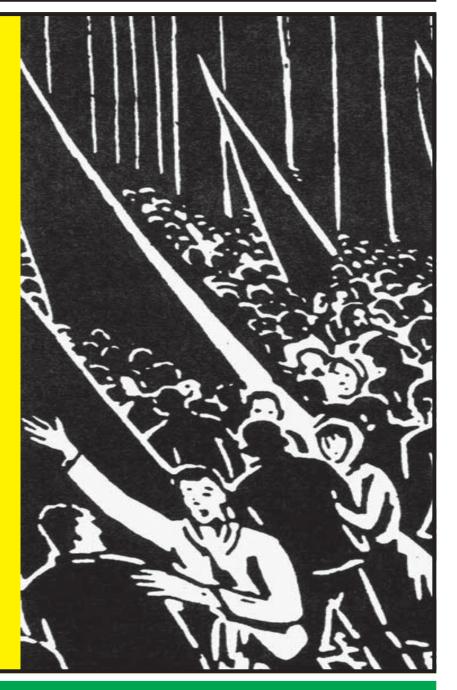
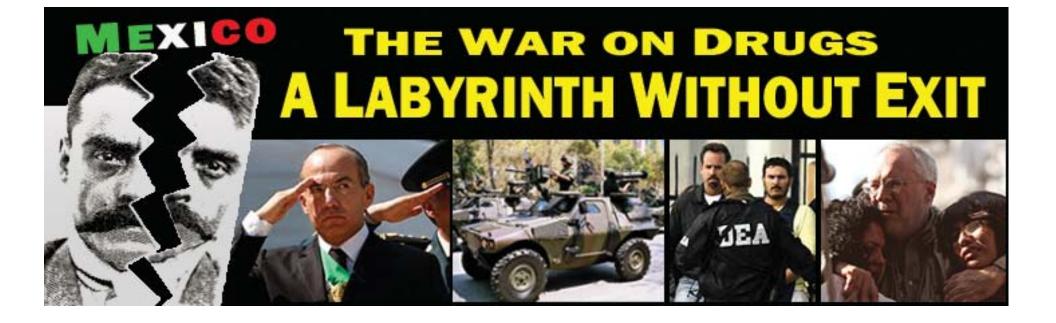
### INTERNATIONAL EFFTREVIEW

• BILINGUAL ISSUE • SPRING -SUMMER 2012 • YEAR 2, NUMBER 2 •

Working Class
Aristocracy
and Labor
Bureaucracy
What are they and
Why do they exist



Working Class Movement
Obstacles and Adversaries in its Way



#### **EDITORIAL**

## A TURBULENT WORLD A New Political Situation

t the dawn of the current century a new international scene began to consolidate with its own features that are in many ways opposed to the earlier epoch<sup>1</sup>, which was characterized by the strengthening of capitalism which had extended its own survival for the umpteenth time, constantly postponing its inevitable end.

This apparent invincibility lasted only one decade<sup>2</sup> and today we see how the bastions of this system – the United States and the European Union – are sinking rapidly and sharply into decay. At the same time China and Brazil – among others – are striving to develop their new powers as imperialist nations, while relying on the regional blocks that they already lead. They are developing themselves despite the difficulties present in rising precisely in the middle of the another, hopefully final, decline of capitalism.

These conditions have done nothing but exacerbate the social discontent that has been evidenced through the protests of disapproval and rebellion taking place in almost all of Europe, the United States, North Africa and the Middle East.

These protests have not produced alternatives to what currently exists; they have limited themselves to complaints which essentially defend the benefits and living standards of the past. This is, for example, the case with the Indignados (the Indignant and the unemployed youth) in Europe, but of course, the movement is just beginning.

At the same time, this same terminal crisis, does not allow capitalism to manage the various imperial nations through the traditional bourgeois democratic regimes, as has happened throughout much of the 20th century.

The reformist apparatuses of other times, like the Social Democrats, have succumbed. The dictatorships, like in North Africa, have fallen, demonstrating that even anti-democratic bourgeois domination is in crisis.

As demands and struggles have spread on one hand while production and investment have plummeted on the other, inevitably financial capital has imposed itself on the rest of the productive activities and – moreover – at its own peril because of its tendency to monopolize productive property and control it, is in itself a lead lifebelt in times of deep crisis.

This is derived from the weakening of the interbourgeois alliances of state management that configure the existing political regimes, ranging from the parliamentary to the presidential and even to the dictatorships. In certain cases this even leads to them falling into the hands of governments that apply fascist measures or methodologies, characterized by only representing the interests of financial capital which has the socio-political attribute of suppressing any democratic expression, even electoral.

They have not yet become stable governments, since they still cannot rely on a social base outside of the bourgeoisie itsel, a base capable of imposing absolute domination through methods of civil war against the workers

These regimes are supported by international financial organizations and continental armed forces. We can see this for example in Greece and Italy, where the local bourgeoisie did not manage to form governments and so financial capital sponsored "technical" governments. This is an euphemism to designate de facto governing authorities, without elections, and – incidentally – these governments are headed by former officials of the European Union who quickly surrounded themselves with employees, executives and former executives of banking and other financial sectors.

It is more accurate to define these regimes as civil dictatorships- or Bonapartist - that reflect the interests of the creditors of French-German financial capital.

Another fascist characteristic that some of these regimes have is the nationalization of large companies – these days financial ones — with the aim of saving capital that is in ruins – not in order to pass these on to the domain and control of workers – but to maintain the previous owners using state funds<sup>3</sup>. Belgium, France, and Luxembourg have done this recently with the Dexia Bank and in Greece this happened with the Proton Bank, imitating United States, Canada, Australia, England, Holland, Poland, the Federation of Malaya, and Belgium — among many others — which had already done this after the fall of Lehman Brothers.

This is no different from what Hitler and Mussolini tried in their time, not only with parts of banking but also with other industries that resulted in the strengthening of their dictatorships, without financial capital losing control of its own entities, since this process was mediated by the state.

In the current epoch that we have characterized as non revolutionary<sup>4</sup> on the global level, there are some regions or countries of the world where there begins to emerge evidence of a new pre-revolutionary stage<sup>5</sup>.

This is particularly visible in North Africa and in countries of Europe such as Italy and Greece, where we have seen massive participation, the fall of governments in North African and general strikes in parts

of Europe. There, we see the presence of the objective premises of a pre-revolutionary situation: economic cataclysm, the impossibility of governments and regimes to continue ruling as they have up until now, the growing will of the people not to be governed as they have been before, and increased social polarization.

The economic crisis, widespread in the European Union, United States, the North of Africa and the Middle East, indicates that many people do not support continuing to bear the hardships caused by this system and at the same time the capitalists are having increasing difficulty governing these regions, this seriously shows the feasibility of a new stage in these regions. Keeping in mind that the situation is much more delayed in the US – because of its historical characteristics as far as the development of a mass movement is concerned

The evident polarization however, does not mean that the balance of forces develops evenly. While the financial bourgeoisie prepares its far right parties and organizations for new challenges – and in some countries this means even the real possibility of governing – the workers, their class-based organizations and the revolutionary left, lack their parties and their political and trade union organizations that would allow them to meet the challenge imposed by the new situation.

This new open situation is critical, it involves great risks and opportunities, and everything will depend on what the workers and oppressed do.●

#### NOTAS

**1.** Approximately from 1989 to 1999.

**2.** Capitalism swallowed in record time the accumulated wealth the people from the former worker-states took seven decades to build.

**3.** This was already done by Great Britain using the Company of the Indies during the 19th century and by England, Austria-Hungary and Germany in pre World War I and by Hitler and Mussolini before World War II.

**4.** Our characterization covers the period beginning in 2000 until today and it provides the theoretical basis for our policy document (see www.izquierda.info). The document sustains that we are at a stage where the central forces of the system remain stabilized.

**5.** The pre-revolutionary stage is a period where there are objective conditions for the change of the society but where the political organizations needed to lead it are lacking.

**6.** These privileged layers are called the labor aristocracy. See related article in this issue *International Left Review*.

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#### **UNITED STATES**

## The Crisis of the Empire, the Polarization the Disintegration and the Movement



#### A Crisis with no Solution

The truth, which may be hard for ordinary people (and not so for the higher ups, who deny it publicly but acknowledge it amongst themselves) to believe is that the current crisis has NO possible solution for the country; not with the same system, not if they more or less maintain the course of the past. There are no more FDRs or New Deals in the back pocket of the declining US Empire.

The US Empire may come out of the crisis in very bad shape, poorer and with a lost hegemony or it may end up splintered into a thousand pieces.

In any case the USA, will only be a shadow of what it once was. The Romans had a hard time getting used to it when their empire collapsed.

The Germans, after two world wars and the privileged citizens of the British Empire took even longer. However every empire has its turn to take a fall.

It would be much more progressive if the US populace began to determine what they want their future to be rather than search for a return to the past. Such determination would save them the work and the failure of a lost cause.

"Occupy Wall Street", "Occupy Oakland" and "Occupy" so many other city movements (even occurring in the Southern USA, which is fast becoming a major manufacturing center) express this feeling of not going backwards, but moving forwards towards something new, another system, or at least breaking away from the chains of the worst of what brought on the crisis.

The radicalization of the movement, the search for the types of organization that can bring into action the broader networks and organizations of the workers, communities, multiple ethnic groups and the oppressed is the only guarantee against a precarious recomposition of the old status quo.

That would result in the same people who brought us the current crisis maintaining their position of power. It would in the end only prepare a future of social disaster, while the pillars of their dominance crumble around them.

#### The Change of Guard in the International Financial Oligarchy

US imperialism has, until now, had control of the international financial oligarchy, one of its main pillars of support. This is coming to an end. US total debt has risen from \$5.8 trillion to \$14.3 trillion in the last decade. The largest creditors or holders of US debt (\$4.4 trillion) abroad are China, Japan, Hong Kong (back in Chinese hands), Taiwan, Thailand, Singapore, of course Europe, including a piece in British hands, Brazil and other countries.

In addition, the domestic debt, which is the difference between the total debt and the foreign debt and amounts to about US \$9 trillion, is also mostly in the hands of foreign corporations and finance capital. Some of these countries are in the midst of their own economic crises like Japan (in free fall after the nuclear disaster) and the majority, but not all, of Europe including, however the crucial economies of Britain, France, Italy. They will use US debt to try to slow down their own terminal crisis. Countries with large amounts of speculative capital like Thailand and Singapore will try to swap their debt bonds for other more profitable financial instruments or less profitable, but safer, investments.

The emerging imperialist countries, China and Brazil among them, will use the debt leverage in their power to control or replace the international currency, the US dollar, and subdue the productivity and the market place of the USA for their own financial gains.

The combination of the use of the US debt to cure the crisis in Europe, its financial swap for other instruments in the East and the pressure from countries like China and Brazil may end up displacing US finance capital. The dollar as international currency is approaching its end and will result in the emergence of a new international financial oligarchy not controlled by the falling old imperialisms, but by the emerging ones.

The three main banks in the world are Chinese: 1. Industrial & Commercial Bank of China, which holds US \$170 billion in capital and has 381,000 employees worldwide. 2. China Construction Bank with US \$130 billion in capital and 295,000 employees. This bank also owns 16.6% of Bank of America. 3. Bank of China is one of the fastest growing (in 2007 it was among the 20 largest banks in the world) with US \$120 billion in capital.

If, as it is feared, the following banks go bankrupt or are acquired with capital of Chinese, Brazilian or other origins, the disaster for the USA and European countries would conclude their cycle as imperial super-powers. HSBC, with US \$70 billion in capital, having once been among the three largest banks in the world, has now fallen to fourth place in ranking. It has over 312,000 employees and is targeted to be acquired or absorbed by other banks.

JPMorgan Chase (the result of a merger of JP Morgan & Co. and Chase Manhattan) has a capital of US \$60 billion. However, it received a \$25 billion bailout from the US government, but has not stabilized and is in the yellow zone.

Mitsubishi UFJ Financial accumulated US \$48 billion in capital and has 85,000 employees and some experts expect will be the next Japanese 'nuclear' explosion, but a financial one this time.

Banco Santander is the only European bank in this crew, Continued on next page

Il the workers and the oppressed in the United States know first hand the depth of the crisis happening in the country. Without even seeing the statistics, most people know that unemployment has doubled. While officially reported at 10%, reflecting only those who are still collecting unemployment insurance, in the real world it is actually about 20%.

Social services have been cut drastically (by 18% according to official figures) as education, health services, housing, bridges and roads (but not limited thereto) are all crumbling in plain sight.

The big economic bailout and rescue plans for the economy, pushed by the Obama administration, has all gone down the sewer with the 'plumbing' assistance of big bankers and businessmen in the country. At least half a dozen major banks sucked up 50% of the funds.

The situation has heightened the worst tendencies of society. Today there is more racism directed against communities of color and immigrants. This is motivated by the outdated and false theory that they are responsible for the decline of the US Empire.

Another theory, strongly advocated by blatantly reactionary elements of society, is the belief that everything should be solved at the expense of the weakest in society.

For example, reactionary politicians like Newt Gingrich advocate putting more children to work as part of a process of undoing historic child labor laws.

These people are taking a relentless stand, arguing that there is just not enough for everyone, that only the strongest have the right to survive or more realistically, that only those with more power have the right to survive.

On the other hand the angry, frustrated, occupiers of public space demand of the powerful their apostasy, a recant of their greed and the adoption of policies mending the fabric of the social safety net.

The Occupiers clamor, more or less powerfully, to return to the good old days — or what was — before the current economic crisis. In this they resemble the Spanish, Greek, English and Irish upheavals, that is all those who have been neglected by the international crisis.

This movement is so powerful that has already shaken the bourgeoisie in half a dozen central countries around the world, including the USA, even though they have yet to shape their initial and/or final objectives, build organizations and determine an order of battle.

#### **Disgust And Social Demoralization**

Do not put much faith in the reliability of official statistics because in most cases, they are manipulated to support a pre-determined outcome.

Sometimes however, even the manipulated data is so strong that it contains an element of truth. Almost all statistics now say that a large majority of the population, somewhere between 60-70%, expect a future of decadence and hopelessness, or a situation worse than what is being experienced today.

One might think that the other 30% of the population, if they were optimistic and determined, could have an impact on improving current conditions.

The statistics themselves show that such a thought would be naive. Half of them do not want to openly express any opinion at all and among the other half, many think that there is no solution to the situation, especially if it requires sacrifice on their part.

Disgust with the system is a positive feeling because it continues to draw a large mass of people to confront the system they rightly hold responsible for all their current problems and the social disease surrounding them.

The opposite of disgust would be the demoralization that works to undermine the energies of those who fight, like the Indignados (as they are called in Spain or literally, the outraged) and "Occupy Wall Street" in the belly of the beast, the USA.

The bourgeoisie wants the movement to sink into demoralization. It is responding in many different forms. It resorts to repression, expects the time will wear it out, or maneuvers to try to co-opt it.

The Occupy movement, the Indignados in Spain, the Greek, Irish, and English strikers and the many other demonstrators around the world all are the antidote for the moment, because they keep the morale of social disgust against the system high.

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#### INTERNATIONAL LEFT REVIEW

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with US \$45 billion in capital and 140,000 employees worldwide. Its fate however is tied to the deep economic crisis of Spain, Greece and the Euro.

Goldman Sachs, with a US \$10 billion bailout from the US government has a capital of US \$40 billion and 30,000 employees. It's showing the same dynamic that Lehman Brothers had a couple of years before its bankruptcy.

Wells Fargo has US \$38 billion capital (another bank subsidized by the US government) with US \$25 billion and a workforce of 282,000 employees. It is the mainstay of the economy of the West and Central USA and hangs in the balance for foreign purchase or a crisis.

From behind these banks others are emerging, like the three major Brazilian banks led by the National Development Bank (BNDES) and additional Chinese banks that are expected to join the top three from this country in the more or less near future.

The rest of the US and European economy is vulnerable to the collapse of one or more of these banks: JP Morgan, Wells Fargo, Santander, Mitsubishi UFJ Financial, Goldman Sachs, etc. No one speculates whether they will or will not collapse, but when it will happen. It is quite possible in the coming months or years.

With the changing of the guard of the international financial oligarchy, comes the end of the old imperialisms (USA and Europe) and the consecration of new ones; only they are weaker and have feet of clay. Among them are Brazil and China which are sustained primarily by the BRICS, an economic block consisting of Brazil, Russia, India, China and South Africa. They are on top of regional economies in Latin America, parts of Asia, Africa, Eastern Europe and parts of Western Europe.

#### The End of the Hegemonic Market

Until now, the US has dominated the world, along with the other leaders of international finance capital. Despite its increasing deindustrialization, because of the power of its own domestic market it assured the appetite for sales of all the other countries of the world. Its more than 300 million people consume half of what is made in the world, from energy to manufactured goods, food and tourism.

This market attracted investors, allowed it to extort money from other countries for political or economic advantage and force the use of its currency, the dollar, as an instrument of international exchange. This is playing out now, thus causing the collapse of the second pillar of support for the US Empire.

The combined population of the BRICS countries numbers 3 billion people. Within this block the products manufactured by them are dominant and consumption of products from Europe and the US has declined substantially.

However economic inequality is high within the BRICS. About 60% of people among those countries live on the edge of poverty with some social sectors at a mere subsistence level. However the rise of this block in the international economy has been accompanied by a rise in consumption of about 1.2 billion people who could potentially exceed or soon will exceed US consumption.

Gradually, the BRICS block will become the center of world consumption or at least will become its engine, aided in part by the growth of their own markets and the decline of consumption in the USA due to the economic crisis.

This is of great concern to US imperialists. The US Secretary of Defense, Leon Panetta, speaking at a US weapons factory said, "We face threats from emerging powers: China, India and others of whom we have always been aware. We try to ensure that we always have enough protection force in the Pacific so they know we're not going anywhere."

Later, for diplomatic reasons he tried to turn down the volume of this aggressive discourse and change the meaning of the words he had clearly expressed to others. He indicated he was not talking about a US concern but the concern of those countries for themselves. The attempted correction emphasized even more the fear of the US in relation to these "emerging powers".

On the day that the market of the BRICS and their subsidiary regions of influence exceed US consumption, which may be occurring soon, the second leg that sustains the US Empire will have collapsed. With the loss of this geopolitical playing card, along with the loss of its military supremacy and with its financial capital dominance also coming towards its end, it will have lost the things that

have kept the US at the epicenter of global hegemony during the post World War II period.

#### The Third Leg: The Empire cannot continue to Lose Wars

Setting aside their propaganda value, wars have concrete military goals. If they fail to achieve these goals, they lose the wars, even if they seem to win some battles.

According to official figures the attack on the Twin Towers in New York caused 2,752 deaths. By comparison, data collected by the Watson Institute for International Studies at Brown University shows that for every single person that died on September 11, 2001 in the USA, almost 100 people have been killed in Iraq and Afghanistan or more than 225,000 in total.

A conservative estimate, when compared with the London-based Opinion Research Business estimate that indicates, according to the company, that in Iraq alone between, March and August of 2007, the number of deaths exceeded 1 million.

Although it is reported that only 6,000 US troops have died in these two wars, there are more than 550,000 members of the military who were disabled and that deaths among the personnel of military contractors, like Blackwater, who also participated in the war, have not been recorded.

At least 137,000 civilians have died in Afghanistan, Iraq and Pakistan as "collateral damage" in the armed conflict. This figure could be much higher than the one reported by Brown University. In addition to the dead and wounded, many people, at least 7.8 million, have lost their homes in these countries of the Middle East.

#### The Cost Of The Wars - Stolen From The Pockets Of Workers in the US and World-Wide

While many of the economic costs of wars are almost untraceable, being buried under cover in different budgets many of which escape public scrutiny or are beyond the capacity of being accounted for, the total cost of war expenditures have now reached US \$3.2 trillion.

The cost of these wars will reach at least US \$4 trillion in the next year. Among the absurdities of the war expenses are the US \$20 billion spent on air conditioning (AC), particularly for the fuel used to power the AC to make climatic conditions bearable for US troops stationed in the parts of Afghanistan and Iraq where temperatures reach over 122° Fahrenheit.

That this total war spending is four times the annual budget of the United Nations shows the total insanity that is war. In addition, the US war has caused serious damage to the environment of these countries. Iraq, a country with one of the world's greatest histories of cultural wealth, has been virtually destroyed.

Add to those previous figures the almost \$30 billion, the US government has invested in "security measures" to protect itself from terrorist attacks, building prisons in 20 countries, including Guantanamo Bay, Cuba, to imprison and torture suspects. These numbers account for another root cause of the current economic crisis that shakes the USA.

#### **Only Pyrrhic Victories**

Pyrrhus reigned in Epirus in the year 281AD, when the Greek city of Tarentum (in what is now southern Italy), asked for help against Rome.

Pyrrhus came with an army of more than 25,000 men and confronted the Roman Consul Valerius Levine. Elephants, which the Romans did not understand how to defeat, were decisive in the battle and the decimated Roman legions abandoned their positions by the end of the day. At dawn, when Pyrrhus checked his own casualties he found over 4,000 men and their top commanders were dead and his cavalry were in flight.

"Another such victory and I am lost," he complained bitterly to his generals.

Since then, a "Pyrrhic victory", indicates a similar contradiction. It applies to any success in which the cost is so high that it amounts to a failure. Pyrrhus eventually had to withdraw from Italy and was later defeated several times in other battles.

While in combat inside the Greek city of Argos, he was hit by a tile thrown by an old woman. He was killed while unconscious from the blow.

The US military did not find and destroy any of the "weapons of mass destruction" they were sent to capture

in Iraq or complete the "mission to destroy the Taliban and al Qaeda", which they announced at the onset of the invasion of Afghanistan.

The only thing the US and its partners were able to accomplish was to sink themselves into two bloody quagmires.

Even though they dominated Iraq, they failed to effectively utilize its oil potential and in Afghanistan they could not even ensure through their occupation the exclusivity of transcontinental gas transportation.

These objectives, clearly strategic, were not achieved. The imperial propaganda also said, as a consolation for fools, that the invasions were made to ensure the triumph of "Western democracy" in these countries.

The only result was the creation and rise to power of a set of puppet governments without a shred of autonomy and reactionary to the bone.

This also expanded the influence of theocratic governments and movements into North Africa, the Middle East and the East of Russia - all supposedly enemies of the type of "democracy" promoted by the USA.

The US cannot win fighting asymmetrical wars (simultaneous wars in Iraq, Afghanistan, the fight against terrorism, etc.), but instead, has strengthened the strategic sense of their enemies.

They cannot declare wars against competitors such as Europe or the "emergent" powers because that would liquidate the little geopolitical capital they have left, and also set themselves definitely apart from the rest of the world.

Needless to say, for the first time, all the police actions in foreign lands have been so costly for the US that the famous slogan, "if you want to earn money, make a war", has been reversed.

They did not even dare to lead operations against Libya recently. It had to be done by France, Italy and Britain.

Thus the third leg of support of the US Empire, world military hegemony and police power over human civilization, is suffering from paralysis, both intractable and chronic.

The US Empire can still strike and kill, bleed entire villages and commit genocide. What it cannot do any more is win in a historic sense.

#### The Loss of "National" Hegemony, the Disintegration

The historical basis for the existence of the US Empire, first as the ascending imperialist country and later as hegemonic imperialism in the post-World War II era, were based on the iron postulate, engraved everywhere as the national motto: "One Nation under God". The USA became a unified and powerful nation responsible only to God for its actions, that is to say, no one.

Since its inception it sought by fire and sword, along with the crumbs from the exploitation of other countries (when it could) and at all times with the powerful ideological machinery of the bourgeoisie, to achieve discipline, social brainwashing and the support of all its inhabitants. These are the people it subdued as it grew under the concept of "manifest destiny" to become the "No. 1" power on the planet.

The US is enveloped now in a terminal crisis. It is threatened with disintegration, via separation of all its component parts, the parts that were joined together in the past with the glue of the empire: violence and cooptation.

The US was founded on the conquest of native peoples and their systematic slaughter. Great wealth was accumulated by the importation of African slaves and their super-exploitation in the fields and later in the early factories.

The import of immigrants from Europe (most of whom first came in the late 1600s and early 1700s as indentured servants, essentially enslavement), Asia, Latin American and elsewhere (throughout the 1800s and the 1900s) in order to chain them to the mines and factories, and work in the construction of railroads, agricultural production and other services. All of them were forced to speak English, adopt the Christian religion, and serve in the armies of imperial expansion.

While its settlers and soldiers marched west robbing the natives of their land and Mexico of half its territory, the USA also grew with the purchase of huge territories from the Spain, France and Russia at bargain prices which included Florida, Alabama, Mississippi, Louisiana, Texas, New Mexico, California, and Alaska. None of them would be part of the USA today if it were not for the Manu militari\*, high stakes land grabs, all methods used by the rising dominant class of the country.

Through all these social components, from "imported" to captive natives, the bourgeoisie "Americana" imposed assimilation, cooptation, murder, repression, superexploitation, social control over democratic rights, cultural influence, ideology and a minimal distribution of the crumbs from the plunder of resources, owned by themselves or taken from others.

It maintained national "homogeneity", "common" culture and the influence of a simplistic and brutal imperialist conscience that dictates, "Here we all benefit in some way, from those we dominate and crush ... over there."

This was called by different names at different times: manifest destiny, leaders of the free world, carriers of the carrot and the stick, and last but not least America for Americans (USA). Disputes hidden behind two centuries of US ideological domination have returned to the scene. They are the result of a negative reactionary synthesis: we must get rid of Blacks, Latinos, immigrants, wayward youth, and trade unionists.

The answer they are getting back is a re-valorization of the values of the former slaves (rebellion after rebellion), immigrants who want to be anything but serfs, workers who think it is better to fight this time before losing everything, and young people without a future who are willing to build one for themselves. Still acting more on an individual basis, not quite yet united as a class in society, they join together and occupy public space.

However the psychology of this revolt is more social than the ruling sectors of society have imagined, even if they do not understand it completely or say it out loud, and the demands put forward are a long list of complaints without clear focus or priorities, even if they show a desire to return to what appears as a better past (a now impossible road because of the economic crisis) instead this propels the movement forward ... it is a powerful social force that tends to break up those who currently rule and unite those who are pushed into submission, although the establishment says exactly the opposite.

The far right, the Tea Party, and the big bosses of the financial world will pour enough gas onto the process of discontent in order to provoke a conflagration.

The "moderates" of the system will also be victims of the advance of the right, because, in the view of all totalitarians, in confronting the "disintegration", there will be no room in the middle or for those who doubt.

Mexican immigrants will revive their dreams of a homeland of their own in the stolen territories of the US Southwest and California. Millions of illegal immigrants will take a path of struggle for their recognition so that their invisibility disappears.

They will take what they have requested for too long to no avail. African Americans will find in the social rebellion their revenge for the suppression of their culture and their confinement into ghettos.

Workers will look at social property as the salvation of the workplace that capitalism fails to provide them. Young people will realize that their own destiny should not be left to the powerful and has to be forged by them through the struggle.

#### In Every Crisis there is a Dangerous Polarization

It is clear that the base that supports the empire will crack or break apart or potentially do so in a short historic period. However the empire needs to be pushed hard to make it fall and to raise a new society from the ashes of the old.

In a crisis of the magnitude that now afflicts the USA and Europe, it is out of the question that each class, with a few exceptions that only confirms the rule, will fight to the death to avoid being the one who pays the bill.

In this fierce and relentless dispute between classes, those who control the state apparatus have an advantage over the others. They control its coercive power, repressive forces, its judicial system and political organizations are like well-oiled machines ready for action.

The bourgeoisie controls the governments and seeks to have them serve at their disposal against other classes whom they then can blame and take measures to force them to pay for the crisis. Here in the USA, this crisis is not different in any respect, except that it is much more dangerous than in other countries, such as those in Europe.

Here there are only a few unions with a current fighting tradition, no worker's reformist parties, or leftist political leaders seeking to gain mass support. Even worse there are no – and it's the same in Europe – revolutionary

organizations with significant following and influence.

The polarization is between a very well organized and disciplined social layer, the forces of conservatism and the far right that have built a base in the Tea Party, partially in the Republican Party and even in the Democratic Party, where they operate the organizational levers necessary to take the offensive against workers, youth and the oppressed sectors of society.

Those of us at the other end do not have any apparatus of a similar sort, just a massive will demonstrated by those who fight and occupy. The powerful refusal to accept the fate the system wants to impose upon us is commensurate only to the weakness of our organization to express it. It is always an uneven struggle, but this time it is even more so than others. It is like a fight conducted between a well conditioned and well-trained heavyweight and a flyweight with his feet tied together at his shoestrings and one arm tied behind his back.

All the individuals who today protest and rebel against the inequities of the system, also tend to distrust all types of organizations, particularly political parties, most clearly the parties of the left.

We are familiar with this cynicism and skepticism on the part of workers, youth and intellectuals because we have lived through similar experiences. However we understand this as a message from them saying that there is an alternative to demoralization and surrender. However they still have yet to understand that it is not "parties" in general that failed them, but "certain" parties in particular. Thus, the task remains of building new, more legitimate ones.

The powerful and progressive movement that has occupied ports and towns has shut down different commodity transport systems and has made our voice heard. Yet it is still working hard to construct its message, still needs to find its voice, agenda and democratic fighting organizations to be able to respond to the polarization occurring, the polarization from the far right that is already confronting them.

Any progress will depend on the ability of the movement to move from a collection of individuals with individual messages into an organization of the class or classes exploited by the system. It is not just a matter of discarding organization based on past experiences, but of taking them into account to create something new.

The movement should seek a path less dependent on individuals and more oriented towards organizing in diverse social settings, like schools, workplaces, and communities.

That means striving to participate not just as individuals, but also as group leaders seeking to involve others in organizing efforts or as facilitators for the organization of others.

The efforts of the whole should not get scattered by following the thousands upon thousands of goals from as many individuals, but choose carefully the objectives, program and demands that indeed take into account the needs of workers and the oppressed and turns them into their priorities. That takes organization.

It should not depend on who yells more or who can endure the longest meetings over discussion or which individuals have initiatives already on the ground. It is necessary to put in place a democratic decision-making process and the means to act in conjunction with strategies and tactics for specific purposes that bring us closer to group goals. For that, you need organization.

Demonstrating in the public space has its purpose, but that by itself is not enough to advance a strategy of radical change. Those at work should organize to control the production and be able to stop it when a collective decision is made to do so. Those studying at the universities and colleges should organize ever-growing layers of students, and in communities the struggle is to strengthen their neighborhoods.

Only an organized movement that controls the forms and spaces of intellectual and industrial production may in the end have a lasting impact on national and international politics. Doing all the above will show the rest of society that there is an alternative to the demoralization and surrender.

The wear and tear, the gradual decrease of public interest or media coverage are the enemies of the actions that do not seek the objective of gaining influence in a growing number of social networks.

It is useless to demand the system to democratize and reform, because it is the system itself that has brought us to the current crisis. An alternative type of government of the workers has to be created from those who resist and fight. For that it is absolutely necessary to develop forms of organization.

To turn the situation around and make it unfavorable for the organized right and for the center that wavers and doubts we need to strengthen our pole of the polarization. For this, organizing is a matter of life or death for the movement. Without it we work in favor of the strengthening the opposite pole.

Above all else, we should not repudiate or abstain from politics, because if we do not take politics as the vehicle for change, politics will assuredly take care of us with the hands of the right and in the worst way, fascism or military dictatorship.

So, let us advance the movement as quickly, efficiently and radically as possible. Let's turn the movement from only being a relentless critic that only scares the system by what it says into its gravedigger. Let's organize to build new revolutionary organizations that will lead the way forward.

#### Program Our Proposa

#### A Program to Fight

- We can not return to where we were, the international economic crisis will not allow it. The USA and Europe are sinking as empires and the people in these countries should not be dragged down by their crisis.
- We should advance towards a new, democratic and socialist system.
- Nationalize the banks, foreign trade and the largest corporations under workers control.
- Eliminate all subsidies for the banks, the millionaires and big entrepreneurs.
- Progressive taxation on big fortunes and properties.
- Stop all lay-offs, foreclosures and evictions.
- Demand that all funds allocated for economic recovery be distributed and administered by elected committees of the workers, consumers and the residents of the communities to be economically redeveloped.
- Expropriation of any enterprise and business that lays off workers and place them under control of those workers to manage them. Expropriate large residential properties that evict tenants.
- Papers and legality for all immigrants.
- Break with the twin parties of big capital,- the Republicans and Democrats, that brought us into this crisis,
- Organize against state repression and violence from the far right. An injury to one is an injury to all.
- Rebuild the unions and bring them under a fighting and democratic rank and file leadership, so they can play a leading role in the worker's movement. Down with the labor bureaucracy.

#### **To Build the Movement**

- Organize in each workplace and community. Attend the demonstrations and rallies in groups, not just as individuals.
- These groups should participate as such in the demonstrations, but should also organize in the workplace and the community
- Occupy the centers of production (large factories and commercial enterprises) and places where a large number of people converge in their daily life (schools, hospital, universities, etc.) and fight for the establishment of democratic administrative committees.

• Democratic functioning and one personone vote, voting on proposals.

Establishment of municipal, regional, state, national and international coordination committees

For a government of the workers, the rebels and of those who resist and fight!

## **EUROPE The Imperialist Titanic**

Europeans know splendor like they know decadence (and its consequences), but even throughout several different generations of experience, they have not always learned from their history. Will they learn this time? There has been anger, confusion, rebellion, xenophobia and impotence. Will anything good emerge from this?

#### By Nicolás Barros

he situation in Europe is far from good. Europeans have routinely trashed and irrationally exploited the environment for centuries. More recently there has been a lack of investment in new and improved technologies and manufacturing plants; instead there has been only pushes to spend on useless and unnecessary construction, to withhold capital from increasing manufacturing capacity, and even at times to invest capital in manufacturing outside of Europe. After all this, the chickens are coming home to roost.

The European Union is a thing of the past; it has drowned. It is the subject of much speculation and conjecture as to how it may continue to splinter, but there is no argument over the grim circumstances of its current status. England began its retreat before finishing its entrance. The country's political and financial leadership is alarmed by the inevitable slide of its financial market under the domination of Zurich. With the dismantling of its former industrial power, England will simply be converted into a semi-colony of France, Germany and India.

The nucleus surviving the collapse "only for now" is made up of all the semi-colonies that both Germany and France have managed to retain and without which their mutual future as important nations would be finished.

Sweden, Hungary and Switzerland, waved goodbye as they left the port. There will be more countries departing soon. It is absolutely false that Germany and France are looking "to help" other nations with their fiscal problems by trying to prevent their escape. To the contrary, they cannot allow these countries (who have arrived at their current situation through the oppression of their "friends"—are these countries the ones oppressing their friends or the ones being oppressed?) to disconnect themselves from the EU because they



would then lose their captive markets. Concretely, the problem of the European nations (to begin with) are Germany and France.

The old sinking ship in the Mediterranean is taking on water without relief. For Greece, Portugal, Spain, Italy, Northern Europe and England it is only a matter of time before they all follow in the footsteps of Ireland and Iceland. In the center of all these countries, are Belgium, Hungary and Poland, which are in search for their place in this shipwreck.

The recent decisions of the Greek and Italian parliaments to establish 'technical' governments in order to implement brutal austerity plans with the EU are remarkable. Earlier governments had no chance to advance in that direction. These governments are implemented without allowing any public input and the Greek and Italian parliaments refuse the call for elections precisely because they know that they would not receive support for these measures. These are clearly fascist traits akin to specific aspects of Italy under Mussolini. This is an alarming development that we need to keep watching.

Meanwhile, the Russian ship is waiting at the dock for the inevitable collapse in order to go fishing in troubled waters. It would be a farce of history- although not too improbable - for the resuscitation of the Sacred Roman Empire of the East, with its capital in Moscow and an influence reaching the Danube and beyond.

The mass uprisings in North Africa and the Middle East are not neutral or unrelated to this reality. These huge mobilizations, regardless of their outcome, are a mortal blow to the imperialist European nations already in decline. These newly governed countries step into the world arena disputing control of their internal markets,

getting better deals for the natural and energy resources they export and better contracts for their brand new transnational corporations and banks.

#### On the side of the Masses

In many European nations serious conflicts have arisen as a result of thousands of layoffs, as well as the losses of social and labor gains which were won after decades of hard struggles. Some of these losses include raising the age of retirement to nearly converge with the average age of death, the dismantling of free health and education systems, ending access to funding for housing, and more. At the same time, the far right is becoming increasingly xenophobic, sexist, and more stubbornly individualistic and narcissistic.

The measures European capitalists are taking just to keep their ship afloat consist of pouring copious amounts of money into supporting the big banks and financial institutions that are drowning as a result of their own greed and

irresponsibility, and instituting draconian adjustment measures in order to save massive amounts of money to pay for those bail outs— a prescription in the tradition of the IMF.

This medicine has already been administered in many areas of the world in the last 20 years, varying in terms of their territorial, historical, social, economic and political particularities, but always ending with the same result: more pain and repression. There is no doubt: what remains left of Europe is being sacrificed on France and Germany's altar.

In the face of this situation indignation is spreading throughout those countries; protests and street fights are breaking out everywhere, essentially incited by workers and youth against the adjustment measures. Those at the forefront of this struggle include students who face the growing challenges of remaining in school while having no real prospect of getting jobs, along with unemployed workers displaced by cuts, and the youth of immigrant families living in the urban poorest neighborhoods.

They all come out to fight, pushing forward the struggle, and pressing on the existing labor unions which, under the leadership of entrenched labor bureaucracies, either try to ignore them or end up mobilizing in order to

### INTERNATIONAL LEFT Who are we

**International Left** is a new project aimed at developing a revolutionary socialist organization of workers, the oppressed and youth.

We believe that a revolution that does not result in greater democratic guarantees for the oppressed sectors of society is doomed. That is why we place extremely high value on the principle of internal democracy, as well as the principle of organic solidarity with the mass movement in other countries. (Capitalism and imperialism must be replaced by a more advanced economic and political system. Bourgeois rule must be replaced by the rule of the working class and the oppressed. If we do not shortly inaugurate a new epoch of growth for social justice with technological, political and economic advancement for the entire human race, the present system will drag all of us backwards to barbarism.

The rule of capitalism is dragging the planet into an ecological crisis. The productive forces unleashed by nature are now in question. Peak oil, global warming, the disputes over everyday needs such as water, the systematic destruction of vast forests, the approaching danger of melting polar ice caps, disasters created by profit motivated enterprises such as at Bhopal, Three Mile Island, Chernobyl and now Fukushima are just some of the most well known destructive events resulting from the recklessness of the ruling class. Without breathable air, sanitary water, arable land, co-operation between human beings and more, we will be left without a planet to live on.

This economic system that is destroying the planet cannot be reformed. It must be replaced. Ruling classes and economic and political systems do not fall. They are overthrown. This is no easy task. A mass movement must be active in the streets and workplaces alike. A program must be developed to address the necessary changes in society. An organization must be built to effectively confront the power of the ruling class.

The question of what kind of organization we need is very much a question of strategy. We need a new type of left organization. We need one based on the working class, which will promote the mobilization of the mass movement, that will not aspire to impose its own rule, but the rule of the working class and the oppressed through their own democratic institutions of direct representation and power.

This organization can neither limit its work to the electoral nor to extraparliamentarian activities. It must see all forms of struggle as tactics useful in increasing the education, mobilization and organization of the working class and its allies. Agitating in parliament, demonstrating on the streets, striking in the workplace... all of these forms of activity and more must be combined.

This organization can have no interest apart from the interests of the international working class and the oppressed, no objective other than those that contribute to the organization and continuing mobilization of these sectors of society and the construction of their institutions. This organization is not the end product of its work, but simply a tool to help move vast resources against capitalism and for a new, democratic socialist society. (We understand that the organization is not the embryo of a new society, but an instrument of revolutionary politics, a transitory tool, not an end in itself. The party must wither away with the state when capitalism and imperialism are overcome.

The questions of war and peace; fascism and revolution; racism or full equality; colonialism, imperialism and national liberation; class struggle or class collaboration; revolution or counter-revolution; capitalism or socialism; socialism or barbarism ... continue to be the central points, the choices of human civilization, the theoretical challenges of the left, the center of every practical activity of revolutionaries. •

prevent the emergence of independent forms of organization beyond their influence or control.

In many of the European urban centers the conflict for the moment is taking the form of popular eruptions that are often impotent and above all lacking in the participation of workers in an organic form (as a social class). After the discontinuity and defeat of some of these struggles we have seen a swing in the direction of sweeping conservative electoral victories (Portugal, Spain, Ireland, Austria, Belgium, Netherlands and Poland) and opinion polls in the same direction in Italy, Greece, Hungary and Iceland. This has been confirmed with the results of the first round of the French elections where the neofascist National Front obtained 18% of the votes and an emerging political map is showing that, together with similar groups, this trend is reaching dangerously 25% of the European electorate.

In the last five years we have observed dozens of regional and national crises like the current one. In all of them there is mass popular resistance of different magnitudes, some of which have even provoked the fall of national governments. Nevertheless the end result has consistently been merely the imposition of new and deeper economic adjustments which only produce more pain than the one that prompted the original resistance. None of these solutions offered by the state are ever any improvement to the social conditions for the impoverished masses.

#### How does this process work?

Why is it that despite the brutal fall in the standard of living coupled with state repression as the only response to demands, we still can not get to replace the official policies for others that benefit the masses. What should the people do to achieve changes in their favor? Is this something impossible to accomplish?

The answer is no, it is not impossible. Nobody is saying it is easy; the possibility exists and depends - in principle - on our ability to learn the lessons of the historic struggles of the past, on one side, and also the ability of the workers and the youth to regain faith in their own strength.

Will the Spanish or Greek workers who lose their jobs be able to purchase a taxicab with their severance pay? Would that increase their capacity to demand and mobilize themselves? When the situation is worse are conditions more ripe? None of that is true. The laid off workers, most of them from the middle class and or the labor aristocracy are defenseless to resist, after decades of co-optation by the system.

Europe, along with the USA, has most of the middle class of the world, including the petit bourgeoisie and urban and rural workers that earn high salaries. Historically, they have enjoyed privileges as a result of the imperialist exploitation of colonies and semi-colonies. They represent the social base of a labor bureaucracy that is characterized by its expertise in corrupting the working class and preventing the unions from being vehicles capable of defending working class economic and political rights.

The study of the history of the last four centuries of capitalism has taught us many things, among them is the fact that workers produce everything in society and that capitalists depend on them for profit. It also has taught us that every social and economic gain made by the workers comes at the cost of huge struggles, gains including access to affordable housing, medical care, education and even the right to leisure time. In addition, these gains have been uneven throughout the world, and the biggest gains have taken place in the imperialist countries that have exploited colonies overseas or on their own continent.

Another lesson consists of remembering that the workers of old Europe - the cradle of capitalism - only achieved changes when they led the whole of the people, accepted the challenge, broke up with capitalist organizations, parties and leaders and built their own organizations, parties and leaders.

This situation is not Greek, Portuguese or Polish, it is European and global and the response has to be at the same level. We need to have a movement that raises the issue of the integration of Europe as a new base, a regime led by the working class and the oppressed, only that type of a leadership that will be able to reorganize production and distribution and put it in the service of the masses. In the current stage, isolated nation-states cannot guarantee the maintenance of a standard of living that is even minimally acceptable for the population as a whole.

One common characteristic of the current struggles is that they do not raise the issue of the need to challenge the rule of the existing powers themselves and they end in isolation and defeat, without reaching the critical mass they need to develop their organizations. They do not go beyond isolated chapters, or outbursts of anger and do not evolve into some stable organizational form, capable of containing and channeling these isolated struggles which at any given moment could emerge as a vehicle of social change that invites, attracts and organizes all of those that sooner, rather than later, will be thrown into the arena of struggle of a drowning Europe.

For a very long time the working class movement has not produced any type of organizational progress. One of the most important reasons for this is the knowledge and expertise acquired by the employers and their state about how to derail the movements, and their ability to count on the support of the traitors, the labor lieutenants of capital, who take the form of the bureaucratic union leadership. They are capable of destroying any attempt of independent organization inside the work places.

However, the main aspect is that **the left itself abandoned this task**; they gave up trying to build these structures and decided to build a nest for themselves only among the youth and the urban petit bourgeoisie. They did not use the previous period to organize and today the conditions are not so favorable. While the left is dispersed, the right wing has been getting better organized and consolidated and the far right is growing.

We understand that advancing demands and mobilizing are indispensable in the class struggle, but the work does not end there, we must consolidate these actions into organization. The proposal of any organizational form is in principle an option to be considered, history has taught us that all credible social change has been sustained by organizational forms that are related **directly** to the existing system of production at a given moment. If those who want to change the situation do not participate directly in the productive process they cannot mount an effective alternative and mobilize behind them strength of all those under attack by the economic adjustment.

In other words, without mobilization there is no organization, and without organization, politics cannot be developed and political cadres of the working class cannot be formed. They are needed to advance the mobilization and impact the consciousness of wider layers of the mass movement through its own praxis as a movement.

#### **Epilogue**

It is not enough to produce propagandistic material with political programs that are sound in theoretical terms, nor is it enough to construct "horizontal" political apparatuses, if we do not contribute to the **emergence of currents that dispute power from the factories, ports, fields, etc**. Otherwise Europe — more exactly, the Europeans — will once again follow the path of Rome.

It is necessary to resist the economic offensive of the ruling class, the layoffs and plant closures, with the rank and file organizations needed to organize the resistance. It is urgent to do political work among workers, especially industrial workers and at the same



time patiently explain to the youth and the students that they should take this task on as their own, otherwise there is no future for the movement, society will also go backwards, return to feudalism, or even much worse.

It is important to remember that any attempt to organize workers against capitalist degradation, will find the union bureaucracy as an irreconcilable enemy that must be confronted and defeated by removing them from the leadership of the unions, and/or creating new ones if necessary.

We must demand that the corporations and the banks open their books, and prevent them from closing or relocating the factories, stop the layoffs, and redistribute work hours among the employed and unemployed, without pay cuts. The corporations must take responsibility for their impact on the environment, treating all of their pollution and residue. They must bring the troops home that were sent to invade other countries and regions, cut military budgets at least in half and direct these resources to fund public investment in health, education, and infrastructure, and reducing the retirement age to 60 years old.

No European worker will be able to struggle consistently against their own exploitation by financial capital, if they do not at the same time fight against military invasions, colonialism and the economic domination of other nations by large corporations that have headquarters in their own countries and maintain the oppression of millions of workers.

It is imperative to repudiate all de facto governments, demand free direct elections and referendums to reverse the adjustment measures and break all of the agreements and treaties that subordinate most of the European nations to France and Germany.

All of these measures, although necessary to deal with the current emergency, are not in themselves the definite solution to the current degradation. Any gain that we achieve through the struggle will only be temporary if we do not continue moving forward, building our strength with these partial victories leading up to the destruction of the decadent imperialist capitalism and its replacement with a new socialist Europe.

### A Disturbing Possibility

It is clear that Europe faces a fast decline and it's also true that this did not start today. It began towards the end of the nineteenth century, when Europe fell from the peak of its colonial splendor. Of course it received help: the emerging empire of the USA became its gravedigger. They experienced crises in 1892 and 1898 which led to the ultimate consequences of the First World War, on one side, and the first workers revolution in history, on the other.

The crisis that took place in the 1930s served as an introduction to the Second World War and the only thing that galvanized a fragile and late European capitalist federation was the ghost of a socialist Europe. The capitalist reconstruction of Europe turned out to be only temporary and intrinsically unstable.

Here we are now, witnessing the second fall of Europe. It is not our intention to force similarities in the analogy with Roman Europe, but the comparison retains some value when we outline possible scenarios. The Roman Empire at its peak ruled over the Goths in Iberia, Germania, Gallia and Britannia: practically all of Europe. Its collapse is a classic example of how a seemingly solid and powerful empire can easily

crumple in a short time. After leading all of the West and a good part of Africa and the East it crumbled into an abyss of darkness and backwardness for twelve centuries. This is not fiction; this is simply how it happened. Understanding what happened and what didn't, is crucial in order to understand that Europe is facing a similar dilemma.

At that time society was organized around agricultural production based on slavery on a massive scale, limited trade between empires, small craft production and exceptional urban and construction developments led by slave owners. There was little or no incentive for innovation and change: only wars of conquest and plunder and more slavery. Suddenly it collapsed. Only the slaves had the objective need to change their situation and — recognizing exactly this — they tried incessantly throughout the empire: but they failed. •

## THE BARRIER BETWEEN REVOLUTION AND COUNTERREVOLUTION

# WHAT IS THE WORKING CLASS ARISTOCRACY? WHAT IS THE LABOR BUREAUCRACY? WHY DO THEY EXIST?

Resolution of International Left

"The trade union bureaucrats, like the bureaucrats of false Communism, live in the atmosphere of aristocratic prejudices of the upper strata of the workers. It will be a tragedy if the oppositionists are infected even in the slightest degree with these qualities. We must not only reject and condemn these prejudices; we must burn them out of our consciousness to the last trace. We must find the road to the most deprived, to the darkest strata of the proletariat, beginning with the Negro, whom capitalist society has converted into a pariah, and who must learn to see in us his revolutionary brothers. And this depends wholly upon our energy and devotion to the work" Trotsky, Leon, Militant

May 1, 1929

o address the debate over whether a sector of the working class (the labor aristocracy) benefits from the surplus value extracted from the countries oppressed and exploited by imperialism, we must start with the analysis of the origin of the labor aristocracy itself. This is also necessary in order to see how the bourgeois project that incorporates a layer of the working class in to a higher level of benefits, salaries and privileges — as practiced in every country in the world — is part of the dominant class "divide and rule" strategy against the oppressed and exploited.

The emergence of the working class aristocracy is closely linked to the needs of the bourgeoisie to: a) guarantee the economic exploitation of central resources without the hassle of social conflicts; b) gain a foothold in the labor movement to ensure their domination of the whole by dividing and overexploiting most of the workers. The creation of the labor aristocracy is the other side of the coin of the maintenance of a permanent army of unemployed workers. The former guarantees a loyal segment of the working class while the latter serves as a latent threat, an available replacement of employed workers, and a way to depress their wages.

With the advent of imperialism, the bourgeoisie sought to ensure that the value added to raw materials extracted from the colonies and semi-colonies was produced in the Metropolis and also, this bourgeoisie needed the support of its own working class as its social base in order to pursue economic interventions in foreign markets and the use of force to guarantee it (wars, armed interventions, blockades, etc).

The combination of both, capital exports, and an era of monopolies in the imperialist stage produced colossal mass of profits for the central, imperialist countries, which to a large extent was an uninterrupted process, that could be guaranteed by, among other factors, the creation and the existence of the working class aristocracy.

This tier of the working class would guarantee the production of surplus value in large industrial cities; and would provide the political base of support for interventions in other countries; and at the same time have part of the working class serve in the imperialist armed forces to dominate other nations.

The labor aristocracy originally emerged because mid XIX century monopolist imperialism could provide higher salaries to key sectors of the working class than those given to the rest of the working class due to the centrality and high profitability of the branches of production where they worked. This was facilitated by the extremely low prices which imperialism paid for the extraction of raw materials from the colonies and semi-colonies.

This is how the labor aristocracy benefited directly from the over exploitation of workers from less developed countries who are, at the same time, dominated by the ruling classes of their own country.

In that historical moment, capitalism in the developed countries counted on extraordinary profits that allowed, through the surplus obtained by the monopolist corporations in the colonies and semi-colonies, to pay for higher salaries to sectors

of the working class in their own country and also in the countries where their capital was present. This was done in order to minimize economic and political struggles and to be able to build a social base to sustain their plans to exploit and dominate the world.

The labor aristocracy, while belonging to the working class, obtains privileges at the expense of the rest of the class, this is done with the intention of creating internal divisions within the working class. Now, where does capitalism get its profits to pay for high salaries to some workers and not others?

The answer is from surplus value. The larger distribution of profits among a reduced sector of the working class is possible in large part due to a higher rate of exploitation of the rest of the working class in their own country and of the workers in dependent countries.

The emergence of the oligopolies, cartels, and other forms of diversification and combination of the domination of capital over different branches of production facilitated the redistribution of income and profits among the different branches, the interrelation of production, and the establishment of higher salaries or production expenses in some at the cost of others or the transfer of resources between these different branches according to what satisfied the interests of the bourgeoisie.

The increasing integration of production in several branches of the economy at an international scale (for instance cars that are assembled with components produced in 20 or 30 different countries) developed the production in multiple countries and involved the participation of an international working class. This



integration takes place even between branches of production that are established in countries far away from the Metropolis.

The bourgeoisie became capable of regulating the production as a whole, from extraction, to production, to aggregated value, and commercialization, up to distribution at a global scale, thus becoming the price-fixers of merchandise value and its rates of profit internationally.

At this point we can say that the imperialist capitalist system achieved global domination, what some now call Globalization.

Whether they extract less surplus value from the aristocratic workers in order to pay them higher salaries or whether they are less exploited, or whether workers from underdeveloped countries are subject to higher exploitation, the explanation is always the same: they can do any of these things thanks to the fact that they compensate for their losses with profits from the exploitation of the workers in underdeveloped countries.

Capitalism can now regulate rates of profit, exploitation, and surplus value at an international scale to better serve its political convenience and for a larger ideological domination of the workers. The calculation of profits, added value, and bourgeois exploitation in rising periods of the economy is global, taking the aggregate exploitations of a conglomerate, at least from branches of worldwide production, or even from the world economy as a whole.

The capacity of the imperialist bourgeoisie to control markets, centers of production, distribution of profits, wages and salaries, and commodity prices at a global scale is interrupted only when big international and global crises take place. These periods of crisis are characterized by overproduction of commodities, an excess of accumulated stocks and a decline in the rate of investment of financial capital.

This is the moment when the capacity to dominate the economy at a global scale begins to falter and may even lead to the economic collapse in one or several countries, thus endangering the whole.

In these moments of crisis inter-capitalist competition increases, the benefits and wages of all workers come under attack, including those of the labor aristocracy, together with the social gains the workers made in times of plenty. The central idea is that the ruling class seeks to transfer onto the backs of all workers the effects of the crisis sparked by its own voracious and anarchic administration of the system.

The rate of exploitation of workers, their wages, working conditions and even their democratic liberties are definitely the first variables of adjustment for the crisis. Hence, when the bourgeoisie takes measures to save itself or reduce the impact of the crisis on its own class, no worker, peasant, or popular sector — not even the labor aristocracy — will be free from ruling class attempts to make them pay for the continued well-being of the ruling class. This is very clear from the recent attacks on the workers in the imperialist countries of Europe and the United States.

The labor aristocracy obtains benefits from the surplus value that capitalism extracts from the oppressed and exploited classes in their own country as well, including the most privileged strata. It is worth noting that, for example, a worker at General Motors in the United States is NOT as exploited as a worker from a GM subsidiary in Argentina. Thus the latter helps to pay part of the higher salaries of their counterparts in the United States.

What an US worker is able to consume is NOT the same as a salaried Argentinean worker, nor do they work the same number of hours. Even within the United States, the rate of exploitation, the salaries, and the working conditions for immigrant workers are worse than for those US workers in heavy industry.

This is explained by the need of US Imperialism for support from "white" workers, not only to prevent them from winning in the conflicts generated by the class struggle in the US, but also to win the support of these workers for US control of oil, which even includes the assassination of activists and labor leaders in the invaded countries.

During normal times this support is also convenient in order to sustain the differentiation in the rates of exploitation and wages; thus, the extraction of surplus value from immigrants and other overexploited sectors of the working class. The same mechanism exists in



terms of income gap by gender, where female workers, in general terms, receive 54% of what male workers receive for comparable tasks and jobs.

This practice of creating a labor aristocracy has been extended to almost every country, imperialist or not, and the same thing always happens: workers in key sectors of the economy obtain benefits at the expense of the rest of the working-class.

In his "Imperialism, the Highest Stage of Capitalism" **Lenin** describes how the bourgeoisie developed a caste within the labor movement, the labor aristocracy, and how this is linked with the origin of the labor bureaucracy.

"Obviously, out of such enormous super profits (since they are obtained over and above the profits which capitalists squeeze out of the workers of their "own" country) it is possible to bribe the labor leaders and the upper stratum of the labor aristocracy. And that is just what the capitalists of the "advanced" countries are doing: they are bribing them in a thousand different ways, direct and indirect, overt and covert."

**Lenin** goes on to describe the labor aristocracy, and explains how its existence determines its consciousness, and often its actions.

"The receipt of high monopoly profits by the capitalists in one of the numerous branches of industry, in one of the numerous countries, etc., makes it economically possible for them to bribe certain sections of the workers, and for a time a fairly considerable minority of them, and win them to the side of the bourgeoisie of a given industry or given nation against all the others."

"This stratum of bourgeoisified workers, or the "labor aristocracy," who are quite philistine in their mode of life, in the size of their earnings and in their entire outlook, is the principal prop of the Second International, and, in our days, the principal social (not military) prop of the bourgeoisie. For they are the real agents of the bourgeoisie in the working-class movement, the labor lieutenants of the capitalist class, real channels of reformism and chauvinism. In the civil war between the proletariat and the bourgeoisie they inevitably, and in no small numbers, take the side of the bourgeoisie, the Versaillese against the Communards."

"Imperialism introduces certain modifications: a privileged upper stratum of the proletariat in the imperialist countries lives partly at the expense of hundreds of millions in the uncivilised nations."

Just to give an example of this phenomenon in Argentina you only need to look at the *Moyanista* wing that today controls the Confederacion General de Trabajadores (CGT - General Confederation of Workers). It is based on a labor aristocracy made up of truck drivers, petroleum workers, rail-road workers, bank workers, automotive factory workers and to a lesser extent industrial workers, who obtain the highest salaries in the country, and are, at the same time, the base of support of the *Moyanista* union bureaucracy, and of the government — with which they have allied themselves, as well as with the interests of exporters and financiers of imperialism.

It would suffice to compare the difference in salaries, working conditions, and union representation and negotiating power of this 6% to 7% of the working class with the million and a half rural workers who work sunrise to sunset or those workers who are 'off-the-books', who do not even make 50% of the salaries earned by the labor aristocracy.

The bourgeoisie has again taken the decision to preserve some of these sectors of the labor aristocracy for political, ideological, or economic reasons, and acts with the power of the state to preserve the sectors.

The degree of dependence of the country and even of the national bourgeoisie on imperialism — whether it be US, Brazil, China — often times, does not allow them to have sufficient resources to pay off all sectors of the labor aristocracy.

The bourgeoisie of the transportation sector — the owners of the road trucking fleets or the railroads — that grant concessions to some workers above the average of what other workers receive, would not be able to do so if it were not for the large subsidies for salaries, gas, fleet renovation, and payments for infrastructure provided by the state.

The millions in state subsidies that the government presently grants these sectors in order to sustain the salaries and working conditions of the *Moyanista* unions are key to the permanence of the labor aristocracy in Argentina.

The subsidies are therefore money stolen by the bourgeois state from all the workers and taxpayers and diverted from social services and construction of public infrastructure (schools, hospitals, housing, etc.) to put them into the hands of the bourgeoisie, which in turn lets crumbs from this organized pillage fall off the table into the hands of a small sector of the labor aristocracy.

Not all workers who have good salaries are necessarily part of the labor aristocracy. The differences in salaries and working conditions among workers are also influenced by the degree of development of the class struggle and the fight of the workers against the bourgeoisie.

There are sectors or branches of the working class, that have obtained gains in working conditions and salaries by means of struggle, but who are able to retain those gains only if they sustain a permanent level of struggle or unless they turn into a part of the labor aristocracy that the bourgeoisie wants to expand and their leaders are co-opted into the labor bureaucracy.

When the labor bureaucracy negotiates for better working conditions and wages, it offers in exchange the containment of class conflicts and if struggles do take place, they guarantee that they will restrain them to prevent the most exploited layers of the working class from winning the same pay raises or improvements in working conditions. In every case, especially in good times, we are witness to a decision of convenience by the bourgeoisie, to easily yield some concessions to some workers, at a political and social cost, convenient for its own interests.

When this capacity to "negotiate" between capitalists and the union bureaucracy deteriorates it can lead to confrontations. This happens when a crisis shakes the bourgeoisie and the state or when the bourgeoisie seeks to marginalize the labor aristocracy and even the labor bureaucracy, because of a power struggle or when it seeks to increase its profits or as a consequence of a change in the productive infrastructure.

There are other ways of bribing the labor leaders: the collection on their behalf of obligatory union dues, their administration of multimillions in housing and health benefits, by which many union bureaucrats find a way to enrich themselves, even at the expense of the health and the interests of those whom they represent.

Continued on next page

#### INTERNATIONAL LEFT REVIEW

If a sector of the workers lives a petty-bourgeois lifestyle with access *to* goods and services granted by a policy of exploitation of the rest of the workers, it is logical that they will defend their privileges.

Even in the 19th century Marx and Engels said that it was no surprise to them that many workers of Imperial England had a bourgeois mindset themselves and supported that bourgeois class politically. Material phenomena intervened here: why wouldn't workers think like capitalists and ideologically support them if they take the crumbs from the vast colonial exploitation?

[The] English proletariat is becoming more and more bourgeois, so that this most bourgeois of all nations is apparently aiming ultimately at the possession of a bourgeois aristocracy and a bourgeois proletariat as well as a bourgeoisie. For a nation which exploits the whole world this is of course to a certain extent justifiable." (Complete Works. Marx and Engels. Letter from Engels to Marx, 1858)

The bourgeoisie, being a minority in society, needs to construct an electoral majority to justify its permanence in power, which is impossible without winning part of the exploited to its political parties. The labor aristocracy thus secures for the bourgeoisie a loyal segment of the population to its plans, just as favoritism and cronyism lures other popular sectors to join the political parties of the dominant class.

In fact, even the military dictatorships in Latin America and Fascism in Europe granted concessions to the labor bureaucracy and the labor aristocracy and did it for the same reasons *as* the "democratic" bourgeoisie. It is important to note that in Argentina, for instance, it was the military dictatorship that gave the labor bureaucracy control over administration of health social insurance programs, which in turn enriched the labor leaders.

Having a clear concept about the labor aristocracy allows us to characterize in general how it will act in the face of a capitalist and imperialist offensive and not discard it as part of the working class movement, but to take their role into account in the political positions we put forward

It is essential to develop agitation and propaganda campaigns directed to this sector, looking at the material questions involved and which make majority sectors of this group turn to the right and even towards fascism (Italy, Germany, etc.). In moments of bourgeois crisis, as is currently happening in Europe and the United States, these sectors will be open to perspectives of more solidarity with the rest of the class and could decide to come out to fight as an integral part of the whole class.

This is why it is equally important to promote the struggle among the most exploited and oppressed, so that they obtain their demands, and also to protect the mass movement from possible prejudices and supremacist attitudes coming from the labor aristocracy.

Samuel Gompers, the legendary early US union leader and bureaucrat from the American Federation of Labor (AFL, a labor federation similar to the CGT in Argentina), at the turn of 19th century and the beginning of 20th century headed the union tendencies in the USA, and also internationally, that *were* opposed to the integration of blacks and immigrants into the skilled industries and unions the AFL controlled, even using violent methods to exclude them in central countries such as England and the USA.

The majority of the unions in Europe, including those controlled and led by social-democrats, supported and sustained the colonialism of their own governments and were in agreement with some of the main social



democrat parties of Europe, maintaining that this would introduce civilization to the "savage peoples" and would transform them into proletariats.

This position was a smoke screen to hide their support for colonialism; that is, that European union workers benefited from the super-exploitation of oppressed colonies, peoples, and ethnic groups. This was the same case in the United States.

In fact, in the Social-Democracy Congress of 1903, Lenin, together with Rosa Luxembourg and others, founded their first faction within social democracy, producing a resolution against these reactionary positions. They won over the majority of the Congress, but this did not stop the main social-democratic parties from ignoring this resolution. As an extension of this reactionary position, they supported their respective bourgeoisies in World War I.

In the 1930s, the US unions, with a membership of exclusively white and aristocratic workers fought shoulder to shoulder to prevent the admission of blacks and other nonwhite workers into skilled work and large unions. A conflict erupted within these unions, including those in the mining industry. They broke with the AFL, thus creating the Committee of Industrial Organizations (CIO, later known as the congress of Industrial Unions), which for more than a decade embodied a militant type of unionism with radical methods of struggle and achieved important concessions from the company bosses and the integration of blacks into industries and trade unions like never before. Only decades later did the unification of AFL and CIO take place (1955), based on a more moderate framework and in a new situation, forming the largest union federation in the country.

During the so called "Cold War," the US imperialist bourgeoisie used the existing labor aristocracy and its

product, the union bureaucracy, to lead the main labor unions in the country, the AFL-CIO, to subvert, spy, bribe and destroy all types of labor unions around the world, especially those that were class oriented or combative unions with a communist or social democratic leadership.

During the entire postwar period and the Vietnam War, the AFL-CIO formed special institutes to infiltrate, corrupt, subordinate or even destroy combative federations and unions in Europe, Latin America, and Asia. It additionally allocated the equivalent of billions of dollars in today's currency to finance anti-communist agendas. Most of this money came from secret funds of the US government.

During the Vietnam War, some US labor unions, like those of the construction workers in New York City, formed groups to physically attack students and union workers protesting the war.

In summary, the labor aristocracy is a bourgeois, social engineering project, began by the imperialist bourgeoisie, to obtain a base of political support for itself and against the rest of the social classes and the oppressed countries, including the rest of the non-aristocratic working class in the imperialist countries.

Of course, the cyclic crises of capitalism and imperialism limit the ability to bribe layers of the proletariat. It shuffles between different layers of workers according to the needs for reorganizations of businesses and in many cases these layers shrink in number or their importance declines. The key concept, nonetheless, is that the need for a labor aristocracy and its opportunist, political and labor leadership continues to be an essential need of the bourgeoisie to remain in power.



## The Working Class Movement On its way to become a revolutionary social force?

**By Carlos Petroni** 

The labor aristocracy and the labor bureaucracy are the most difficult obstacles to overcome to advance the mass movement in the midst of a situation of deep crisis of the capitalist economy and social breakdown.

n places as different as Europe, the United States or Argentina, in the face of this political, economic or social crisis one can perceive the absence of an organized workers' movement possessing a concrete political program and a leadership that having realized the depth of the changes in the world, mobilizes massively, providing leadership for all of the classes of society affected by the crisis of capitalism and formulates a workers' socialist alternative.

Without concrete political program and effective leadership, there may be mass protests that can cause an imbalance and even the replacement of governments or political parties in power, however it will not achieve a change of system for one that would guarantee full employment, a sustainable economy, good salaries, quality education and housing, and universal health care for all.

This is the case because the only social class able to replace capitalism and the antidemocratic institutions of bourgeois democracy for another system, that would guarantee full equality, is the working class. This is the social class that has the social muscle to paralyze the economic and political machine of the existing powers and postulate its leadership and forge a new destiny for society.

The working class has major difficulties in leading that struggle or even to assume these tasks essentially because of the existence of two built-in phenomena within the movement: the working class aristocracy and the organized labor bureaucracy.

The working class aristocracy, as we have already explained in the article **What is the Working Class Aristocracy? What is the Labor Union Bureaucracy? Why do they Exist?** In this issue of *International Left Review*, is a social engineering product of social work created by the bourgeoisie. Their purpose was to create a privileged layer of the class – in relation to the majority of the working class – to provide a political and social base of support permeated with the ideology and cultural aspirations of the bourgeoisie or petty-bourgeoisie.

This layer of the working class, in the case of an imperialist country, obtains benefits at the expense of workers from other countries. It also exists as a layer in non-imperialist countries where their benefits rest on the exploitation of the rest of the workers.

In exchange for sustaining a high level of class collaboration, they receive good salaries, better working conditions and even subsidies for their employers which are transferred to them for strategic and economic reasons or to maintain the peaceful social conditions needed to overexploit both the rest of the working class and other nations.

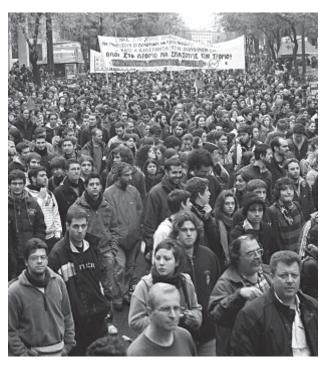
In general the working class aristocracy represents no more than 5-10% of unionized workers and its leaders are recruited to the leadership of the trade union federations or confederations and therefore act as the "leaders" for the rest of organized labor or the entire working class. In organized labor they tend to also lead the weaker labor unions.

These higher-ups are the ones who decide the fate of immigrant workers, nonunionized workers, informal workers or the unemployed. This layer of the working class aristocracy, fundamentally its bureaucratic leaders, are the ones that regulate for capitalism, the salaries, the working conditions and the social relations with the ruling class, and serve as both their employees and their lieutenants, and when and if the conditions require it, as their labor police. In those rare occasions when they oppose a sector of the bourgeosie, they do it only to

serve some other competing bourgeois force; they never rise to fight class against class. Their mission is to preserve social peace and suffocate any expression of indiscipline or independent thought in any of the networks of the exploited classes.

These leaders receive high salaries and multi-million dollar perks and they themselves become businesspeople, in return they show their greatest hostility toward militant workers, the left and to union democracy. They manage their organizations with money, cooptation, bands of thugs and negotiate anything with the employers behind the backs of the rank and file workers. They continue in this role for decades as heads of their unions by means of reactionary legislation, fraud and violence.

They are drafted to serve in the institutions of the bourgeoisie in a variety of different capacities, including elected legislative representatives, senators, mayors, council people and even government ministers. Their



assigned mission is to protect the prestige of bourgeois democracy during times of crisis, stop any manifestation of discontent that could lead the workers to develop their independent political awareness.

The labor bureaucracy mobilizes its social base, the working class aristocracy, to rallies, demonstrations and to vote for the candidates of the bourgeoisie. If necessary they organize armed bands in the service of the ruling class to destroy uprisings, revolts and revolutions.

The working class aristocracy is always in a series of transitions in terms of the permanence of their privileges, unlike the labor bureaucracy, whose petty bourgeois lifestyle is affected only when a deep economic crisis takes place. It is in these bad times, like the ones we are living in now, when the bourgeoisie, having exhausted all other sources of income, struggles to take back the concessions it made before.

The union bureaucracy, at such times, politically confused, helpless in its passivity learned over decades of class collaboration and incapacitated by the straitjacket that it has help impose upon the "represented", has two and only two choices: surrender unconditionally, or, fail in any attempt to survive as a direct result of its incompetence.

In the worst case and if necessary, the bourgeoisie

would appeal to the fascist gangs and annihilate the labor and political organizations of the working class by methods of civil war. At that point, many in the working class aristocracy and the union bureaucracy will join the reactionary chorus against the most oppressed, or participate directly in the bourgeois' death squads, or will be incapable of leading any struggle and in despair for their future, they will be looking for the progressive bourgeoisie to pull them off the hook.

In those moments of time, brief in historic terms, but sudden and violent, it will become clear before hundreds of thousands or even millions of workers that the political and union leadership they have, are leading them to the killing fields or to a guaranteed defeat. They will reach, through their concrete historical experience, the conclusion that they need to have a leadership that is decisive, daring, incorruptible and independent from the bourgeoisie in order to defeat the reaction and take control of the failing capitalist society and take them forward to new social norms. The masses will see the evident perspective, that they need a revolutionary leadership.

This new leadership, however, is never created by a spontaneous process and it cannot, overnight, acquire the ideological and programmatic homogenization to lead the whole working class and for it to become the leadership of the rest of the oppressed.

The formation of combative, even revolutionary working class cadres and workers' organizations takes decades; it takes time to forge them in the struggles and gain the confidence of the majority of the workers; they need to test their new methods of struggle during the daily confrontations with the ruling class; they not only need to learn by themselves how to lead mass organizations, but also, need to comprehend the theory that will enable them to act efficiently; advance tactics that can move them forward and develop the necessary strategies that will lead to a socialist society.

The emergence of a large fighting vanguard, that struggles to get rid of their middle class prejudices inculcated in them for decades by the ruling class and replace that with an unshakable impulse in the class confrontations or the implementation of radical measures to succeed, is the first symptom that a renovation of the working class and its leaders is underway. This vanguard does not act independently of the rest of the masses but rather turns to them constantly to pull them forward to advance their conscience and collective organization.

From within this vanguard the best individuals will emerge and coalesce into singular organizations, those who embrace the theory to understand history, economy and social organization; those who implement working class democracy from below and represent the independent politics of the class called to lead society. Only then can the working class lay claim to rule society. This is what is called a revolutionary party.

Hoping and wishing will not accomplish the task. Like in any battle, it demands the greatest sacrifices, the tenacity that only the crisis can imbue, the certainty that a sick system will survive for as long as the oppressed allow it to before they decide to overthrow it. The masses will reach this conclusion only on the road to the radicalization of the class struggle.

Our international current has been committed to this since its inception, to finding the bridge, that is, the program, that seeks to establish the connection between the current consciousness of the masses with the achievement of their historical objectives: the seizure of power by the workers, building and empowering their own democratic institutions, in replacement of the decadent and anti-democratic bourgeois "democracy". As part of this work, in this issue of *International Left Review* we publish our document about the labor aristocracy (see page 8) and in the next one we will publish a comparative study about the labor aristocracy in different countries together with the analysis of the labor bureaucracy that leads it.

Only by knowing the obstacles and identifying the adversaries, together with the practical preparation of the struggle, is when you can advance toward victory. We are confident that the urgency provoked by the crisis and the launching of growing numbers of workers contingents, of the oppressed sectors of society and the youth will shorten the time necessary to learn and provide opportunities to test themselves in the fire of a more intense class struggle and in the process the movement will witness the emergence of the new leadership it needs.

#### MEXICO

# The War on Drugs A Labyrinth Without Exit

#### By Anastasia Gómez

exico is now looking into "a deep dark hole that leads to nowhere." In a real war for the control over narco criminal enterprises, where the drug cartels and the governments of both Mexico and United States play leading roles, the entire population suffers from the horrors of war on a daily basis.

The talk about narco-corridos, narco-trucks, narco-fosas, narco-ranchos¹, etc. has become commonplace

and no one is shocked by it anymore. The daily news reports of hangings, burnings, corpses littering the large avenues, reports of those missing and abducted, narco-funded churches, military troops guarding different cities, new discoveries of drug plantations or huge drug shipments aren't news to anyone either.

Nor is anybody surprised by the daily clashes of narcos against narcos, narcos against military, military against policemen, policemen against politicians, politicians against drug traffickers, and a range of possible variants involving even more recently formed paramilitary forces. This is a war that has already gone beyond the framework of drug trafficking and has turned into a mafia war, where crime cartels have expanded their criminal activities to include theft, extortion, abduction, trafficking of people, (mainly Central American immigrants), to name only a few. Moreover, these criminal activities are not confined to the actions of capos, politicians, corrupt security forces, producers, distributors and thugs, but is a phenomenon that has become

increasingly integrated into the economic structures of the country.

Currently, drug trafficking constitutes a highly profitable enterprise, not only in and of itself but also because of its ramifications. It is estimated that 800,000 people in Mexico work in and surrounding the drug cartels, exercising administrative roles, outside processes directly linked to the production and trafficking of drugs and within thousands of money-laundering businesses such as money exchange establishments, restaurants, hotels, shopping malls, etcetera.

Drug trafficking in Mexico looms as a fast replacement for the tourism industry and remittances from Mexican immigrants abroad, as the second most important source of foreign exchange for the country exceeding oil exports. It is an entire industry, like the arms industry, that does not generate necessary goods or services for the whole of society. It perpetuates a systematic destruction of human beings, the environment, and more, resulting in processes of human and social degradation of catastrophic proportions.

In her book, *Los Señores del Narco* (the Narco Lords), the journalist, Anabel Hernandez, reports on scenes of this new reality, revealing to readers what goes on in certain parts of the mountains of Chihuahua where drug production is the main "productive" activity. For several decades already a significant portion of the population has become involved on a daily basis in this drug production. For example, "... from age seven, children die intoxicated by pesticides used on these plantations," and "... those who survive, enter adolescence carrying a 'cuerno de chivo' (goat' horn,

or AK47) on their shoulder... where more than 80 per cent of the population is engaged in the planting of psychoactive..." (source) plants.

It is also public knowledge that high-ranking politicians have a well-known involvement in this business. One notorious example is the case former President Salinas de Gortari's brother, who served time in prison for his proven participation, which shows their level of involvement within these crime circles. It is also



known that in the last decade the drug traffickers have substantially swelled their ranks with former military personnel and police from all levels of the existing police structure, from municipal to the federal level. Both the Mexican and US Governments have for years been not only accomplices, but also sponsors of drug farms, weapon exchange and/or money laundering.

The annual amount of money coming from outside the country approaches an estimated US \$40 billion, which causes both an economic and political dislocation. Businesses not linked to drug trafficking are at a disadvantage to the ones who are subsidized by it. The subsidized businesses benefit from money laundering and consumption of luxury goods and services, with the purchase of real estate, cars, clothes, jewelry, medical services at private clinics, private schools, hotels and restaurants, etcetera.

The drug cartels are strengthened territorially in the places where they operate by funding social projects with resources that exceed those of the various governments that have not fulfilled their promises of social and urban development. Drug cartels are taking control of political processes with their ability to bribe authorities at all levels of government and by promoting their own narco candidates. At the same time, the violence has also diminished the attraction of Mexican tourism along with the international economic crisis, which has also reduced European, and North American tourism to Mexico.

The country has experienced a threatening political and social degradation resulting from the war on drugs. Here we explore the following questions: What

happened? What brought us to this point? Where are the enormous political and social conquests of the Mexican Revolution? Where are the ideals of Villa and Zapata, Mexico's pride as an anti-imperialist nation, and its path to its independent development?

#### REVOLUTION: INTERRUPTED OR DEFEATED

Adolfo Gilly, an intellectual and militant of the Mexican left, in his book published in 1982, described the Mexican Revolution as an interrupted revolution. A powerful revolution halted since the end of the 1930's, by the conservative movement, which "institutionalized" the revolution through a combination of state capitalism and political monopoly by the Institutional Revolutionary Party (PRI).

In reality, the powerful Mexican Revolution of 1910 was not stopped but continued on, reaching new heights at the end of 20's. By the mid 30's it began a transition into what ultimately became its defeat, precisely through its institutionalization and the consolidation of the political machine that gave birth to the PRI. The then ruling PRI adapted to the emergence of the United States as the global hegemonic power after World War II in the late 40's.

This arrangement benefited the regime during the economic boom of the postwar era. Another key element was the growing importance and exploitation of oil and

the fact that it was nationalized under the Cárdenas Government. This allowed the PRI to control the gains of the revolutionary movement, including the distribution of land and huge social benefits, the co-optation of the masses through the existing large labor unions, peasant and popular organizations. The PRI finally halted the revolutionary process and directed it in a way that benefited the development of the national bourgeoisie.

However, this stability began to be challenged by important sectors of workers with important struggles in the 1950s led by the railway workers and the doctors, who were crushed in 1958, the year that marked the end of the era of the Mexican Revolution. The 1960's would be marked by different defensive struggles, with the 1968 student movement as one of its peaks. These struggles were violently repressed by the state and subsequently led to the emergence of a new movement of urban and rural guerrillas isolated from the mass movements. These guerrillas were defeated in the 1970s through the dirty war conducted by the state, which

resulted in the disappearance of hundreds of political activists. At the same time the prisons were filled with political prisoners, which included not only trade unionists, but also artists, journalists and prominent professors.

#### THE GHOST OF THE REVOLUTION

At the end of the 1970's, the government caught an economic break with the discovery and exploitation of large oil reserves, which allowed them to expand public investment. At the same time these were also the years of the oil crisis when oil prices increased by 270% between 1978 and 1981. The government assumed that this oil boom represented the end of all their economic problems and that they would now only dedicate themselves to managing their wealth.

At the same the PRI government tripled the external public debt and felt confident in making a few changes to the regime. There was a political reform that included the release of political prisoners and the legalization of the left parties during the 1980's. However this all became their nightmare.

There soon was a steep decline in oil prices and the Mexican debt crisis erupted. The market value of the peso collapsed and shortly afterward the government imposed austerity plans dictated by the IMF, deepening the loss of legitimacy of the PRI with growing sectors of the working-class and general population while stimulating the rise of the left.

Important attempts to organize independent trade unions in opposition to Fidel Velásquez, the main leader

#### **INTERNATIONAL LEFT REVIEW**

of the official Confederation of Mexican Workers (CTM), were achieved during the 1980's. This breakthrough occurred with the creation of independent and democratic, national *coordinadoras* (democratic coordinating committees) of workers, students, peasants and popular sectors, lead by the left and its allies. These attempts would be reflected in the creation of mass organizations like the National Front for the Defense of Wages and Against Austerity (FENDESCAC) and the electoral achievements of the Unified Socialist Party of Mexico (PSUM), Mexican Workers Party (PMT) and the Revolutionary Workers Party (PRT).

Counting all their votes together, they won two million in the election of 1982. The culmination of this process resulted in the national civic strike of 1984, the crisis and split of the PRI in 1986, the scandalous electoral fraud in 1988 against the victory of Cuauhtémoc Cárdenas and was followed by the creation of the Revolutionary Democratic Party (PRD). The PRD was created in an attempt to maintain the continuity of the social-democratic project abandoned by the PRI.

#### POOR MEXICO, SO FAR FROM MARX AND SO CLOSE TO THE USA...

The overwhelming majority of the independent left, who up until then were combative, were gaining influence within the various organizations of peasants and urban workers, grass-roots organizations and students, winning hundreds of thousands of votes with influence in the universities and amongst intellectuals. However, at a time when it was necessary to offer a revolutionary perspective to the crisis and the increasing polarization of society, they were absorbed by the PRD. They chose a bourgeois way out of the crisis!

They quickly forgot that this political current, led by Cuauhtémoc Cárdenas, who had recently told millions of Mexicans, while they were calling for the seizure of power and the ousting of the PRI, to return to their homes and let the courts "clean the election". The left, dominated by petite bourgeois nationalism and Stalinism, obediently dissolved their organizations and incorporated them into the new bourgeois party.

Cardenas, in his recently published autobiography **Sobre Mis Pasos**, confesses that, in regards to the fraud of 1988, he conducted secret meetings with Carlos Salinas De Gortari and some of his former colleagues from the PRI. He also wrote that no one that supported him suggested any kind of 'illegal' resistance to the fraud.

Can we believe him? He had the nerve to tell us that the only initiative proposed in the National Democratic Front (FDN) was for their supporters to wear a tricolor ribbon and turn off their house lights from eight to eightfifteen in the evening. A leader who does not listen to the masses and turns his head the other way is a traitor.

1988 was a historic defeat. The disenchantment of the masses was widespread. The left and the independent mass movement practically disappeared when the PRD assimilated them into a new bourgeois party, with many of the former PRI figureheads acting cowardly and defeated. The defeat opened the road to a more drastic retreat from the gains of the Mexican revolution in constitutional, social, economic, and political terms. Later in the 1990's, after the implementation of neoliberal policies and as a result of privatization, the state collected immense financial resources to fill its coffers, which it used in large part to launch social support programs.

As in all countries where this neo-liberal turn was imposed, there were high rates of economic growth, which were presented as the beginning of a new era of what was for a period referred to as "first world" living standards. Among the most important counter-reforms of the government of Salinas De Gortari was the modified Article 27 of the constitution. This change liquidated the Ejidos (communal property), ended land distribution and also allowed for the sale of Ejido land. In 1990, an additional reform re-established diplomatic relations with the Vatican. It also legalized the priests and nuns' rights to wear clerical garments on the streets. After years of negotiations, in 1994 Salinas ended his term in office with the signing of NAFTA, the free trade agreement, with the United States and Canada.

By joining the PRD the Mexican left practically disappeared from the scene and couldn't offer an alternative with its retreat into the new bourgeois project within the PRI regime. This led to its virtual extinction precisely in the run-up to the implementation of the neoliberal model of the 1990's.

When years later the Zapatista Army (EZLN) made

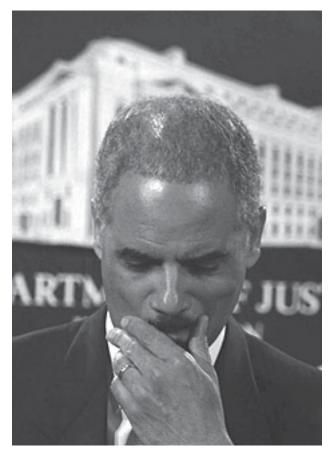
their appearance as an expression of resistance to neoliberalism, the Mexican left, correctly came out in their defense. Unfortunately, in our opinion, they repeated many errors similar to those of the past, and losing their independence once again, the left turned toward giving the EZLN their unconditional support rather than fighting for advancing a political agenda to move the labor and mass movement forward.(

The insurrection of the EZLN was supposed to occur simultaneously in different parts of the country and continue onto Mexico City. However it only ever happened in Chiapas. The government military counteroffensive, which included the use of the air force, left the EZLN completely isolated and forced them to retreat into the mountains. Nationwide mobilizations in solidarity with the EZLN took place to stop the government's military offensive and to demand opening up negotiations. Publicly the government opted to concede and offered an amnesty and dialogue. Meanwhile, the government prepared a strategy of protracted low intensity warfare that has been continued by each successive government ever since.

The EZLN abandoned its alleged goal of seizing power and adopted a partial, limited and regional vision of reality that were in the interests of its leaders. The EZLN has vacillated back and forth politically for years. This has been due to their isolation, the negotiations and the construction of an idyllic pseudo-utopia in the mountains for absolute pseudo-revolutionary tourist consumption.

On the other hand, the EZLN occasionally claims to offer some political leadership to the wider populace. Years after the caravan to Mexico City in 2002, with the interest generated by subcomandante Marcos, the EZLN doesn't offer its followers or the Mexican people any political alternatives. They have no solutions to offer.

The same thing occurred again in 2006 with the 'other campaign', when the EZLN kept itself out of the electoral process. The 2006 election turned out to be the most polarized in recent Mexican history, in which Felipe



Calderón of the National Action Party (PAN) faced off against López Obrador of the PRD. Popular support for Obrador reflected in a very distorted vision, a movement of resistance to neo-liberalism, but from the perspective of the center-left.

All of the time that the EZLN was isolating itself, the right continued to grow. Represented by the PAN, the right defeated the PRI in the 2000 presidential election. The PAN, which was in power during the six years of Vicente Fox, simply continued the neo-liberal policies initiated by the PRI. In 2006, the PAN managed to impose electoral results over the PRD despite strong allegations of fraud and ultimately succeeded in putting Felipe Calderon into the President's office.

#### A LABYRINTH WITHOUT EXIT?

The Mexican government has changed hands and the political regime has ceased to be a one-party regime, but the neoliberal policies initiated more than 25 years ago have remained in place. In their shadow the drug cartels grew and became powerful. They were never really targeted for elimination. At most they were subjected to actions aimed at controlling their operations or regulating the operation's effects.

The drug cartels have always established mutual ties with the current political machine. The violence in and around the drug cartels have been present since long before the presidency of Vicente Fox, but it was during his government that an escalation took place resulting in the death of around 9,000 people.

When the current government of Felipe Calderón needed something for political validation after his questionable electoral victory, he launched a military offensive that was poorly conducted and resulted in losing control over the situation. Massive deployment of the armed forces introduced a new player to the situation who had a license to kill with impunity.

The failure of Calderon is more than evident. In his fifth year of government reports indicate that there have been more than 50,000 killed. The drug trafficking and criminal cartels, far from getting weaker, have multiplied and become stronger.

There was little organized reaction by the population in the beginning. In 2007 a new movement expressing general discontent with the insecurity of the situation began to emerge. The Movement for Peace with Justice and Dignity was created last year after several more massacres. The most notorious among them were the 193 immigrants found in graves in Tamaulipas in April 2011 and 72 more found in August 2010.

Currently the dominant drug cartels are the Sinaloa Cartel and the Zetas. Both have expanded geographically, thrive on the fragmentation of the other cartels and are engaged in a territorial war that results in hundreds of deaths each week. Los Zetas have expanded from the Northern region of the Gulf of Mexico towards the Center and South of the country expanding into Guatemala and even reaching the South American Cone, while the Sinaloa cartel is operating in Guatemala and down in Australia. The entire area of Central America has become a drug corridor immersed in a spiral of violence.

#### GANGSTER EMPIRE

Los Zetas originated from elite members of the Mexican armed forces, a group that was created during the Zedillo Government to confront the EZLN who were trained in counter-insurgency and sophisticated weapons use. Deserting the army, Los Zetas became the heads of the armed wing of the Gulf Cartel.

Since 2005 they have expanded into Guatemala enlisting former counterinsurgency unit members, the Kaibiles, to train new recruits. After violent confrontations in 2008 they separated from the Gulf Cartel and started their own cartel. This strongly increased the level of violence in the country. The criminal activity of Los Zetas is not limited to drug trafficking. It encompasses crimes like robbery, dismantling cars for resale as parts, kidnapping, extortion, stealing oil or fuel from PEMEX, smuggling and human trafficking. Los Zetas are currently aligned with cartels in Juarez, Tijuana and the Beltran Leyva, which broke with the Sinaloa Cartel, and are now known as the South Pacific Cartel.

The Sinaloa Cartel is the other dominant cartel and is located on the Pacific coast. It is the oldest cartel, controls the western central region of the country and its main business is drug trafficking. The Sinaloa Cartel has aligned themselves with the Gulf Cartel (Cartel del Golfo), the Michoacan Family (Familia Michoacana), the Knights Templar (Los Caballeros Templarios) and outside of Mexico they are allies of the Mexican Mafia.

Police forces have played a key role in the strengthening of narco-power. According to Edgardo Buscaglia, an expert on organized crime, "There are cases of municipal or state policemen who do the dirty work for criminal groups, cleansing whole regions of adversary groups ... That happens throughout the country ... they are an extension of the state, police that use assets, vehicles or state agencies in carrying out these tasks".

Buscaglia characterizes them as paramilitary groups because "paramilitaries do not have to have an ideological

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#### INTERNATIONAL LEFT REVIEW

background or work under the direct orders of the state" and says that there are around 167 paramilitary groups operating in the country.

A more clearly identifiable paramilitary group named the "Mata Zetas," has made its appearance calling itself "patriotic". In mid-September they burst on the scene by throwing dozens of corpses of alleged Zetas onto one of the main avenues in the city of Veracruz, the main Mexican port on the Gulf of Mexico. The Mexican government declared that they were just another criminal group.

Periodically the government manages to capture some heads of cartels, however this has not deterred their actions. At most, this only turns the tables producing splits or realignments, but does not stop their operations. The power amassed by the cartels creates its own dynamic and the lack of a structural solution ensures their permanence.

According to information leaked to the press by officers of the US Department of Defense, the manpower of the drug cartels consists of an estimated 100,000 armed men<sup>2</sup>. These official estimates are likely exaggerated given the declared policy of dealing with the issue of drug trafficking as a matter of war. However it is clear that given the scale of the violence there must be at least tens of thousands of armed men. In comparison, according to a report by the Mexican Government submitted on September 1, 2009 by President Felipe Calderon, in June 2009 the armed forces of Mexico had 254,705 members (202,355 in the army and air force and 52,350 in the Navy).

#### THE UNITED STATES HAS ITS HANDS ALL OVER IT

One factor that has most impacted the crisis provoked by the drug trade has to do with changes in the routes that are used to smuggle drugs into the United States. As a result of the success achieved in preventing drug entry via the Gulf of Mexico or the Atlantic Coast of the United States, the smuggling routes were pushed westward, establishing overland routes out of Mexico.

In June 2008 the United States adopted the so-called Mérida Plan with the declared objective of fighting drug trafficking and organized crime. The Mérida plan is an agreement between Mexico and the United States signed in 2008, supposedly to make the fight against organized multinational crime more efficient. The Mexican government has received US \$1.4 billion in assistance ranging from helicopters to teams of trained inspection dogs. Although the plan does not provide for the presence of US armed forces in Mexico, it is the legal basis for the entrance, establishment and operation of US agencies in Mexico.

As proof of its success, the US government alludes to 33 high level heads of cartels having been 'removed' or arrested since 2009, compared with only one in the six previous years. In addition they have trained 52,000 new police and district attorneys. Also, the US Department of Justice, a participant in the Mérida Plan, authorized the entry of 2,000 weapons into Mexico without any follow-up to "study" how they were distributed within the cartels and where they appeared at crime scenes.

This operation also has the infamous code name of *Fast and Furious*<sup>3</sup>. More recently it has vetted direct participation, in actuality for decades, systematic US Drug Enforcement Agency programs of drug money laundering, supposedly to follow the flow of drug money and leading eventually to the arrest of criminals. Mexican government officials reported not having knowledge of these programs.

All of this points to the direct responsibility of the US government in the production and proliferation of drug trafficking that increased drug consumption in the USA. The criminalization of drugs has filled US prisons with ethnic minorities, primarily Blacks and Latinos. A policy of consumer decriminalization would force the US Government to offer costly rehabilitation, according to Jose Reveles, a Mexican journalist, as with Colombia. It's not just to "block and close the financial flows to the Mexican cartels", but "we are facing a fiction, a war more than failed, a mock war. A war aimed at the concentration into a single hegemonic group all the trafficking of drugs and other criminal activities. So it requires permissibility, a connection and complicity and a cover-up by the authorities. And, therefore, there is no central attack on the economic power, ghost companies, money-laundering, bank secrets, or the coverage given to it at municipal and state levels". Mr. Reveles concludes:

"There is federal protection for the narco."

The exposure of these unilateral actions by US agencies contradicts the narrative that seeks to justify the war on drugs as an understanding based on "bilateral cooperation". The recent scandals have caused serious friction with the US government.

However, the Calderón government prefers to vent their grievances in private and has no intention of canceling the Mérida Plan. In fact they are planning a new phase that includes funds for the training of new police units at the state level, starting with locations dominated by the Zetas in the states of Nuevo Leon, Chihuahua and Tamaulipas.

Simultaneously, new terminology describing the danger of narco-terrorism began to be introduced and used for the first time regarding participation by Los Zetas in plots to kill diplomats, supposedly using the services of Iranian agents. Suspiciously, in what seems like a smokescreen to cover issues related to the *Fast and Furious* scandal, a plot was announced that same week that Eric Holder, US Attorney General, was supposed to respond to a congressional inquiry regarding a man arrested two weeks ago in New York. That man was subject to arrest in the



United States, however he was arrested only after being prevented from entering Mexico.

It is clear that consumption in USA is the engine of Mexican drug trafficking. A 2007 Government Accountability Office (GAO) report estimated the number of drug consumers in the US to be 35 million.

A 2010 US Senate report points out that this country remains the largest illegal drug consumer in the world and that there were 22.6 million consumers over 12 years old, representing 8.9 per cent of the US population.

Aware of all this, the Mexican president has declared on two occasions, after the bombing of a casino in Monterrey, Mexico and in his speech to the UN General Assembly in 2010, that we need to look for new solutions, 'including market alternatives to reduce the astronomical profits from criminal organizations' - a euphemism to avoid speaking openly for legalization, but clearly pointing in that direction.

In the final analysis, this dramatic situation is the direct result of the historical failure of the left to present a credible alternative to neoliberalism, which has completely imposed its entire series of policies. The task of the left is to promote independent working-class mobilization and to put itself at the head of a mass movement with a program of mobilization and struggle to move forward; otherwise the situation will only get worse.

#### THEFUTURE

2012 is a presidential elections year in Mexico. Promises of prosperity made by neoliberalism and free trade agreements are in ruins. After two administrations led by the PAN, they have demonstrated that, like the PRI, they can offer no real solution to the economic crisis and growing social inequality. It has become apparent that the PAN has left the country swamped in chaos and violence. López Obrador is again the PRD

presidential candidate and this time his main opponent is the PRI candidate, Peña Nieto.

The PRI, which projects a renewed image, is well on the road to electoral recovery regaining governorships and municipalities, already having reclaimed its hold over the national House of Representatives (a position it had lost in 2006) as well as in most state legislatures, and additionally achieving a cohesive internal unity around its candidate. Peña Nieto is the former governor of the State of Mexico and is currently up in the polls despite his foolish statements, which appear in the newspapers on a regular basis.

As for the PAN, the party is behind in the polls and has, for the first time in its history, nominated a woman, Josefina Vázquez Mota, an economist representing the most powerful business circles. The PAN seeks to reinvent its image with this candidate selection, using it as a lifeline in the face of the party's imminent electoral ruin. By playing its female candidate card in order to gain the women's vote, the PAN claims this campaign could be a historic event. Meanwhile the party fails to openly publicize their political agenda, which is essentially a continuation of the current government.

The revolutionary left has practically disappeared from the political map. The formerly independent and socialist Workers' Revolutionary Party has rallied behind the bourgeois candidate López Obrador. The situation of the movement among the masses is no better. The Mexican Electricians' Union (SME), the main independent union, was destroyed by President Calderón when he liquidated the Central Light and Power Company. Added to this defeat is the suppression of isolated attempts towards resistance organized by teachers in Oaxaca.

The only significant struggle, although on the defensive, has been built around families and relatives of victims in the war on drugs. The Movement for Peace with Justice and Dignity headed by the Mexican poet Javier Sicilia, whose son was killed last year, has already led caravans throughout the entire country and has now scheduled a mass caravan through the United States, which will depart from San Diego on August 12, 2012 and will tour several southern states, passing through Chicago, New York and in mid-September finishing in Washington DC.

The limited political scope of this movement defies the reality that social change around the issue of the drug war cannot be resolved by a single issue campaign, but encompassing all the social aspects (poverty, political defeat of tradeunion and popular movements and increasing dependency of imperialism) of which drug production and the drug war are sub-products.

It could be said that the dramatic situation currently facing Mexico is a direct result of the historical failure for a leftist alternative to neoliberalism to firmly take root. There are no simple or short-term solutions to this crisis. Changes must be profound and incisive. The socialist transformation of Mexican society is the only possible solution to exit this labyrinth.

Moving towards this resolution, it is essential to reclaim history and the revolutionary traditions of the Mexican masses must become the top priority. Within this the revolutionary left will need to focus on reconstructing its own organizations without being absorbed into bourgeois alternatives. At the same time it must encourage and accompany the mobilization and independent organization of labor, peasant, indigenous and popular struggles. It must present a program of workers' and popular self-defense in order to confront not just drug trafficking gangs, but also the government repression through its police and soldiers.

#### NOTES

**1.** *Narco-corridos* are a genre of Mexican Norteño music, which chronicles events related to drug trafficking. It started with songs describing the narco-trucks, where traffickers put blinders on their cargo vans. The places where the remains of many victims of executions and torture in the war on drugs are found are known as narco-fosas.

**2.** http://www.washingtontimes.com/news/2009/mar/03/100000-foot-soldiers-in-cartels/?page=all

**3.** Known in Latin America as *Rapido y Furioso*, this is a scandalous weapons program of the US Department of Justice named after the American action film *The Fast and the Furious*. In this arms program the US government allowed the narco cartels to buy legally massive amounts of weapons and bring them to Mexico, only that the weapons did not have a tracking system. This was exposed when one of the weapons was used by a narco to kill a US Border Patrol agent in Mexican territory.