism flourished under Mussolini and Hitler is completely ignored.

As the reader will know, mainstream bourgeois society now propagates this intellectually barren explanation for fascism over the airwaves, in the press and in schools and colleges. What was a leftist critique of existing conditions has been thoroughly colonised by the right and turned into its opposite.

Joining fascism and bureaucratic socialism together into a single phenomenon admirably suited the needs of the Cold War. Capitalism was excused of all blame and the Soviet Union is made into a culprit. In the hands of Karl Popper totalitarianism became truly suprahistorical. Sparta, Ch’in China, the empire of Diocletian and Calvin’s Geneva are all classified under that heading, of course, along with Nazi Germany and the Soviet Union. Plato, Hegel, Marx and Nietzsche form a totalitarian human chain that joins the periodic culling of the helots to the gas chambers.

Such a philosophy was vital for the capitalist system, above all in Europe. Fascism was beaten not only by the armies of the Soviet Union, the USA and Britain. There were radical partisan movements and popular risings throughout Germany’s empire. Yugoslavia, Greece, Albania, Czechoslovakia, Poland, France, etc. Equally to the point, the capitalist class was

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deeply compromised. Almost without exception the bourgeoisie collaborated with fascism, often with great enthusiasm. For example, in France the bourgeoisie welcomed the German invasion. Since 1936 the working class had made huge gains at the expense of capital. The forces of the left were feared and hated by respectable France but could not be crushed by respectable France. The German Nazis would do that particular job.

The situation in other countries was substantially the same. Hence after 1945 bourgeois Europe was forced to reinvent itself. The fascist past had to be denied and turned into other. World War II became our finest hour. A crusade for freedom. The motive was to save the Jews, not the British empire. Hence totalitarian theory, the holocaust industry, Popper and Unesco's anti-racist, anti-fascist statements - such as the July 1950 declaration on race, which 'scientifically' supported the "ethic of universal brotherhood" and the warning that "men and nations alike" can "fall ill".<sup>176</sup>

Jörg Haider, Pia Kjaersgaard, Jean-Marie Le Pen and Pim Fortuyn are reactionary rebels against the carefully constructed post-World War II consensus ideology. The bourgeois establishment reacts with such hostility because these men with their crude chauvinism, campaigns against immigrants, occasional anti-semitic outbursts and far-right nationalism reminds official Europe of its shameful pre-1939 past. Few establishment historians or other paid persuaders dare dwell upon how official Europe promoted social Darwinism, race theory, anti-semitism and a brutal arrogance towards colonised peoples. And how these ideas were blessed by the clergy and enforced with police batons and army bayonets.

Nevertheless, nowadays official Europe is striving to meet the 'legitimate concerns' of its far-right doppelgänger. Illegal migrants are to be confined, sent back and kept out. They are to blame for crime, drugs and overcrowded schools. The message is the same.

Le Pen is a man who stands in the historic shadow of Action Française, the Camelots du Roi and catholic anti-communism. His personal loyalties undoubtedly lie with Vichy, white Algeria, Pierre Poujade and the OAS. In their own different ways the other leaders of the far right in Europe are essentially the same. They are reactionaries who reject the post-World War II ideological consensus. They rail against the self-satisfied political elite with their bribery and lust for money. Turn back globalisation, neoliberalism, free trade and migrants. The future for them is national, decentralised and somewhere in the past.

Shouting 'fascist' sounds very militant. But 2002 is not 1922. The extreme right is not organised along fascist lines. There are no fighting squads worth the name or military lines of command. We are neither in a revolutionary nor counterrevolutionary situation.

Yes, Le Pen, Haider and Fini have definite sympathies for fascism. Many of their founding cadre come from post-World War II fascist sects. But skinheads are unwelcome, stiff-arm salutes banned and street clashes avoided. Tomorrow all that might change. However, the 1920s and 30s show that fascism does not come from the far right alone. Mussolini began on the far left. He actually edited the Socialist Party's paper *Avanti*. Oswald Moseley served as a Labour minister, one of the first recruits to his New Party being AJ Cook, the miners' leader. Joseph Pilsudski, the Polish nationalist socialist, made a similar journey.

Second-guessing the future is futile. Saying who will and who will not be a fascist is a nonsense. Our task is to organise against capitalism and its defenders as they presently exist, not as they might appear if we fail.

# 11. Three tactics

At present the situation in Britain around the euro is as follows: Tony Blair is determined that the country will adopt the euro as soon as politically feasible. Differences within the cabinet are those of nuance, not substance.

Behind the scenes Gordon Brown is presiding over what is to be a “massive” report - compiled by two teams of 10 elite treasury officials apiece, it is to be published with much fanfare ahead of his June 2003 deadline.<sup>177</sup> If the political smoke signals are judged propitious the report is set to explain, in painstaking detail, how Brown’s “back of an envelope” five economic criteria for entering the eurozone have been fully met. Blair is to jointly supervise writing the vital sections - the introduction and conclusion. Meanwhile Sir Eddie George and his senior officials at the Bank of England have agreed to take a “vow of silence” during any referendum campaign.<sup>178</sup> Few doubt some time soon – perhaps in Labour’s third term - the government is intending to launch a carefully choreographed referendum campaign. Blair is, of course, determined to get the ‘yes’ he needs to “what is arguably Britain’s greatest constitutional question”.<sup>179</sup>

Every class, every establishment party in the United Kingdom, is divided to one degree or another over the euro. And what is of particular note here is the fact that the fault line does not run along the standard right-left axis. Instead an inner-looking nationalism couples the far right with the reformist left against the outer-looking British nationalism of the centre. Each camp is a kind of popular front - with in each case the working class confined to the subordinate pole.

The outer-looking nationalist camp, the Britain in Europe ‘yes’ campaign, is headed by a triumvirate - in the first place the prime minister, Tony Blair, of course, and, sitting on either side of him, Charles Kennedy and Kenneth Clarke. Ranged behind them and their party machines, or party factions, is a broad coalition of big business interests, pro-EU think tanks, liberal newspapers and trade union officials like the TUC’s John Monks. An eccentric, and completely marginal, left exists in the form of London mayor Ken Livingstone and *Red Pepper*’s John Palmer.

The Confederation of British Industry and big business concerns such as Glaxo, Unilever, Ford and Nissan are keen to see Britain joining the eurozone. Planning production across the EU is hindered by currency fluctuations. The pro-euro camp also promises that workers will be better off exploited by European capital. Dark warnings solemnly come forth claiming that job massacres - from Corus steel to Royal Mail - are due not to the innate workings of capital but to an “overvalued” currency (pundits suggest that the pound will have to be devalued to €1.20 before entry into the eurozone). When Britain embraces the euro everything will miraculously improve, runs the well-rehearsed mantra.

Despite some mutterings a short while ago about the unpopularity of the Tory Party damaging the ‘no’ campaign there can be little doubt that it is going to be dominated by Iain

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Duncan Smith. He was elected by the Tory rank and file on an explicit pledge to maintain the pound in perpetuity - not just for the lifetime of two parliaments, as his hapless predecessor, William Hague said. The Tory Party, it should hardly need pointing out, is the official opposition and commands something like 30% of overall electoral support. As leader of the anti-euro camp Duncan Smith has a very mixed bunch behind him. The Australian-born US citizen Rupert Murdoch and the Canadian Conrad Black have transatlantic, not European, interests and connections. *The Sun* and *The Daily Telegraph* will therefore let loose barrage after barrage of anti-euro propaganda on behalf of the 'no' camp. National-centred capitalist companies - such as Dixons and Weatherspoons - and those threatened by international competition - such as the ones represented by the Federation of Small Businesses and the Institute of Directors - are troubled by the costs and risks associated with the single currency. They prefer to keep the pound and high British prices. Unions such as the RMT, Aslef and Unison are alarmed by government spending cuts and loss of jobs and bargaining power that purportedly comes with the growth and stability pact. Besides these welcome allies Duncan Smith has some much less welcome camp followers. Eg, marooned 'official communists' and the Green Party; weights and measures resisters and the United Kingdom Independence Party; Arthur Scargill's Socialist Labour Party and British National Party fascists.

Strange bedfellows. Bob Crow, Derek Simpson, Mick Rix and other leftwing trade unionists find themselves passionately denouncing the sinister threat posed by the euro to Britain's sovereignty in an eerie echo of ennobled enemies such as Norman Lamont, Margaret Thatcher and Norman Tebbit. Bob Crow speaks patriotically of "this country being reduced to a rate-capped county council run from Brussels".<sup>180</sup> Unrepentant Nazis might perhaps soon discover kindred spirits in Stalinite rumps such as the *Morning Star's* Communist Party of Britain, the Revolutionary Communist Party (Marxist-Leninist) and the New Communist Party. As for the Green Party, it has already affiliated itself to David Owen's cranky anti-euro grouping.

During the referendum campaign the slogan from this *mélange* of transatlantic money, little British business, leftwing trade unionism, the disappointed and the plain dotty will, though, be quite straightforward: 'Keep the pound' and defend Britain. What draws them all together is the conviction that the nation-state is the subject of history. Alike post-imperial dreams of renewed glory and the national socialist utopia are seen for what they actually are in the context of the euro and a federal European Union - ridiculous.

In terms of rhetoric and immediate programme the old Labour left, the SLP Scargillites and the 'official' communists are virtually indistinguishable from Thatcher and the UK Independence Party. Together they want to save the pound sterling and restore British sovereignty. The CPB's Robert Griffiths writes against the enlargement of the EU because the "main political price" will be the "extinction of democratic national sovereignty", as more decisions are taken by majority voting.<sup>181</sup> Naturally with the likes of himself, Tony Benn and Arthur Scargill, it is all done in the name of socialism. Yet this only makes it all the more insidious and dangerous. The best these 'liberators' could achieve by way of anti-capitalism is a reformist version of Stalinism, Kim il Sungism or Pol Pottism: ie, a British autarky, and that imposed onto a capitalistically advanced country, fully integrated into the world economy. The result would be chaos, as established markets and trading links are

closed off and capital takes flight. Perhaps the representatives of domestic reaction would plot counterrevolution or request armed EU intervention to restore order. Either way the restoration of “national sovereignty” would not advance civilisation an inch but throw it back miles.

A supposedly more sophisticated ‘Marxist’ position has been taken up by the so-called Fourth International and its International Socialist Group section in Britain. But all that glitters is not gold. Unfortunately its demand for British withdrawal from the EU is an echo of the national socialism of the Labour left, SLP and CPB. Programmatically our ISG partners in the Socialist Alliance have had a long, and, it has to be admitted, often less than honourable record of what Marxists call *substitutionalism*. In the absence of a revolutionary mass working class movement, alternative - albeit, so it was said, flawed and blunted - agents of social progress have been invented, accepted on face value and promoted with various degrees of enthusiasm. Stalin and the 1928 counterrevolutionary first five-year plan, the national communism of Josip Broz Tito, Mao Zedong and his cultural revolution, feminism, black separatism, the guerrillarism of Fidel Castro, the Labour Party and Bennism, pan-Arabism, Mikhail Gorbachev and Boris Yeltsin, Scottish left nationalism and even the butcher Ayatollah Khomeini - one after the other they have been pictured in the vanguard of a world revolution which inexorably drove forward despite the absence of active working class leadership.

Using exactly the same method of substitution the comrades successfully won the Socialist Alliance to line up with the Tory right, little Britain left reformists and assorted neo-Nazis and join the ‘no’ camp in the euro referendum - as, it should be emphasised, an integral part of the ISG’s wider “socialist” agenda for a British withdrawal from the EU.

Writing in the ISG’s pamphlet *Even more unemployment: the case against Emu*, Alan Thornett admits he will be siding with the reformist left and the Tory right in voting ‘no’ in the euro referendum. Predictably comrade Thornett calls for a “progressive ‘no’ campaign”. He does not want to share a platform with Thatcher, the UK Independence Party or the BNP. However, when stripped of the pious internationalist declarations, the ISG has in actuality the same immediate *nationalist* programme as the reformist left (which logically leads it organisationally into the most revolting company). “We are for the dissolution of the EU or Britain’s withdrawal from it. It is a capitalist club designed to organise the restructuring and concentration of capital to the advantage of the bosses. But our aim is not a capitalist Britain outside the capitalist EU. We want a socialist Britain in a socialist Europe”.<sup>182</sup>

In the ISG’s distorted perspectives a capitalist Britain which has recovered its semi-mythical national sovereignty over fiscal, legal and political matters by severing its organic links with the countries of western and middle Europe - in no small part through the working class joining the ‘no’ camp - would be a major contribution to a future United Socialist States of Europe. Xenophobic and narrow-minded British nationalism is thereby painted red and made over in the imagination into a vehicle for progress.

Not surprisingly the history of the ISG and its various manifestations has been one of heady infatuation followed by bitter disappointment. And the Socialist Alliance would be well-advised, to put it mildly, to reconsider its approach at a future general meeting or special conference. Our tactics should, in contrast to the ISG-SWP’s left nationalism, be based on the programme and historical understanding provided by authentic Marxist internationalism.

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Before expanding upon our main line of discussion it is necessary once more to underline the fact that the fundamental reason behind the ISG's substitutionalist method is to be found in objective conditions themselves. Not ill will or malign intentions. In my experience the ISG comrades are essentially honest and often selfless revolutionaries.

For over 70 years we have endured what is in political terms an ice age. Independent working class politics have for an entire historical period been crushed underneath a reactionary ice sheet of global proportions. Thaws and warmer spells have proved tragically fleeting. The ideologically confident and steadily rising international movement of the working class which characterised the last quarter of the 19th century and the first quarter of the 20th century has been reduced in terms of activity, self-awareness and confidence, under the accumulated weight of defeat, to a slave class whose politics rarely even hint of going beyond the corralled, defensive limits of trade unionism.

The confinement of the world revolution to the impoverished territory of the former tsarist empire, fascist terrorism in the 1920s, 30s and 40s, the counterrevolution within the revolution in the USSR, the venal international role of social democracy and 'official communism' combined together to entrench a political freeze that cost the lives of countless millions. As a result, capitalism, after what Trotsky had understandably predicted would be a terminally fatal World War II, successfully put off communism - albeit by partially negating itself and adopting yet more transitional features and thereby greatly intensifying its own internal contradictions. Nevertheless, independent working class politics were thrown back, seemingly to the point of departure. Marxism - which as a practical theory is inseparable from the fortunes of the working class movement - was in many ways kept alive as an idea by confessional sects. However, these sects were unable to connect with - ie, change - the world in any meaningful sense, given their deadening internal regimes and the comatose state of the working class.

Under these extremely adverse, and at the same time highly complex, conditions, many sought solace and some self-confirmation in the real world by substituting other classes and strata, other movements, for the working class as the agent of social progress and human liberation. Hence what might have justified the existence of such sects - their defence of Marxism in a period where capitalism as an exploitative social metabolism is on the retreat but where the working class is not yet able to bring about communism - becomes altogether more problematic. What was perhaps part of the solution mutates into part of the problem, ie Marxist sects which preach a theory increasingly removed from and alien to Marxism.

The EU certainly represents a programmatic challenge of the first order. And one that must be met successfully. In this context comrade Thornett's February 2002 call for a "full" and presumably open-ended discussion on the subject is, of course, welcome.<sup>183</sup> Indeed this book is intended in part to take up that challenge. Proletarian socialism - the first stage or phase of communism - is international in content but begins on the terrain of the *given* national state formation. Comrade Thornett is therefore quite right when he says, "to weaken the struggle at the national level is to weaken it at the international level".<sup>184</sup> However, the historic task of the revolutionary working class is neither to stand guard over the existing national state nor to create smaller ones from them. Unfortunately comrade Thornett cannot bring himself to grasp that latter point. Nor can the SWP. After a long silence the SWP came out with a line virtually indistinguishable from the ISG's when it comes to the euro referendum:

“There are very good reasons for workers to be wholly against the European project”, declares Charlie Kimber in *Socialist Worker*’s first authoritative, and at the time of writing *only*, article on the euro and the EU.<sup>185</sup> Naturally, as with the ISG, the SWP’s anti-euro campaign will be leftwing - they will not be prepared to share platforms with “anyone against Europe”, only those who are not too rightwing.

In passing let us note that the SWP, in the form of its antecedent, the International Socialists, once possessed a rather more principled and far-sighted attitude towards European integration. In 1961, at the time of Britain’s initial application to join the Common Market, the first editorial of its journal to tackle the issue was actually favourable to the development. It was inevitable and could serve to intensify the class struggle. Furthermore a prediction was made: “Cartel Europe will have laid ... the basis for a United States of Socialist Europe”.<sup>186</sup> The majority line’s foremost polemical gladiator on Europe at the time was a certain John Palmer (later of *The Guardian*, the EU and *Red Pepper*).

Only in 1971 - ie, the year of Britain’s third and successful application - did the IS turn. Fronted by Chris Harman, the new line called for a ‘no’ vote against the Heath government’s European strategy. Workers would be worse off and European integration could have no progressive content because capitalism no longer has any progressive content. A blanket judgement which presumably includes technological developments such as computers and mobile phones and social gains such as equal pay legislation and the legalisation of homosexuality - what arid and one-sided doctrinaire nonsense.

Criticism duly came from Ian Burchall - yes, in those far off days public disagreement on important current issues was legitimate and not a violation of so-called ‘democratic centralism’. He rounded upon comrade Harman’s appeal not to stand aloof from working class opposition to European integration. “It is equally true”, argued Burchall, “that, for example, hostility to foreign workers in Britain derives from class consciousness - concerns to defend employment and conditions ... We have to *relate* to these forms of distorted class consciousness; we certainly do not *adapt* to them”.<sup>187</sup> Comrade Burchall appealed instead to the goal of a United Socialist States of Europe.

As a general principle Marxists seek, and tirelessly work for, the merger of all nations and all nationalities throughout the world. It is in this light that Marxists view, assess and champion the right of nations to self-determination. It is not a knee-jerk demand for the break-up of states, as nationalists and their ISG co-thinkers and SWP apologists suggest. Essentially it is a negative demand: a demand for a democratic solution raised against the concrete reality of inequality or oppression - national tensions and resentments, let it be noted, tend to create and maintain conditions which obstruct the voluntary union of peoples that we favour.

Hence, faced with the evolving reality of a EU superstate, the role of Marxists should not be to attempt to run the reel of history backwards by pulling Britain out. On the contrary our task must be to exploit the wide conditions created by the EU in order to organise the working class across the whole continent into a single, hegemonic force. True, as comrade Thornett states, the EU is a reactionary, anti-working class project. That is ABC. But to conclude from this elementary and uncontroversial observation that therefore the internationalist duty of the working class is to weaken the EU by ripping away various constituent parts is a profound mistake.

The shallowness of comrade Thornett’s kind of thinking stands exposed if we apply his

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method to Britain itself. It is surely a “capitalist club” designed to “organise the restructuring and concentration of capital to the advantage of the bosses”. Should we call for the “dissolution” of Britain, as do Welsh and Scottish nationalists, or even a working class “withdrawal from it”? Frankly the suggestion is as reactionary as it is stupid. That, of course, does not stop comrade Thornett from promoting the ‘break-up’ of Britain. (Nor does it stop the SWP from taking an agnostic attitude towards the historic unity of the British people - the SWP’s national secretary, Chris Bambery, irresponsibly writes that they are for the destruction of the British state by “any means”, and if the United Kingdom “imploded through nationalist tensions we would not shed one tear”).<sup>188</sup>

Interestingly before the October Revolution of 1917 Lenin and the Bolsheviks confronted similar manifestations of national socialism. The tsarist empire was a vast prison house of many nations. Nevertheless, while fighting for the right of these nations to self-determination up to and including secession, the overriding, central strategy was cementing the highest and most extensive workers’ unity throughout the tsarist empire - in order to *overthrow* the tsarist empire. Unwittingly comrade Thornett has placed himself completely at odds with the Bolshevik tradition. He has substituted nationalism.

The CPGB advocates consistent democracy under capitalism. Concretely that means fighting for the maximum democracy in the EU: eg, the programme outlined above - abolition of the council of ministers and the unelected commissioners, a congress of the peoples of Europe, an armed working class and substantive citizenship rights. Without such an approach talk of socialism in Britain or a socialist Europe is but empty sloganising.

A democratic EU won by a powerful, working class-led movement from below creates the best conditions for an uninterrupted transition to the United Socialist States of Europe advocated by Comintern in 1923. The realisation of that aim is well within the capabilities of a combative European working class. In Germany, Italy, Spain and France our forces have a proven willingness to fight. What is needed for success is working class unity, beginning with trade unions but quickly reaching the level of a single party and a single revolutionary strategy.

Towards that end, when it comes to the euro versus the pound sterling referendum, we refuse to take sides. Being for European unity does not commit us to support every measure that comes from the EU bureaucracy and the reactionary integrationists. Not at all. Our Socialist Alliance 2001 general election manifesto was undoubtedly correct when it said we should “neither advocate the euro nor defend the pound”.<sup>189</sup> And while not disrupting a Socialist Alliance campaign on the question, that formulation is one we shall stand by even in the face of opposition from our SWP and ISG allies.

In defence of the past, in particular in defence of the welfare state and the post-World War II social democratic gains, comrade Thornett presents a programme that would at best weaken the EU. It would, however, also weaken the European working class movement if its strongest detachments forced upon their capitalists a policy of withdrawal - a road that would lead not to a national socialist paradise, but the hell of increased national exploitation and perhaps eventually counterrevolution.

The purpose of communist politics is not to look fondly upon an anti-working class past, albeit one inextricably bound up with working class advances (the welfare state). Communism is overdue. Our programme emphasises the positive advantages of the workers being

organised into the largest, most centralised states. All the better to overthrow them and begin the advance to communism. The working class can only but suffer one cruel defeat after another if it confines itself to the politics of defence. Communists therefore raise the perspective of the politics of the offensive.

Blair's referendum on the euro will, of course, be timed to get exactly the right result *for him*. It will also come with a catch-22 proposition on the ballot paper. Blair and his closest advisors are carefully crafting the two options. Doubtless to vote 'yes' will be to vote against the interests of the working class. To vote 'no' will by the same measure be to vote against the interests of the working class. No third option can be countenanced, especially an option where we can put our mark in favour of a massive extension of democracy in Europe and a working class agenda.

Put another way, the Blair government is planning to use the forthcoming referendum in a totally manipulative manner. Not surprisingly, during their resistible rises Louis Bonaparte, Benito Mussolini, Adolf Hitler and Charles de Gaulle did exactly the same - all used this very device to grant themselves overarching powers by popular acclaim. Framing the proposition is everything. So the forthcoming referendum will not be for or against Blair and New Labour - as the SWP likes to imagine - but one currency or another. Referendums need not always be like that, of course. Often referendums are forced upon an unwilling government by the sheer concentrated weight of popular opinion. This can find constitutional expression. Citizens in Switzerland can, for example, table their own referendum questions simply by securing a certain level of popular support - 300,000 signatures. The same principle of plebiscitary democracy applies in California.

There is no such right for subjects in the United Kingdom, however. Her majesty's governments exercise a monopoly over referendums and they use them to get the result they want - eg, Wilson and the Common Market in 1975, Blair and the Scottish parliament and Welsh assembly in 1997, the Northern Ireland vote for the Good Friday deal in 1998.

It would, of course, be stupid to insist that the Socialist Alliance should renounce taking sides in a referendum framed from above as a matter of principle. It all depends on concrete circumstances. Take the referendum in Ireland over abortion on March 6 2002. The ultra-reactionary right, the catholic hierarchy and a desperate Fine Fail government combined to launch a referendum attack on the technical right to an abortion which had been won for rape victims after a fierce fight. Their target was the principle of abortion itself. To have opted for a boycott in the name of free abortion on demand would have been facile posturing and a big mistake. Our forces were weak, disorganised, on the defensive and expectations were desperately low. Equally to have quietly gone along with those who were intent on merely retaining the completely unacceptable status quo - liberals, Sinn Fein, Labour, etc - would have been sheer opportunism. Voting 'no' - against a full-scale frontal assault on the principle of abortion by the massed forces of bigotry - should have gone hand in hand with energetically campaigning for what is needed. The welcome, albeit narrow, defeat for the government of Bertie Ahern and the frustrated catholic theocrats, could then be used as a launch pad to achieve a women's right to choose whether or not have an abortion - free from any interference from either church or state.

So how do things stand in the Socialist Alliance movement (a term used to indicate the Socialist Alliance, Welsh Socialist Alliance and Scottish Socialist Party)? There can be no

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doubt that there exist profound differences. On the one side there are the active boycottists - the CPGB, Alliance for Workers' Liberty and Workers Power. This wing stands for independent working class politics. There is a 'yes' camp, including elements within the AWL, but it is too small to seriously count. That is not the case with the 'no' wing. With the much more weighty SWP now taking the lead, and the ISG content to follow, the 'no' camp constitutes a clear two to one majority. These comrades seek to inflict an embarrassment upon the Blair government - and, in the case of the ISG, to set the stage for an eventual British withdrawal from the EU brought about from below.

What kind of embarrassment? A while ago the model for a very leftwing 'no' campaign was Denmark. Thanks to a red-green-conservative grand coalition, the country rejected the euro in the June 2000 referendum - the 'no' gained 53.1% of the vote on an 87.8% turnout. However, on November 20 2001 Denmark voted into power a very unpleasant rightwing government. The new government depends on parliamentary backing from the anti-immigration, anti-euro Peoples Party (Folkeparti), which made comparatively massive gains. Consequently, for the first time since 1924, the social democrats find themselves no longer the largest political party. Furthermore, Denmark now has the most anti-migrant government in Europe and pursues strictly monetarist economic policies - high interest rates and cuts in government spending - in order to defend the vulnerable krone.

After the euro referendum the 'no' vote was celebrated as a triumph for the left. But, though there was a sea of red flags in Copenhagen's streets, ominously many of them were Denmark's, red with a white cross, national flag. Needless to say, the green and reformo-left in Denmark enthusiastically participated in the 'no' campaign. So did the far right. Who proved to be the main beneficiary? The reformo-left or the far right? Without doubt it was the latter, not the former. The far right Peoples Party campaigned vigorously against the euro and subsequently increased its parliamentary representation from 13 to 22. As to the Red Green Alliance, by its own admission, it "became in a certain sense, part of the government parliamentary majority" of the social democrats, and lost votes. Its parliamentary fraction fell from five to four MPs<sup>190</sup>. In other words it lost ground. No less to the point, the dominant issue during the general election was immigration. Something that naturally flowed from the 'no' referendum campaign on the euro - essentially an isolationist campaign. It was therefore hardly surprising that the right made substantial headway.

Alan Thornett and his school of thought indignantly explain away Denmark. The 2001 general election results cannot be blamed on the 2000 referendum results. The two are completely unconnected. Social democracy has failed. There is a general shift to the right throughout Europe. As if such a trend has nothing to do with political struggle and lacks a human agency. If it was the left which had won the 'no' victory in June 2000 that would have found reflection a year later. General elections do after all provide a snapshot of popular opinion. The fact of the matter is that the reformo-left in Denmark swam along with the nationalist tide and unintentionally aided the far right.

In that light it is interesting that the SWP has abandoned its old apologetic line of reasoning on Denmark. Speaking at the CPGB's 2002 Communist University, Rob Hoveman promised that a Socialist Alliance 'no' campaign against the euro would not make the same "mistake" as Denmark and blur the lines between the chauvinist right and the left. Internationalist and anti-capitalist rhetoric and speakers invited from the continental mainland will put in place

an impenetrable firewall.

So elementary facts have been faced. The 'no' referendum victory in 2000 did not swing Denmark to the left. But nor has the "centre collapsed". Like the world in general, the trend still registers to the right because of the continued political failures of the left. In other words we are not experiencing the "polarisation of classes" and the "1930s in slow motion", as inanely still insisted upon by the SWP's and its apparatchiks.<sup>191</sup> The period remains one of reaction - albeit a reaction under increasing attack from the working class, which is painfully, unevenly and fitfully renewing itself.

The notion that defeat for Blair in a euro referendum would push Britain radically to the left lacks any credibility. Iain Duncan Smith and the Tories would be seen as victors. They are by far the main players. A 'no' victory scored with the help of a couple of percentage points swung by the Socialist Alliance would be a body blow for Blair. New Labour would suffer a programmatic crisis. But it would be Duncan Smith and his colleges who would reap the harvest. The SWP's Alex Callinicos claimed at the Socialist Alliance conference on the euro that the Tories will be "unable to dominate the 'no' campaign".<sup>192</sup> What puffed-up self-delusion. A Britain that had soundly rejected the euro and humiliated New Labour in the process would on the contrary be ripe for a Tory general election victory ... and - who knows? - perhaps even a "fundamental renegotiation of Britain's terms of EU membership" and all the "entanglements of common foreign and security policy" and a reassertion of British sovereignty. Put another way, a withdrawal from the EU and perhaps an application for North American Free Trade Association membership, as proposed by Margaret Thatcher in her recent book.<sup>193</sup>

What about the active boycott tactic? Our clash with Alan McCombes, the SSP's main thinker, over the boycott tactic five years ago is rather instructive. Comrade McCombes contemptuously dismissed any thought of launching boycotts of referendums as "completely ludicrous". He argued that under capitalism "all referenda - and for that matter, all elections - are rigged to one degree or another". "If the CPGB's attitude" was followed through to its "logical conclusion" they would advocate boycotting all elections, he moaned. A boycott would relegate us to the "status of complete irrelevance" and play into the hands of the Labour leadership and the Tories.<sup>194</sup>

Certainly all elections under capitalism are, yes, to one degree or another 'rigged'. But, as argued above, that hardly leads to boycotting every referendum. Tactics can hardly be based on the undeniable fact that establishment politicians cheat and constantly strive to deceive people. Tactics must be decided upon only after assessing class relations in the round and analysing the development of extra-parliamentary and parliamentary struggles. For example, in a referendum, what is the question? Why is the government asking? How purposeful and combative is the working class? Are the reactionaries on the rampage or retreating? Does a widespread popular hunger exist for more than is on offer? All such factors must be taken into account.

As to boycotting all elections, practice speaks volumes here. The CPGB believes it "obligatory" under today's political conditions to stand in parliamentary and local elections "because we want to use every avenue to propagate the ideas of communism".<sup>195</sup> Elections can be turned from a means to lull the masses and gain their submission into a weapon of the class struggle - and one of the sharpest at that. So minded, within the Socialist Alliance

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it was the communists who took the lead in boldly arguing for the biggest possible challenge in the June 2001 general election. Our most vociferous opponent was comrade Thornett's ISG.Fact.

In the midst of a huge revolutionary storm communists are the *first* to adopt the line of direct struggle. We might well decide to boycott Westminster or other such Edinburgh or Cardiff elections, if the towns and cities of Britain were thronged with millions of protesters, if offices and factories were under occupation and the ruling class wanted to kill this off, in the first place by announcing elections in a month's time, when organising a popular insurrection is the order of the day. The same would certainly go for a referendum with a heavily loaded question - 'Do you favour the restoration of peace, stability and good governance?' or 'Do you favour national collapse, anarchy and mob rule'? If the working class were forming councils of action and establishing defence corps, countenancing participation in such a counterrevolutionary stunt would be to betray the cause of socialism.

Under such welcome circumstances we would surely demand an end to all the many shortcomings and violations of democracy that exist under the existing UK constitution. Absence of PR, the corrupting role of big money, the unelected second chamber, the royal prerogative in choosing the prime minister, etc. Perhaps we would demand that power be transferred from an unrepresentative House of Commons and House of Lords to the new organs of power that were rising from below. Naturally though, any decision to call a boycott is a purely tactical one concerning timing, not principle.

The SWP, the CPB and the ISG have all taken up the cudgels against the boycott tactic using entirely dishonest arguments. Charlie Kimber of the SWP equates the active boycott with "abstaining on the euro issue".<sup>196</sup> According to the CPB's comrade Griffiths, there is "no room for 'revolutionary' postures like calling for an abstention".<sup>197</sup> Comrade Thornett, equally fraudulently, also equates an active boycott with an "abstention". By definition such a passive stance would "leave the left wringing our hands on the sidelines, with nothing to say, while the Tories held forth".<sup>198</sup> Not to be outdone, Joe Eyre and Gordon Morgan do the same, this time on behalf of the SSP 'no' majority. They dismiss an active boycott supposedly because it "would be seen as negative and evading our responsibilities to give direction". The comrades say we "would have no influence over events" and would "receive no coverage". How do you "distinguish" an active boycott from a "passive stay at home"? they deviously ask.<sup>199</sup>

Politically an active boycott is not the same as an abstention. Without a shadow of doubt. As the reader will recall, the word 'boycott' has its origins in late 19th century Ireland. The Land League, established in October 1879, was committed to defend Irish peasants evicted "for refusing to pay unjust rents" to the British landlords. Its methods were active. Led by Michael Davitt and Charles Stewart Parnell, it aimed to achieve peasant ownership of the land they worked. The Land League declared that anyone who took over the holding of an evicted tenant would be treated "as if he was a leper of old".

Their most notable and most successful target was a certain captain Boycott, a land agent of Lord Erne. Boycott refused his peasants' offer of a "fair" rent and eviction notices were duly issued. Mass resistance prevented them from being served and the local branch of the Land League proclaimed him under a ban. All servants and farm labourers quit him. Shopkeepers refused to deal with him. The blacksmith would not accept his orders. Letters

and telegrams had to be delivered by the police. The ostracism meted out to captain Boycott rattled official Britain but delighted proletarian Britain. The idea of this gentleman and his family having to do their own cooking and washing and carrying their own coal “tickled” every proletarian.<sup>200</sup> To save his crop Boycott organised a body of 50 strike-breaking Orangemen. They got his crop in but meanwhile his poultry, pigs and kitchen garden were mysteriously destroyed. Within a couple of days Boycott resigned from Lord Erne’s service.

Since that day ‘boycott’ has been generalised to mean any refusal to handle goods, or refusal to enter into social relations. It implies not passivity but, according to the Oxford dictionary, an attempt to “punish or coerce”. The word ‘abstention’, on the other hand, does imply passivity and those in the Socialist Alliance who foolishly call for an ‘active abstention’ have not only coined a malapropism, like hot snow, but score an own goal. They hand a gift to the SWP-CPB-ISG ‘no’ camp. And these comrades exploit it to the utmost. Significantly in their propaganda they barely mention the ‘active boycott’. Instead they round on the call for an abstention which is, yes, linked with refraining from alcohol or staying at home and declining to use one’s vote.

The boycott tactic is a well established weapon in the armoury of socialism. The dockers’ boycott of the *Jolly George* in 1920 comes to mind, as does the railworkers’ refusal to handle coal in the miners’ 1984-85 Great Strike. What about elections? As recently as February-May 2002 revolutionaries over the other side of the English Channel were calling for a boycott - a position echoed in Britain by the SWP’s Chris Harman.<sup>201</sup> The second round of the French presidential elections had to be answered with a spoilt vote and the most militant methods of struggle objective circumstances allowed. The choice of Jacques Chirac or Jean-Marie Le Pen was a non-choice imposed upon an unwilling French population by the undemocratic Fifth Republic.

For all its severe economic limitations, this was the position of Lutte Ouvrière. Arlette Laguiller - LO’s eternal presidential candidate - nonchalantly talked of “going fishing” on the day of the second round. Nevertheless at least the comrades took something approaching a principled position. Even on the central committee of the Ligue Communiste Révolutionnaire - the fraternal organisation of the ISG - the boycott position commanded 34 votes, as compared to 38 for the majority line of “voting against Le Pen”: ie, voting for Chirac. Speaking from the platform at a CPGB meeting in ULU on February 26 2002, a certain Alan Thornett expressed his somewhat muddled support for a boycott too. He only fell into line and changed his mind a short while later. The Jeunesses Communistes Révolutionnaires, the LCR’s youth section, however, bravely defied threats of disciplinary action and carried banners on demonstrations reading ‘Unity against Le Pen and Chirac’. Moreover the comrades distributed an appeal urging, “Neither super-liar nor super-fash. Down with the 5th Republic. For a democratic alternative”. They called for the “annulment of the second round”.<sup>202</sup> Spot on.

What form did their boycott take? Historical explanation in their papers. Text messages to friends and contacts. Leaflets, posters, resolutions. Agitation in workplaces, schools, colleges and on TV. Countless mass demonstrations. At least a million took to the streets of Paris on May Day. As it turned out, there were over 1.7 million spoilt votes. With an authoritative lead provided by a united revolutionary workers’ party, who knows how far things would have gone. But the idea that the left in France would, through a boycott,

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automatically “relegate” itself to an “irrelevance”, and “be seen as negative” and therefore would “receive no coverage” is confounded by the facts. An active boycott does not equate with passivity or abstaining from an issue. Quite the opposite.

We certainly know where going with the flow and voting for Chirac led. Because he got 80% of the vote he was supposed to be a prisoner of the left. The greater the percentage of votes going to Chirac, the less his room for manoeuvre. Or so went the opportunist line of argument. Meanwhile the *Morning Star* reports that Chirac’s government is pressing ahead with the £25 billion privatisation of the electricity and gas networks “as quickly as possible”.<sup>203</sup> He is no prisoner. And now in the agonising depths of complete confusion comrade Thornett flailingly equates voting for Chirac with voting Labour. For him, there is no difference. The decisive question of class entirely escapes him. Chirac is a bourgeois politician. Labour is a bourgeois *workers’* party. As a Marxist, comrade Thornett has not so much surrendered as wiped himself out.

Communists cannot but recall that the Bolsheviks firmly distinguished between a “passive abstention” and an “active boycott” - which implies, as Lenin explained, “increasing agitation tenfold”.<sup>204</sup> The Bolsheviks were not boycottists in principle. Far from it. However, they did organise a spectacularly successful boycott of elections to the tsar’s дума in 1905. The Bulygin дума was buried before it was born. Incidentally Trotsky - though he was still a non-Bolshevik - supported that constitution-shattering boycott. He savaged those who preferred to combat the autocracy through the ballot box. Liberation is not achieved by putting a cross on a piece of paper but by taking to the streets and “through struggle”, he thundered.<sup>205</sup>

In exactly that same militant spirit the CPGB says we should stand against the twin reactionary ‘yes’ and ‘no’ camps - not passively, by impotently confining ourselves to the sidelines - but actively. Remember we are not talking about boycotting parliamentary, regional or local elections. Blair’s referendum is a con. Communists are not interested in solving the government’s dilemma over the euro and EU integration. Nor are we interested in siding with the Tories and giving them an unintended boost. Communists are interested in carving out a space for socialist politics, increasing the profile of the Socialist Alliance and the SSP and practically spreading the idea of working class unity throughout the European Union and its candidate countries.

That cannot be advanced either through a ‘yes’ or a ‘no’ campaign. There is no need to choose between two evils. Oppose the ‘yes’ alliance of pro-big business politicians, EU bureaucrats and bankers on the one hand. And on the other hand oppose the little Britain nationalists - left and right (and, even more risible, little Scotland and little Wales nationalists - left and right). Deliver a double blow.

The energy that is put into an active boycott campaign would obviously be a material factor. Agitation must be increased “tenfold” so as to stage the most militant campaign against the non-choice objective circumstances allow - from simple agitational posters to symbolic occupations of key sites in the City of London, from local public debates to appearances on nationwide TV, from motions in trade union branches to political strikes, from door-to-door leafleting to mass demonstrations against the Europe of capital and for a social Europe. Success should certainly not be judged by upsetting the government and inadvertently giving a fillip to Duncan Smith’s Tories. Rather our criteria of success would

be the organisation we build on the ground, the extent our message is heard and layers of the working class engaged.

Communists positively favour a united Europe - even if that unity comes about under the conditions of capitalism. As long as it is arrived at democratically it is a process that should be welcomed - and, through developing our own independent working class programme, critically engaged with. Yet being for European unity does not commit us to support every measure that comes from the EU bureaucracy and the reactionary integrationists. Far from it.

Our approach is to stress working class independence and the fight for the future. We can once more draw another useful lesson from the writings of Marx and Engels, this time on the contest between free trade and protectionism in their day. In June 1847 Engels wrote in the *Deutsche-Brüsseler-Zeitung* that, whichever system “held sway”, the “worker will receive no bigger wage for his labour than will suffice for his scantiest maintenance” .... nevertheless, in spite of the subjective intentions of the bourgeoisie, free trade tended to clear the way for the “last decisive battle” between the “propertied and the propertyless, between the bourgeoisie and the proletariat”.<sup>206</sup>

Marx reasoned along exactly the same lines in the second half of September 1847 and for flavour added a touch of irony: “If they [the protectionists] speak consciously about the working class, then they summarise their philanthropy in the following words: it is better to be exploited by one’s fellow-countrymen than by foreigners.

“I do not think the working class will for ever be satisfied with this solution, which, it must be confessed, is indeed very patriotic, but nonetheless a little too ascetic and spiritual for people whose only occupation consists in the production of riches, of material wealth.

“But the protectionists will say: ‘So when all is said and done we at least preserve the present state of society. Good or bad, we guarantee the labourer work of his hands, and prevent his being thrown on to the street by foreign competition.’ I shall not dispute this statement; I accept it. The preservation, the conservation of the present state of affairs is accordingly the best result the protectionists can achieve in the most favourable circumstances. Good, but the problem for the working class is not to preserve the present state of affairs, but to transform it into its opposite.

“The protectionists have one last refuge. They say that their system makes no claim to be a means of social reform, but that it is nonetheless necessary to begin with social reforms in one’s own country, before one embarks on economic reforms internationally. After the protective system has first been reactionary, then conservative, it finally becomes conservative-progressive. It will suffice to point out the contradiction lurking in this theory, which at first sight appears to have something seductive, practical and rational to it. A strange contradiction! The system of protective tariffs places in the hands of capital of one country the weapons which enable it to defy the capital of other countries; it increases the strength of this capital in opposition to foreign capital and at the same time it deludes itself that the very same means will make that same capital small and weak in opposition to the working class. In the last analysis that would mean appealing to the philanthropy of capital, as though capital as such could be a philanthropist. In general, social reforms can never be brought about by the weakness of the strong; they must be brought about by the strength of the weak”.<sup>207</sup>

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A short while later Marx received a request to address the free trade congress at Brussels. After paraphrasing the above argument in his, non-delivered, speech, he made the following telling point - as reported by *The Northern Star's* German correspondent (Engels) - "We are for free trade, because by free trade all economical laws, with their most astounding contradictions, will act upon a larger scale, upon a greater extent of territory, upon the territory of the whole earth; and because from the uniting of all these contradictions into a single group, where they stand face to face, will result the struggle which will itself eventuate the emancipation of the proletariats".<sup>208</sup>

That message was propounded before the Brussels Democratic Association at a public meeting in January 1848. After attacking the hypocrisy of the free traders in Britain - Bowring, Bright and co - Marx concluded with these words: "Do not imagine, gentlemen, that in criticising freedom of commerce we have the least intention of defending protection. One may be opposed to constitutionalism without being in favour of absolutism.

"Moreover, the protective system is nothing but a means of establishing manufacture upon a large scale in any given country: that is to say, of making it dependent upon the market of the world; and from the moment its dependence upon the market of the world is established, there is more or less dependence upon free trade too. Besides this, the protective system helps to develop free competition within a nation. Hence we see that in countries where the bourgeoisie is beginning to make itself felt as a class - in Germany, for example - it makes great efforts to obtain protective duties. They serve the bourgeoisie as weapons against feudalism and absolute monarchy, as a means for the concentration of its powers for the realisation of free trade within the country.

"But, generally speaking, the protective system in these days is conservative, while the free trade system works destructively. It breaks up old nationalities and carries the antagonism of the proletariat and the bourgeoisie to the uttermost point. In a word, the free trade system hastens the social revolution. In this revolutionary sense alone, gentlemen, I am in favour of free trade".<sup>209</sup>

Likewise we can conclude that European integration and the euro objectively unite the working class on a larger scale and across a huge territory and thus prepare the "struggle which will itself eventuate the emancipation of the proletariats". In this revolutionary sense alone, we in the CPGB are in favour of the EU.

## 12. Scottish separatism

That the Scottish Socialist Party decided to adopt a ‘no’ position at its special conference - Glasgow Caledonian University, June 22 2002 - hardly came as a surprise. With the forces advocating an active boycott organisationally fragmented and ideologically confused, the odds on any other outcome must have been 100-1.

Factional discipline ensured that the conference vote was a mere formality. Nor was there a scramble for delegates. The big three - International Socialist Movement, Socialist Worker platform and Committee for a Workers International - fixed their positions well in advance. And, of course, bureaucratic centralism operated - no public dissent was permitted. As a result many delegates treated the whole conference - on what is probably the biggest constitutional issue confronting the United Kingdom - akin to a chore, rather than an opportunity to chart the outlines of a working class offensive against a divided enemy.

So how should revolutionary socialists and communists in the UK respond to the forthcoming referendum? One would like to think the answer to this question is obvious - unitedly. Sad to say, for the moment, that is not to be. Fragmentation, sectarianism, petty nationalism and opportunist conciliation with nationalism still exert considerably more influence than the elementary principles of international socialism. Comrades living in England, Scotland, Wales and Northern Ireland are expected to arrive at their own conclusions in an impoverishing isolation. It is as if there were to be four separate referendums on the euro in four separate countries rather than just one referendum in one country.

Where Blair intends to launch a well orchestrated campaign under a single leadership, the forces of socialism hamper themselves with self-inflicted disunity and all the duplication of effort and the waste of resources that this involves. Such are the fruits of nationalism. Our case - outlined in the book *For a Socialist Alliance party* - that all revolutionary socialists and communists should unite on the basis of ‘one state, one party’, has never been clearer or stronger.

Nevertheless there can be no denying that the SSP is deeply divided. *Scottish Socialist Voice* provided space for alternative positions - ‘yes’, ‘no’ and active boycott.<sup>210</sup> Within the SSP the ‘no’ and active boycott alternative positions were put by comrades Joe Eyre and Nick Rogers. Alan McCombes - *Scottish Socialist Voice* editor - also invited two non-members to contribute. John Foster of the *Morning Star*’s Communist Party of Britain wrote under the cover of the Scottish Democracy Against the Euro campaign. The ‘yes’ case was put by former Labour MEP Henry McCubbin.

Comrade Eyre’s argument begins with the standard left nationalist case against the European Union. The EU is “driven by the needs of big business” and the necessity of competing with the United States. The single market - the “free movement of goods, capital, people and services” - has allowed big business to “set up in areas with low wages or low taxation to maximise profits”. The euro can only make “a bad situation worse”. Better the

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devil you know, for him.

The convergence criteria imposed on all member states to facilitate the adoption of the euro “have been disastrous for the working class and society generally”. Nationalised industries - eg, telecoms, steel and railways - have been privatised and workforces decimated. Welfare benefits reduced and taxes on the rich cut. Furthermore, the euro, says comrade Eyre, allows unelected officials from the European Central Bank to dictate not just interest rates, but levels of public borrowing and spending to every member state.

Yes, there appears to be an iron law at work here. At least in the comrade’s parched mind. The vital role of the class struggle in determining wages, conditions and welfare spending is more or less ignored. Elemental force against elemental force. Class against class. Likewise ignored is the practical success workers in Germany, Italy and France have had in upping real wages, cutting hours, and defending or extending social provisions and democratic rights. Working class unity in the EU political-economic space would surely produce much more far-reaching results. Eyre’s main concern though is the narrowest possible conception of the nation on offer.

If “big national economies” - the comrade cites Germany and France - are booming to the extent that there is a danger of inflation, the central bankers will “hike up interest rates to depress demand”. This is bad news for smaller economies “like Portugal, Greece or Scotland” - they “could be thrown into recession by higher interest rates”. Clearly the comrade half-believes that Scotland is no longer an integral part of the “big national economy” of Britain, and is instead a weak independent capitalist state that must be defended against predatory rivals.

Not surprisingly comrade Eyre feels compelled to dress his kailyard nationalism in the garb of international socialism. Despite opposing the euro and the EU in the name of defending the status quo, and hankering for a British (Scottish) withdrawal, the comrade claims to favour a global challenge to the system of capital and even a “socialist united states of Europe”.<sup>211</sup> There is, of course, no programmatic link joining the Scottish ‘no’ campaign with the supposed dawn of a socialist Europe. No relationship between premise and conclusion. Quite the reverse.

John Foster stands for an unashamed British socialism and sees nothing wrong in defending the pound and sharing platforms with Tories, SNP fundamentalists and extreme rightwing nationalists. National sovereignty is the totem. His Scottish Democracy Against the Euro is therefore committed to “winning the broadest possible campaign” against the threat of a single currency and a federal Europe (ominously the SSP’s August 2002 national council meeting voted overwhelmingly to affiliate.)<sup>212</sup>

In essence this approach is shared by the left reformists in the British trade union bureaucracy. And that necessarily means that comrade Eyre’s putative labour movement ‘no’ campaign - if it is to be based on trade unions - can only but be dragged to the right and politics that are completely antithetical to the interests of the *international* working class. That is what happened to the ‘no’ campaign run by the left in 1975. Tony Benn ended up campaigning alongside Enoch Powell.

Nick Rogers wrote on behalf of a rather disparate range of forces. Besides supporters of the CPGB and the Workers’ Unity platform, those arguing for an active boycott campaign include the left nationalist Republican Communist Network led by Allan Armstrong.

Nevertheless comrade Rogers made no concession. His *Scottish Socialist Voice* article is informed by the spirit of international socialism.<sup>213</sup>

Comrade Rogers wants the SSP “to build links with socialists across Europe and to make the case for a socialist Europe”. And to do that the twin “pitfalls of shadowing either of the mainstream campaigns” must be avoided. Even if it were successful, a ‘no’ campaign would scupper neither the euro nor the “bosses’ Europe”. As to the convergence criteria and the neoliberal European agenda, the comrade reminds his readers that, “Thatcher and Tony Blair between them have transformed Britain into a beacon for free marketeers and advocates of anti-trade union laws the world over.” The status quo is therefore dire and not to be looked upon fondly.

The idea that the tide of neoliberalism can be reversed in one country is illusory. Instead he calls for the forging of a pan-European socialist movement that can take the “first steps” towards a socialist Europe and a socialist world”. The SSP’s campaign should “criticise” the many aspects of EU policy that are anti-working class and expose the “undemocratic nature of many of the EU’s institutions”. “We should,” says the comrade, “develop policies with other European socialists that seek a more democratic and accountable Europe and make demands for European-wide measures that advance the interests of the working class”.<sup>214</sup>

What of the SSP’s ‘yes’ camp? It is undoubtedly the smallest factional grouping; though to begin with, it did contain Hugh Kerr - former MEP and now Tommy Sheridan’s press officer. Encouragingly he joined the active boycott camp during the course of the SSP’s June 2002 special conference. Because of the extreme weakness of the SSP’s ‘yes’ camp, Alan McCombes turned to comrade Kerr’s one-time Brussels colleague, Henry McCubbin - still in the Labour Party - to argue for a ‘yes’ vote “on balance”.

Comrade McCubbin refuses to believe that “we face economic Armageddon” by either staying out of the euro or going in. “Too often,” he complains, “fanatics from one camp or the other drive the debate surrounding the euro, to the detriment of rational argument.” Comrade McCubbin rightly favours larger economic and political spaces in general. Ergo it is better for socialists to opt for the euro as against the “small” currency run by Sir Eddie George. However, there must be a fight to put the euro under “democratic control”. Then we can “stand up to the multinationals and the tax dodgers” and “challenge the Washington consensus” with its recipe of tax cuts, cuts in public expenditure, privatisation and deregulation, all of which New Labour subscribes to. In other words comrade McCubbin articulates Euro-reformist politics.

The decision by the Scottish Socialist Party to adopt a ‘no’ position is perfectly logical. Not surprisingly the SSP complemented its rotten stance on the euro by demanding a Scottish withdrawal from the EU. After all, the SSP is a left nationalist formation bent on breaking away from the existing UK state and achieving Scottish independence - that will be quickly crowned with the achievement of a trail-blazing Scottish socialism, of course, all done under the auspices of a sovereign Holyrood parliament.

SSP leaders are fond of portraying Scotland as somehow occupying a privileged position when it comes to the global struggle for socialism. They envision little Scotland messianically cutting an “earth-shattering” reformist path to socialism – marvelling, the workers, youth and oppressed of other countries thereby gain courage and seek to emulate the glorious

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Scottish example.

Basically, in their schema, Scottish nationalism is proletarian. British nationalism bourgeois. Big business, the rich and powerful are “bitterly hostile towards the idea of independence”, write Tommy Sheridan and Alan McCombes. The “cringing” British unionism of Scotland’s bankers, landowners and wealthy businessmen “conforms to a historical pattern” stretching back over 1,000 years.<sup>215</sup> By contrast the call for an independent class state in Scotland is linked to the democratic desire amongst ordinary people for control over their lives.

Comrades Sheridan and McCombes are at pains to emphasise that they bear no illwill towards English people as such. Yet they promote the utterly spurious notion that because of the size of England’s population - seven times the rest of the UK taken together - Scotland’s national identity has been “warped and distorted” because of a “permanent sense of resentment” against its “domineering neighbour”.<sup>216</sup> The break-up of the UK would presumably put everything to right - like the break-up of Yugoslavia and the USSR. Naturally their independent socialist Scotland would not be an “isolationist Scotland”. It would not involve “rebuilding” Hadrian’s Wall or quarantining “ourselves from the rest of the world”.<sup>217</sup>

Rebuilding Hadrian’s Wall would, of course, mean extending Scottish territory southwards and the annexation of Northumberland: ie, tracts of land which today lie in England. Townsfolk in places such as Berwick on Tweed, Morpeth and Blyth will presumably welcome with cheers and garlands the incoming Scottish regiments. Are they to be claimed as unconscious brother Scots? The British army in the meantime sits on its butt and twiddles its fingers. Seriously though, whether or not comrades Sheridan and McCombes achieve a little or greater Scotland is beside the point. Scotland might want to have intercourse with the world, but will the world want to have intercourse with Scotland? Castro’s Cuba did not impose a trade embargo on the world. But the US did impose a trade embargo on Cuba. Why would Scotland be any different?

The ‘tartan revolution’ would not, we are assured, suffer the horrible starvation and wars of intervention witnessed in Russia or Cuba’s isolation and grinding poverty. Scotland will not be “brought to its knees” by an American economic blockade. A socialist Scotland will be able to “stand up” to the forces of global capitalism and become an international “symbol of resistance” to economic and social injustice.<sup>218</sup> Fighting talk. But is it mere braggadocio?

Scotland can succeed, apparently, where others before it have failed, because it is “fabulously wealthy”. Scotland already has the “material foundations” for a “thriving” socialist democracy. Besides “long coastlines” and a “clean environment”, Scotland has a “flourishing” culture and “legions” of internationally acclaimed musicians, writers, actors and film directors. On top of these blessings Scotland has “land, water, fish, timber, oil, gas and electricity in abundance”. Better still, Scotland has a “moderate climate”.<sup>219</sup> While a “fully-fledged socialist society” might not be possible in Scotland, nonetheless a “socialist government” could move in that direction by taking control over the wealth of the country and using it for the common good - oil, gas, electricity, railways, etc.<sup>220</sup>

Frankly this is threadbare and deeply worrying stuff. Stalin, as we have seen, used to rebuff Trotsky with reference to Russia’s continental proportions and immense wealth in natural resources. Land, oil, forests, gold, a population that stood at around 150 million ... and a very, very long coastline. He did not mention a “moderate climate”, true. Despite that absence Stalin boasted in his version of *Imagine* - the second edition of *Foundations of*

*Leninism* - that Russia had all it needed *internally*. Not to achieve the “final and complete victory of socialism” - that needed the efforts of other countries - but to “build up a socialist society”.<sup>221</sup>

As an aside it is worth noting that, looking back over the span of past decades to the 1920s and 30s, the SWP fulsomely praises Trotsky for his unyielding tirades against Stalin's national socialism. Yet today it maintains a studied diplomatic silence when it comes to the SSP's programme of socialism in one country. Apart from an article written by Neil Davidson and Donny Gluckstein - which was *commissioned* for the ISM's *Frontline* No3 - there have, as far as I know, been no open SWP polemics against the SSP's left nationalism. Not in *Socialist Worker* nor from the Socialist Worker platform. Such a position is opportunist. Worse, national socialism is effectively condoned. Shameful.

Stalin might have been either cynical or naive in 1924. But by 1928-9 he had launched an anti-working class, anti-peasant counterrevolution within the revolution. Its name - the first five-year plan. Socialism in one country proved to be anti-socialism in one country.

An independent Scotland with a mere five million people can hardly be expected to play any kind of an independent role in world politics. If a radical or revolutionary Scotland embarked on a separatist course which really challenges the power of capital and the leading imperialist powers - not least Britain, the EU and the US - what is to stop them imposing sanctions or organising armies of intervention? Remember Congo, Panama, Chile. Even the USSR, a superpower, eventually fell.

Would Whitehall meekly hand over North Sea oil and gas to a dangerous Sheridan-McCombes government in Holyrood? There surely would be endless and bitter disputes. Retaliation and tit-for-tat counter-retaliation. What about other industries which they might care to nationalise? Would there not be a flight of capital? Banking capital can be moved anywhere at the speed of light. Would there not be deliberate sabotage? Would not thousands of jobs in Scotland be wiped out virtually overnight? Maybe skilled and professional labour would flood south. How to keep them? The German Democratic Republic erected watch towers and a wall, Albania hermetically sealed itself off, Cuba relies on a shark-infested ocean.

What about the military threat? Maybe officer corps in the Scottish regiments - who are sworn to loyalty to the crown - would rebel. Maybe Britain would invade. Maybe the US would threaten to bomb terrorist hideouts. Would not a Sheridan-McCombes Scotland find itself compelled to plough precious resources into greatly expanding their armed forces and military capacity? That requires surplus labour. To survive, this Scottish socialism would have no choice but to discipline and *exploit* the working class. The SSP socialist liberators thereby find themselves turning into their opposites. All the good intentions vanish into the mists of disappointment.

Quite understandably the SSP provokes mixed reactions. The SSP has united within its ranks almost everything that is serious on the left in Scotland - including in May 2001 the Socialist Workers Party. The CWI - in Scotland led by Phil Stott - cannot afford to walk away from the SSP, as Peter Taaffe did with the Socialist Alliance at the December 2001 conference. More than that though. From the solid foundations of uniting the left the SSP has confidently forged ahead and won a real hearing from sections of the working class. Tommy Sheridan is widely respected and admired. Opinion polls show the SSP standing around eight percent,

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which would “translate into as many as seven MSPs in next May’s Scottish parliamentary elections”.<sup>222</sup>

The SWP’s John Rees claims that the Socialist Alliance in England and Wales is just behind in terms of popular standing and political impact. We breathe down the SSP’s neck, he says. Further progress is inevitable. If only. The SWP as the majority faction in the Socialist Alliance still has a narrow and unambitious fixation. Building the SWP as a confessional sect. Meanwhile the SWP ensures that the Socialist Alliance politically drifts on as old Labour in exile - though the overwhelming majority of comrades are revolutionaries and Marxists - and remains without a paper or any proper channels of ongoing debate and dialogue with the working class. It is no surprise that innocent eyes from England, Wales or Northern Ireland alight upon Scotland with envy. And yet there is the SSP’s putrid left nationalism.

How to explain the paradox? The working class in Britain and the world over has suffered huge defeats over the last two decades. It is therefore hardly surprising that separatist tendencies and ideas come to the fore - not least as manifested in the SSP and its nationalist programme. Despite strikes by firefighters, teachers, rail and local government workers and a string of left victories in trade union elections, the class struggle is not sweeping the country and galvanising the minds of the millions. Statistics show strikes at the lowest level since records began. Class consciousness barely exists. But discontent and resentment bubbles below the surface. Under these extremely contradictory circumstances petty nationalism, separatism and the politics of identity can find a ready audience and exert a powerful influence. Hope in a hopeless world.

The SSP combines reformism with nationalism. Where the Socialist Alliance as presently constituted is in danger of being left high and dry with the birth of the New Labour left, the SSP has discovered a definite gap in Scottish politics. Between the Labour Party’s monarchical unionism and the SNP’s monarchical nationalism. By positioning itself in this space, the SSP leaders have, of course, put themselves completely outside the international revolutionary tradition. A tradition represented by Marx, Engels, Lenin, Luxemburg and Trotsky. Unflattering though it is, comrades Tommy Sheridan, Alan McCombes, Frances Curren, Catriona Grant, Murray Smith, Colin Fox, Keef Tomkinson and co surely stand in the same ‘socialist’ camp as Joseph Pilsudski and his Polish Socialist Party (Polska Partia Socjalistyczna).

Who was Joseph Pilsudski? A century ago he was the leading figure in the PSP. Pilsudski edited and published its illegal paper *Robotnik* and initiated the PSP’s armed fighting units. Formed in 1892, the PSP adopted his socialist-nationalist programme for the reconstitution of an independent Poland out of the German, Austro-Hungarian and Russian empires (which had, between them all, but finally partitioned Poland out of existence at the 1815 Congress of Vienna).

This was, it is true, in line with the strategic outlook expounded by Marx and Engels throughout their lives. Tsarist Russia, which took something like 60% of Polish territory, formed the bulwark of reaction. Every democratic movement, revolutionary uprising or democratic settlement in Europe faced the danger of Russian intervention. That is why Marx and Engels advocated a war of liberation against Russia. Settling scores with tsarist Russia was a “primary prerequisite” for the European revolution.

The Polish revolutions of the 18th and 19th century were directed squarely against Russia. On every occasion the lead was taken by the Polish nobility, the *szlachta*. In the 16th century this class managed to transform Poland into an aristocratic republic in which the president called himself king. Naturally the serfs were ground down and exploited more or less ruthlessly. As to the 300,000 nobles - many of whom lived in genteel poverty - they acknowledged no relations of feudal dependence. No Polish noble bowed the knee as anyone's vassal.

In contrast the Russian nobility under the tsars were state slaves. At a whim the tsar could put them to death and confiscate their estates and property. The Polish nobility were determined to avoid that fate. By 1655 the Polish state had all but ceased to exist. No army - the nobility would not countenance one. No diplomatic service - the nobility would not pay for it. No laws - no one could enforce them. Old Poland stagnated.

However, Sweden, Prussia, Russia and Austria fixed upon Poland's aristocratic anarchy as their opportunity. The central and western provinces fell into the hands of Sweden, the Muscovites occupied the east and the Cossacks ravaged Polish Ukraine and overran Galicia. Disaster was only put off by a 180-degree about-turn to centralism and the return from exile of the king. But it did not last. Aristocratic liberty soon reasserted itself.

Understandably this liberty was perceived as a dreadful threat by the Prussian, Austrian and above all Russian autocracy. By preventing the establishment of a Polish absolutism the nobility set themselves up as victims, especially of the rising tsarism which emerged from the nuclear winter wrought by the Mongol conquests of the mid-13th century.

Throughout the 17th century the Russian state systematically strove to gain military superiority over the disorganised aristocratic anarchy of Poland. In the 18th there began a series of partitions - 1772, 1793, 1795 - and popular rebellions and revolutions led by the *szlachta*. Napoleon's flight from Moscow finished Polish statehood for a hundred years. The Congress of Vienna to all intents and purposes abolished Poland. All that remained was the short-lived Free State of Krakow.

But Poland lived on as language, as catholicism and in the imagination. There were four full-blown uprisings in the 19th century - 1830, 1846, 1848, 1863. Each defeat sent a wave of aristocratic revolutionaries fleeing into exile. Here they were found fighting in the forefront of every revolutionary and progressive cause: Italy and Hungary 1848, the American civil war, Irish freedom, the Paris Commune of 1871, etc.

The partitionist powers sought to liquidate the *szlachta* as a class. Russia incorporated the richest aristocrats into its nobility. The Russian language was imposed, along with Russian law. Prussia emphasised the creation of a stable bourgeoisie. The final solution lay in destroying the economic basis of the *szlachta*. Serfdom was abolished - in Prussian Poland in 1823, in Austrian Poland in 1849 and in Russian Poland in 1864. The *szlachta* was finished as a class capable of reproducing itself and its necessary social circumstances.

Poland became, in capitalist terms, the most advanced part of the Russian empire. Trade unions formed in the 1870s and socialist groups - crucially the Proletariat Party - briefly functioned in the 1880s. Interestingly the Proletariat Party took a militantly anti-nationalist position. Despite their detailed knowledge of the opinions of Marx and Engels on Poland, the leadership of the Proletariat Party - Ludwik Warynski, Stanislaw Mendelson and Szymon Dickstein - favoured revolutionaries in Poland joining efforts with "our Russian brothers".<sup>223</sup> The Proletariat Party established close contacts with the Russian Narodnik terrorist

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organisation People's Will. They believed that the Polish national question was slowly dying and Russia now held out the prospect of revolution.

They were only partially right. Aristocratic Poland had faded into history. The peasantry were national but passive. The bourgeoisie had but one interest - business. Nevertheless in 1892 the Polish Socialist Party came onto the scene. The PSP united real sections of the working class. Unlike the Proletariat Party, it was no conspiratorial sect. The PSP tried to revive the legacy of Marx and Engels on Poland. All the luminaries of European socialism were approached to endorse the call for the restoration of Poland and Polish independence. Most did. Bebel, Kautsky, Bernstein, Guesde, Labriola, Hyndman, Eleanor Marx-Aveling.

However, the PSP found a different reception from workers in Poland. They had taken on board the anti-nationalist outlook inculcated by the Proletariat Party. As a result the PSP had to paint itself in internationalist colours and highlight its socialist credentials in order to secure a mass following.

The PSP sought to organise in, and liberate, not only Russian Poland. The aim was to organise all Poles along nationalist lines and reconstitute Poland out of the Russian, German and Austro-Hungarian empires. That meant splitting off membership from the existing multinational socialist parties in Germany and Austria. Relations became tense and strained.

Initially PSP members, Rosa Luxemburg and Julian Marchlewski strenuously objected. They produced a sophisticated historical analysis of Polish society which, although it ran counter to the exact words of Marx and Engels, eventually put the workers' movement in Poland on to a firm Marxist footing.

In 1897 Luxemburg wrote her *The industrial development of Poland*. On the basis of such profound studies she came to the conclusion that the working class must inevitably become the main opponent of absolutism. Thereby the operative slogan should be unity against existing states, not the resurrection of ghosts. Marx's slogans on Poland were totally obsolete. Luxemburg even ticked him off for holding to his positions on Poland back in 1848. Nevertheless Marx's *method* served admirably. Marxism, as Luxemburg stressed, is no dogma but a living method of investigation and a revolutionary practice.

Restoration of Poland was dismissed as anachronistic. It was either a hopeless utopia or it would be reactionary. Freeing Poland had to go hand in hand with freeing Russia. Russia "seethed with revolution" and could no longer be viewed as simply the bulwark of reaction. While tsarism decays, a nascent working class stirs. Indeed the revolutionary explosion Luxemburg expected at any moment would blow away both tsarism and Polish nationalism. Or so she fervently hoped.

Luxemburg criticised the Proletariat Party for its terrorism, its conspiratorial methods and lack of a minimum programme. By putting forward socialism as the *only* immediate aim, it politically disarmed Polish revolutionaries. Democracy and overthrowing tsarism would provide the bridge for the united Polish and Russian proletariat. The "combined" working class movement would tackle the rule of Polish and Russian capital.<sup>224</sup> But Luxemburg's main target was the PSP. She damns it as social patriotic, nationalist socialist and national socialist. The PSP simply contented itself with repeating the words of Marx and Engels and anti-Russian prejudice. No serious historical and materialist analysis came from that quarter. Certainly the PSP leadership showed no actual concern for the working people in Russia. Empty words there were aplenty, but the practice of the PSP was to divide a working class

that had become united by capitalist development and which faced a common enemy in tsarism.

Luxemburg displays no indifference towards the national oppression suffered by her fellow Poles. On the contrary, tsarism's sordid treatment of the Polish nationality had to be ended. Nor did she display a nihilistic attitude towards Polish culture. What was progressive should be defended and enriched by the working class movement. But Luxemburg contemptuously dismissed general calls for national breakaways. She did not want Alsace-Lorraine separated off from Germany and returned to France. Nor did she want the reconstitution of Poland.

Almost without exception every state in Europe had national minorities and overlapping populations. Germany, for example, contained Danes, Alsatian French as well as Poles. The German Social Democratic Party organised them all irrespective of nationality. The idea of splitting off workers "along nationalist lines" was for her anathema.<sup>225</sup> Class for revolutionary socialists is primary and organising against the existing state the first duty.

Luxemburg and Marchlewski split from the PSP in 1893 against its nationalist programme. They rightly refused to content themselves with serving as a loyal opposition in a nationalist crusade. No matter how small in number, revolutionary socialists could directly address the advanced sections of the working class. They sponsored the formation of the Social Democracy of the Kingdom of Poland (later added to by the merger with the Lithuanian group led by Felix Dzerzhinsky). The title of their party showed that they would organise only in Russian Poland (the Congress Kingdom). Whereas the PSP aimed to reconstitute Poland out of three empires, the SDKPiL had no interest in redrawing borders.

SDKPiL only formed because there was in the early 1880s no working class party in the tsarist empire. And when it did come into existence it proved hard to join. The first attempt in 1898 ended in a fiasco and the arrest of the new elected central committee. The second attempt, under the auspices of *Iskra* in 1902-3, produced unity and a central leadership and a cleavage between the minority (Menshevik) and the majority (Bolshevik) faction. When reunification eventually occurred in 1906 it proved fragile and fleeting. Nevertheless the SDKPiL joined the party of Lenin, Martov, Plekhanov, Trotsky and others in Russia on the principled basis of one state, one party.

Luxemburg herself explained this elementary principle. With the First International Marx and Engels mainly had to make do with sects. Their aim was to unite the British trade unions with European revolutionaries organised under leaders such as Pierre Proudhon, Auguste Blanqui and Mikhail Bakunin. They had groups - smaller or larger - scattered throughout the Germanic, Latin and Slav countries. So in tiny Switzerland there might at any one time be three or four separate and competing branches of the International Workingmen's Association. However, the Second International represented a big step forward. Under its banner were gathered *class parties*. The Second International therefore promoted the idea of class unity within and against the existing state (a position carried on by the Third International of Lenin, Trotsky and Zinoviev in 1919).

It cannot be denied that, in opposition to PSP nationalism, Luxemburg overstated her case. Famously she threw out the slogan of national self-determination along with the nationalist bath water. Self-determination was impossible under capitalism, she argued, and unnecessary under socialism. Neither being true, Luxemburg deserved the stinging rebukes

she received from Lenin.

Lenin stood by the *right* of Poland to secede. But alongside Luxemburg he argued strongly for the voluntary unity of Polish and Russian workers. In point of fact he insisted on unity as a principle time and time again. Eg, we find Lenin typically writing - in 1916 - that socialists in the “oppressed nation must, in particular, defend and implement the full and unconditional unity, including organisational unity, of the workers of the oppressed nation and the oppressor nation”.<sup>226</sup>

So, whatever the theoretical disputes between Lenin and Luxemburg, they were agreed that objective conditions demanded the unity of workers - Russians, Ukrainians, Georgians, Estonians, Latts, Poles, etc - in the battle to overthrow the common enemy, the tsarist state. Pilsudski, in contrast, wanted the independence of Poland and the independence of the PSP from the Russian “imperialist” revolutionaries.<sup>227</sup> Lenin was consequentially loath to regard the PSP as a “genuine” socialist party.<sup>228</sup> Quite right too.

Suffice to say, most national socialists within the SSP know the ABC of European history and prefer to be identified not with Pilsudski - who in 1926 led a fascistic colonel’s coup - but with other, more acceptable, figures. Recently John Maclean and Ernesto ‘Che’ Guevara have been pictured as backdrops to official SSP rallies and platforms. Fitting eclecticism. Neither of these figures produced anything of lasting significance theoretically. Though both Maclean and Guevara were brave and fearless revolutionaries they wandered far and wide from the basic principles of Marxism. Maclean refused to join the CPGB when it was formed, convinced that British government secret agents provided the finances. Instead he founded a short-lived left nationalist sectlet. As for Guevara, his politics owed more to Maoism than Marxism.

Nevertheless I have come across one or two honest national socialists in the SSP who are prepared to defend Pilsudski and the PSP against Lenin and Luxemburg. Allan Armstrong of the Republican Communist Network - an officially recognised SSP platform - comes to mind. In a hard hitting polemic against the CPGB he argued that Lenin and Luxemburg should have carried out Pilsudski’s programme of breaking up the Russian empire. Comrade Armstrong is positively committed to nationalism, he welcomes the division of people into nations and unlike most Marxists is convinced that nationalities and nations will characterise communism. So he is being perfectly consistent.

Not surprisingly, according to comrade Armstrong Lenin’s and Luxemburg’s “political formulations” “failed” as was “only too clear in the case of Poland”. It was Lenin and Luxemburg, needless to say, who were responsible for handing the struggle for self-determination “to Pilsudski’s ‘national-socialists’ on a plate”.<sup>229</sup>

Necessarily, by their very nature, neither the SSP nor any of its national socialist platforms are able to admit that to advocate self-determination does not stand in contradiction to advocating unity. To advocate the revolutionary unity of the workers for the overthrow of the existing state is in fact to take the lead in the struggle against oppression in all its forms. The CPGB calls upon the working class in Britain to support the right of Scotland and Wales to self-determination up to and including independence. But the fight for a federal republic is in our view the best way to ensure the closest unity of workers. The CPGB therefore makes no apology for not advocating the break-up of Britain. We too are perfectly consistent. Supporting a right does not mean one is agnostic about how that right is used.

For example, communists support the democratic right to form protest groups. But that does not commit us to supporting every protest group. Nor does it prevent us from opposing and campaigning against the formation of a new protest group. We recognise the *right* of even reactionaries like Brian Suter to campaign for his reactionary view on homosexuals and Clause 28. However, we will at the same time fight against the influence such bigots have over the working class and other sections of the population.

But let us pick up our historical thread. Did the politics of Lenin and Luxemburg fail? I think “the case of Poland” proves exactly the opposite. Lenin and Luxemburg were by no stretch of the imagination responsible for handing the struggle for self-determination to Pilsudski and his ‘national-socialists’. It was after all hardly possible for them to dictate the new geopolitical relations that emerged during and after World War I. And it was this carnage, which saw the collapse of half of Europe, that allowed Pilsudski and his Austrian-financed military legions to reconstitute Poland in 1919 - as a *reactionary* bourgeois state. Luxemburg was right. An independent Poland did nothing for the working class. She was also correct to forewarn that national socialism would lead those workers who followed it to demoralisation.

To begin with, the mass of militant workers followed the PSP and Pilsudski. Unrest in Poland in 1904 resulting from the Russo-Japanese war saw membership soar from 4,000 to 40,000. Pilsudski travelled to Japan and attempted to strike a military deal with the Mikado. Poland would open a second front in Japan’s war with Russia. Pilsudski established the ‘Militant Organisation’ which would lead the uprising.

The outbreak of the 1905 Russian Revolution changed everything. Separatism was swept aside. Hostility to the “overbearing” Russian neighbours vanished. Workers in Warsaw and Lodz joined workers in St Petersburg and Moscow in the common fight to overthrow tsarism. Proletarian supporters of the PSP willingly looked to the SDKPiL for theoretical and practical leadership and enthusiastically took up its slogans. The SDKPiL grew massively, though it remained smaller than the PSP. Pilsudski, however, suffered marginalisation. “The pure nationalists, the ‘social patriots’”, writes Luxemburg’s outstanding biographer, “saw with horror their hopes of an independent Poland were ebbing away as fast as the Russian Revolution was advancing”.<sup>230</sup>

The official leadership, staying true to its nationalist programme, ended up turning its back on the revolution. The PSP split at its 8th Congress in February 1906. The leftwing majority abandoned the programme of national independence. They adopted the substance of the SDKPiL programme. Poland should have autonomy within a democratic Russia.

Pilsudski for his part turned towards a reliance on physical force on the one hand and diplomatic dealing on the other hand. When the PSP’s 9th Congress in November 1906 condemned the terroristic activity of Pilsudski’s Militant Organisation, he and his followers indignantly withdrew from the party. They formed a separate PSP-revolutionary fraction. Sheltering under the wing of the Austrian state, Pilsudski transformed the Militant Organisation into a nucleus of a conventional military formation. It was legally recognised as a rifle club and in 1914 the Union of Active Resistance (ZWC) attached itself as a self-willed servant to German and Austrian imperialism against the Russian foe. Austria envisaged a triple Austrian-Hungarian-Polish crown; Germany a 700,000-strong Polish army to hurl against the Russian hordes. Pilsudski remained committed to an independent Poland.

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What of Luxemburg? Coming from almost nowhere organisationally, Luxemburg's politics had within 12 years captured virtually the whole working class movement in Poland. In 1918 the PSP-Left united with the SDKPiL to form the Communist Workers' Party of Poland (as the Communist Party of Poland was known till 1925). The party was eventually banned by Pilsudski.

So Lenin and Luxemburg only "failed" in Poland in the sense that the Marx and Engels of 1848, who strove for a centralised and democratic Greater German republic, including Austria, failed. They only failed in the sense that the 1871 Paris Commune failed and the Bolshevik's 1905 dress rehearsal failed. The point, though, is not the failure of this or that attempt, but the rightness of the politics of world revolution and universal human liberation.

# Appendix

The Socialist Alliance and its five principal supporting organisations

## **Socialist Alliance**

Wickham House, 10 Cleveland Way, London E1 4TR

e-mail: [office@socialistalliance.net](mailto:office@socialistalliance.net)

web: [www.socialistalliance.net](http://www.socialistalliance.net)

tel: 020 7791 3138

## **Alliance for Workers' Liberty**

e-mail: [office@workersliberty.org](mailto:office@workersliberty.org)

web: [www.workersliberty.org.uk](http://www.workersliberty.org.uk)

tel: 020 7207 3997

## **Communist Party of Great Britain**

e-mail: [office@cpgb.org.uk](mailto:office@cpgb.org.uk)

web: [www.cpgb.org.uk](http://www.cpgb.org.uk)

tel: 020 8965 0659

## **International Socialist Group**

e-mail: [isg@gn.apc.org](mailto:isg@gn.apc.org)

web: [www.3bh.org.uk/International-Socialist-Group](http://www.3bh.org.uk/International-Socialist-Group)

## **Socialist Workers Party**

e-mail: [office@swp.org.uk](mailto:office@swp.org.uk)

web: [www.swp.org.uk](http://www.swp.org.uk)

tel: 020 7538 5821

## **Workers Power**

e-mail: [lrci@workerspower.com](mailto:lrci@workerspower.com)

web: [www.workerspower.com](http://www.workerspower.com)

tel: 020 7793 1468

## **Scottish Socialist Party**

e-mail: [ssp.glasgow@scotsocialist.co.uk](mailto:ssp.glasgow@scotsocialist.co.uk)

web: [www.scottishsocialistparty.org](http://www.scottishsocialistparty.org)

tel: 0141 221 7714

## **Welsh Socialist Alliance**

web: [www.welshsocialistalliance.org.uk](http://www.welshsocialistalliance.org.uk)

PO Box 369, Cardiff, CF24 3WW

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