World Monetary System Trembles-Pg 12

Bullefin

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10 Cents



A mass meeting in Greenwood, Miss. Which one will be murdered next? See story on page 4.

Direct Report From Cal

Police Brutalize Students Fighting for Free Speech

Dec. S-It is rare today to see a student at the University of California without a picket sign. Most signs support the Free Speech Movement student strike. A few frat boys carry signs against the strike or announcing the number of days till Christmas. Continuous meetings go on in front of the main gate. Students sweep and clean the campus themselves. And when the police are busy arresting students, Free Speech Movement members direct traffic in downtown Berkeley.

As of this writing, 70% of the students are on strike. 75% of the teaching assistants have joined them. Professors have expressed their support by calling off classes despite University regulations and raising bail

money for their students.

These events are the culmination of the long attempt of the administration which began during the period of McCarthyism to control the thoughts of students and faculty at the University of California. In 1949 the administration forced through a faculty anti-Communist oath. In 1961 the administration suspended SLATE, the principal campus party. In 1962 Malcolm X was forbidden permission to speak on campus because he "might proselytize." Recently the administration prohibited the Students for Racial Equality from using \$900 it had collected to establish a scholarship for a Negro student expelled from a Southern college.

A possible explanation for the university administration's actions is that more than half its annual budget is obtained from the Federal government. In 1961-62 the university received \$227 million for government research projects. The university controlled Lawrence Radiation Laboratory is in fact a branch of the U.S. government.

An institution claiming to be one of the great universities of the world has committed a shameful act. Supposedly dedicated to the search for truth and the development of ideas, it has blundered along a path which has now led to a brutal stifling of free speech. The California State Council of Building Service Employees, representing 57,000 trade union= ists in this state, expresses its deep shock and resentment over this latest episode. And what about the University of California? For years it has acted like the worst employers of the nation in defeating legitimate efforts of its own employees to form unions and bargain collectively. The Board of Regents is completely out of touch with reality... they speak with the voice of big business.

Appropriations from government agencies largely depend on the agreement of administration and faculty with State Department foreign policy. The faculty until now has been kept under control by the threat of the withdrawal of research monies from dissenting professors.

On October 1st and 2nd students surrounded and took over a police car to prevent the arrest of a member of CORE. He had been charged with having set up a table in order to solicit members and funds for CORE. The Peace Corps and the World University Service were allowed to have tables in order to solicit, but university regulations somehow couldn't permit the same thing to be done by CORE, SNCC, or socialist organizations.

In the demonstration of November 30th, 814 students sat down in the Administration building and while police prepared to

arrest them, set up a Freedom School, watched Charlie Chaplin movies and danced horas. Governor Brown, well known liberal, called the troops in. While photographers were prevented from using their cameras students were stepped on, their arms twisted, dragged down flights of stairs and the carrges against them were "trespassing" and "resisting arrest." ("Going limp" is for the first time considered resisting arrest.) Their leaders and their lawyer who was the first person arrested were put in solitary confinement, which consisted of a "two and a half foot wide cell, with nothing in it but a stone floor, no bed or bunk in it, no window, and the light was turned off." Bail was finally set for \$250 to \$350 per student and after \$8,000 was raised by the faculty, they were released. In the 12 to 18 hours they had been in jail they had not been fed. One of the accusations against the students was that they had broken into an office and thrown

and the property of

STRIKE

Last night Chancellor Strong read the riot act. Governor Brown authorized state police to break up our massive sit-in. As you read this, our fellow students are being dragged off to jail -out of sight behind Sproul Hall.

You must not stand by and do nothing. You must not go on as if nothing were happening. It does not matter whether you support a particular tactic... The matter is that the police are on our campus sending students to prison farms in an attempt to crush the free speech movement and all it stands for. Here are only two sides. You must choose yours -- and defend it.

Support your fellow students. Join them in a massive, university-wide strike. Do not attend classes today.

documents around. The secretary later admitted that no one had broken into the office and that the disarray was in fact the way she "had always run the office."

The student strike was on! Members of the Carpenters Union and most members of the Teamsters Union refused to cross student picket lines. Wheeler Hall, one of the largest classroom buildings on the Berkeley campus, was a scene of partial desolation. Only four of the eleven classrooms were filled for 10 A.M. classes; these had from 10 to 20 studentseach. Among the empty rooms was Wheeler Auditorium, the largest classroom on the campus, with a capacity of 900. In two rooms television sets were broadcasting to vacant seats.

President Clark Kerr under pressure from the faculty and students has promised that the 814 students will not be expelled. But the student strike is continuing, and it will continue until the charges are dropped and complete freedom of expression is allowed on the University of California campus. Meanwhile the students of UC are learning how newspapers can lie, how cops beat up people, how liberals like Gov. Brown are phonies, and how to organize themselves for the militant struggles which lie ahead. e legid quantità di la manda del composità del properti del composità de

SOUTHERN NEGROES MUST ARM THEMSELVES

Mississippi 'Prosecutions' Expose Nature of Conspiracy

Seeking to Violently Suppress Civil Rights Struggle

Nearly 6 months after the murders of Michael Schwerner, James Chaney, and Andrew Goodman, and 4 months after the discovery of their bodies, the FBI arrested 21 white Mississippians in connection with their murder.

Those arrested, including the Sheriff and Deputy Sheriff of Neshoba County, were charged, not with murder, but with conspiracy to violate the constitutional rights of those killed and with withholding information about the crime. Indictment for murder, the Justice Dept. and FBI explain, falls under the jurisdiction of the state, not the federal government. Thus, murder indictments are not expected to be forthcoming, although the FBI has announced details of the slaying and indicated that 10 of those arrested were a part of the actual lynch squad. Even if murder indictments should be presented, all charges, both federal and state, will be tried in Mississippi courts before all—white, racist juries. Thus, as Schwerner's widow and parents have indicated in interviews following the arrests, conviction is absolutely out of the question.

The FBI and the Justice Department want to impress the rest of the world, particularly the "uncommitted countries," as well as the Negro people in the U.S. The government, you see, is doing all in its power to secure the Negro his inalienable rights and to bring the Southern lynchers to justice. All in its power, however, will not, it appears, be enough! Meanwhile, though, such "leftwing" African spokesmen as Ben Bella of Algeria will continue to applaud the U.S. government's handling of the "race problem."

Can We 'Reform' Southern Racism?

It is openly acknowledged now that the only thing we can hope for is a <u>moral</u> conviction of the murderers of Schwerner, Goodman, and Chaney, not to mention the murderers of Emmett Till, Medgar Evers and countless others. But hasn't Byron de la Beckwith been <u>morally</u> convicted of Medgar Evers' murder (two juries failed to convict and de la Beckwith is free)? And even less recently, weren't the murderers of Emmett Till brought to trial and "morally" convicted? Is this "moral" conviction going to deter future violence against the Negroes as it has in the past?

Rev. King and his friends in Washington obviously want to continue to try to reform Southern racism, just as the State Department wants to reform South African apartheid. This is why King called on J. Edgar Hoover to patch up their quarrel, why he "turned the other cheek" to Hoover's vicious

attacks on the civil rights movement. As usual, King takes his cue from the ruling class and what is in their interests, not the Negro masses and their interests. Especially once it was clear that President Johnson had no intention of dismissing Hoover, King moved to patch things up, to retreat before Hoover's attacks.

Every freedom fighter in the South knows what the "neutrality" of the FBI, of which Hoover is so proud, means in action in a situation where all the power and resources of the state are on the side of the racists. It means that the FBI and the Federal government will not lift a finger to provide any real protection for the civil rights fighters. But King says the FBI is doing a good job, and he, as well as all the other gradualist leaders, welcome the FBI arrests. They do not even mildly criticize the government, much less denounce and expose it, for placing the interests of the capitalist system above the interests of the Negro masses. This is because they also put the interests of capitalism, of the overall stability and "image" of the present system above the interests of the Negroes.

The reaction of James Chaney's mother to the FBI action was that she "figured after the elections were over there would be some arrests." Clearly the electoral support to Johnson by the many Southern racists who were still supporting the Democratic ticket was more important than prompt action against the lynchers. It is a fairly safe assumption that all the evidence the FBI now has was in well before the election, but acting on the evidence at that time would have jeopardized Johnson's chances in the South. This is just one more substantial piece of evidence of the attitude of the Federal government and the "pro-civil rights" Democratic Party leadership.

Negroes Must Arm Themselves

Robert Williams, former leader of the Negro community in Monroe, N. Carolina, and now in forced exile in Cuba, was right when he said that it is impossible for the Negro to obtain justice in the South under the present system. That is why Williams had to flee the country. The deck is stacked, and the Federal government is itself part of that stacked deck.

The Negro masses, of course, cannot and will not leave the country. The sooner they recognize the situation for what it really is, and arm themselves in self-defense, the less violence will they be subjected to and the less lives will be needlessly lost. If the Southern freedom fighters can learn this much from the recent events, Schwerner, Goodman and Chaney will not have died in vain.

A local of the AFL-CIO International Woodworkers Union of America in the town of Laurel Miss., not far from the scene of the murder of the civil rights workers, has

challenged Ku Klux Klan terrorism and affirmed its right to self-defense. When the union agreed to the upgrading of workers at a local factory on the basis of seniority and not race, the Ku Klux Klan kidnapped and attacked the local's secretary-treasurer. The local then publically warned the Klan in the local newspaper that any further attacks upon its members would be "met by death." The Negro population has the same right to self-defense as these union members, who have set an heroic example for all workers.

Wilkins, King Sabotage Southern Struggle

Rev. King's pacifism serves only to keep the Negro defenseless. He is not against the use of force and violence by the state. His attitude is just the same as any liberal who fears the masses, who fears to put the power into the hands of the people. He is first of all dedicated to "law and order" as it is known in the U.S. at present. Other middle class leaders such as Roy Wilkins have the same attitude, but are perhaps a bit more honest about it.

The Council of Federated Organizations (COFO) has created a climate of insecurity and instability for the racist system in Mississippi by organizing thousands of Negroes to fight against this system. The support given by COFO to the national Democratic Party and its refusal to break from pacifism have prevented it from taking any major steps forward towards equality. It remains, however, a thorn in the side of the racists, and under the influence of SNCC activists takes a more militant position than the NAACP and SCLC leaderships. Thus both the SCLC and NAACP leaderships are seeking to break away from COFO, to destroy or weaken its effectiveness, limited as it already is. This is just one more way in which the old leaderships bow to the pressure of the ruling class and its government. Even though COFO supported Johnson, even though SNCC succumbed completely to outside pressures and supported the leading capitalist candidate, the young people involved in the struggle in the South are still too rambunctious and too disruptive of peace and quiet, and the powers that be cannot let them go unnoticed.

The main need for the Southern freedom fighters is to recognize the impossibility of obtaining justice and protection from the racists with or without the intervention of the Federal government. If there is Federal intervention it will be on the basis of "neutrality," directed toward maintaining "order" and a truce between the Negroes and the racists, not toward securing civil and political rights for the Negroes. Getting these rights will require a revolutionary transformation of the social order in the North and South, and the ruling class will openly join forces with the Southern racists before it allows such a transformation.

The Negro people can only begin to obtain justice and protection by protecting themselves. Self-reliance

means self-defense, and it also means independent political action against the capitalist political parties, working to create a workingclass movement which will appeal to the class interests the white workers have in common with the oppressed Negroes. This is what all socialists struggling alongside and inside the Negro movement should be urging as the transitional steps necessary to raise the Negro struggle to a higher level, to connect it with the general struggles of the workingclass.

SWP Advises Johnson Once More

But this is not what the Militant, newspaper of the Socialist Workers Party, urges. The November 30 issue of the Militant contains a lead editorial, "High Time to Fire J. Edgar Hoover." This is a statement worthy of the reformist Socialist Party of Communist Party. The editors of the Militant are interested in giving advice to the capitalist government, not in giving a lead to the Negroes and other advanced workers. They say, "It is crystal clear that no President with an ounce of concern for the rights of the Negro people could continue to allow a man capable of such publicly-expressed attitudes to remain as head of the FBI." Should Hoover perhaps have kept his opinions to himself? Do we have any other suggestions as to how to run the FBI in the interests of the Negroes?! This is impossible, and absurd.

The reasoning behind this approach seems to be that Johnson can be exposed by calling upon him to show "an ounce of concern for the Negro people." But the SWP is placing itself behind, not in front of the workers, by not now explaining that Johnson doesn't have and cannot possibly have an ounce of concern for the Negroes (even if he were to fire Hoover), and explaining what is needed, which is not Johnson's concern. The SWP does this because it no longer feels that a revolutionary socialist party has a crucial role to play, but only an auxiliary one. Just as they reacted at the time of the Kennedy assassination, and in calling for Federal intervention in the South, they continue to present a reformist attitude, not a revolutionary one. The consistent tail-ending of the SWP over the past period shows that it is no longer a revolutionary party.

WITHIN THE CONGOLESE REBEL CAMP

Leaders Fear Anti-Capitalist Actions of Masses

The aftermath of the imperialist airdrop on Stanleyville has shown the need for a revolutionary leadership of the Congolese people capable of breaking completely with imperialism and linking up with the struggles of the working class everywhere.

The picture of internal developments in the Congolese revolution which emerges from the accounts in the New York Times is not a happy one for the Congolese people themselves. To a certain extent there existed and still exists a vacuum of leadership. This is shown in the many complaints found in files of the Stanleyville government dealing with "embezzling party funds, stealing salaries, requisitioning property for personal benefit and arresting and executing Congolese civilians to settle old scores." One official wrote of "...arbitrary arrests based on personal rancor, in which certain urban youths have indulged to take revenge for family or other quarrels."

This meaningless terrorism and anarchy could not exist if a vacuum of leadership did not exist. But that is not the entire problem. Government documents indicate that the leadership which did exist, although it did not exercise very much control, did not provide a revolutionary leadership where it was in control. Thus Francois Sabiti, minister of public works, stated:

The majority of our brothers, not having the slightest notion of the revolution we are undertaking, are behaving in an inadmissible way toward their employers, displaying insolence, absenteeism, and even threatening outright take-over.

The meaning of that statement is crystal clear. Gaston-Emile Soumialot, rebel minister of defense, complained in much the same fashion of the seizure of private property.

The senseless killing and violence and the "moderate" leadership which many of the rebel spokesmen tried to give are not unrelated. Where no revolutionary leadership was put forward, the frustrations and discontent of the masses resulted in blind and destructive actions. This is not the first time nor will it be the last that this kind of thing has happened, until and unless a revolutionary leadership is built. It is not simply the fault of the Congolese people. A leadership must be built, which, based in the cities, organizes and mobilizes the masses to take the power, expropriate capitalist property, and appeal to the world workingclass for support against the imperialists and their stooges. The difference between this need and the present reality can be seen in comparing the October 1917 Revolution in Russia with the defeat thus far in the Congo.

The main aim of the imperialists is to achieve as much stability as possible to enable the capitalist investment and profit to proceed unhindered. The rebels do not, needless to say, fit in very smoothly with this aim, but neither does this mean that they at present provide the needed leadership to defeat the imperialists. While socialists must unconditionally support the rebels against the imperialists and their puppets like Tshombe, they must also make political criticism and urge the building of a

revolutionary leadership.

The independent African states, including the UAR, Ghana, Algeria, and several others led by petty bourgeois or bourgeois ruling groups with a "socialist" vocabulary, have, after the imperialist attack, moved in with supplies and some forces. The USSR is also giving aid. But the motives of these regimes must also be examined very carefully. The most they aim for is to nudge the Congo into a "neutralist" position, most likely through a coalition government which the imperialists may eventually accept. It is certainly not clear that the Chinese have any different attitude. This complicates things for the imperialists, but certainly does not make it impossible for them. A coalition government and non-alignment will not solve the problems of the Congolese masses. For that, drastic measures are necessary—a complete break with imperialism and an overthrow of capitalism within the Congo.

THE STATE AND REVOLUTION

MFY Shows What Happens When The State

Seeks To Lead A Struggle Against Itself

The past several months have seen a drum-fire of attacks on Mobilization For Youth (MFY), an independent social work agency on the Lower East Side of New York. The attacks started in the late Summer with several articles in the arch-reactionary New York Daily News which charged MFY with employing innumerable Communists and other subversives and of furthering such "revolutionary" actions as rent strikes, school boycotts, agitation for a civilian review board of the Police Department and even, in some way the News was unable to make clear, of participating in the Harlem riots. The Daily News writers really unleashed their imaginations on this charge. They stated that radicals, working through MFY, sent chartered busloads of people from the Lower East Side to join in the Harlem riots.

The Daily News charges seemed to open the sluice-gates, Although noone believes the rather hallucinatory accounts of MFY's aid to the Harlem riots, a bi-partisan chorus of Republicans and Democrats cried out in horror over the presence of Reds in MFY and three investigations got under way: one by the State Senate (Republican); one by the City of New York (Democratic); and one by MFY itself. The only concrete result of all these investigations was an accusation that MFY's executive director, James McCarthy, had wasted thousands of dollars on entertainment, phone bills etc. Mr. McCarthy comes from the sinister red background of Catholic Charities of the Archdiocese of New York,

MFY was started in 1961 as something of an experiment in social work. In the summers of 1959 and 1960

there had been a series of bloody teen-age gang fights on the Lower East Side. Police and social workers from the City Youth Board saturated the area and stopped the gangs from killing each other. MFY was established to get to the causes of the youth gangs, the great number of unemployed, rootless youth, particularly among the Puerto Ricans, who are the biggest ethnic group in the area. MFY receives most of its funds from the Federal government, with a large cont-ribution from the Ford Foundation and a smaller amount from the city.

Its program at the beginning was one of fairly standard settlement house work: training school drop-outs, finding jobs for them, intervening with the city authorities on behalf of the people in the But gradually MFY became more involved with the people of the Lower East Side and, as the people began to take action on their own behalf, MFY became, in a way, a focal point for this action. When the rent strikes which rocked New York last winter spread to the Lower East Side, MFY provided legal advice for the tenants. During the school boycotts and other actions of resistance by the slum dwellers to the municipal apparatus which always operates against them, MFY gave similar assistance.

This assistance and MFY's role as a focus for the Puerto Ricans on the Lower East Side caused the attacks on the MFY. There seem to be two similar but not identical reasons

for these attacks. The right wing Republicans tried to use the charges against MFY to discredit the Johnson Administration's "War on Poverty." They apparently also hoped to get some political mileage out of it in the Presidential campaign. Many members of the Democratic New York City administration gleefully took up the charges against MFY because the action of the people on the Lower East Side and MFY's support of this action threatened the petty thrones of various bureaucracies in the city: the police, the school principals, the Tammany leaders.

The Federal government itself has given an indirect blessing to MFY's aid to the direct action of the slum dwellers. On Nov. 18, the Secretary of Labor and the Acting Attorney General visited HARYOU-ACT, an agency similar to MFY operating in Harlem. There, they explicitly condoned rent strikes. This was hardly an accident. It was obviously an effort to shore up MFY without too openly slapping the face of the Wagner administration. Probably the only reason the cabinet members did not also pay a visit to MFY is that it has been involved in a labor dispute with its employees. It would have been very embarrassing to the cabinet members if there had been a picket line at MFY headquarters.

The Limits of Reform

In the specific case of rent strikes, there is considerable support from most varieties of liberals up to the point where they threaten the whole system itself. During the Harlem rent strikes last winter, a number of tenants councils were ready to repair their buildings themselves and simply ignore the landlord completely. It was partly to forestall such "extremism" that organizations like MFY aided the rent strikes.

The government is considerably limited in its ability to give in to and channelize the struggles of the rent strike type. The problem is that as the capitalist economy as a whole stagnates its resources for concessions to the masses become less and less. Of course this limitation on their ability to wheel and deal with the masses varies greatly from situation to situation. Thus on a local level too many serious concessions to tenants can threaten the entire slumlord structure which involves hundreds of millions of dollars borrowed from some of the leading banking institutions of the nation. It is pressure from these interests which is reflected through the New York City Administration and which causes them to turn on MFY. the other hand the Johnson Administration takes a somewhat broader view of the social and economic position of the capitalist class as a whole and thus sees a usefulness in certain institutionalized concessions to the masses.

The fundamental lesson to be learned from this experience is that there is no substitute for the independent action of the masses themselves. Even such minor concessions as MFY represents are only given because of the fear by the government of the independent action of the masses. Without this action there would be no concessions. Thus rent strike activists, while welcoming aid from any quarter, must insist on the independent organization of the tenants themselves.

NOTICE TO READERS: The next issue of the <u>Bulletin</u>, normally scheduled to appear Jan. 4, will be postponed one week and appear Jan. 11, due to the holiday season. The regular biweekly schedule will resume immediately following the New Year.

WORLD MONETARY STRUCTURE TREMBLES

Behind the Attack on the Pound, The U.S. Bank Rate Rise
And the Growing Crisis of the World Capitalist System

Just a short time ago the second most important currency in the capitalist world — the pound sterling — almost fell under the combined attack of an, as yet unnamed group of European financiers. The collapse of the pound would have had the widest possible impact on every other currency including the dollar and could well have led to a general monetary collapse and a deep financial and economic crisis affecting all of Western Europe, the United States and in time the whole world.

The pound did not fall, as we know, due to the concerted efforts of the central banks of some 11 nations who backed up the pound to the tune of \$3 billion. But the repercussions of this crisis are still being felt in the financial capitals of the world and its significance inthe long run will undoubtedly overshadow any other events of the last few months.

This is because it is not of essential importance that the pound was saved from devaluation. In fact devaluation was undoubtedly one of several alternatives considered by the Wilson government to deal with the deeper underlying economic crisis the Labor Government inherited from the Tories. The central importance of the entire financial crisis is that it has laid bare for all to see the extreme instability of capitalism today. If the concerted action of the central banks of 11 nations was needed to defend the second greatest currency in the world from an attack by a bunch of Swiss speculators -- then something is very, very wrong. The future course of political events on this earth is going to be greatly influenced by what is wrong. Socialists who seek to change the world had better get an understanding of what is wrong with it first -- and get it fast.

The Crisis of Stagnation

World capitalism has been in a state of economic crisis for some time now. Beneath the surface appearance of prosperity and affluence which has disoriented so many socialists capitalism is facing a crisis of stagnation -- that is its rate of growth has slowed down to the point where unemployment is growing, profits are under a tremendous squeeze, international competition is reaching a bitter, feverish pace, and whole underdeveloped sections of the globe are stagnating at almost sub-human levels. It is this general crisis of capitalism which forces the capitalists to battle against each other, tending to break apart the Western Alliance; which of necessity creates an ever-growing rate of unemployment, creating an explosive social force

within their countries. The capitalists use this growing "reserve army of the unemployed" to put greater and greater pressure on the employed workers to produce more and more, thus spurring on class struggles in all countries. The crisis also forces the capitalists to drain the resources of the underdeveloped countries rather than to contribute to the internal economic development of these countries. This in turn lays a basis for the profound social revolutionary movements seething in this sector of the world.

Let us look for a moment at this recent financial crisis to illustrate our analysis concretely. For some time now an economic crisis has been brewing in England with perhaps greater force than in other capitalist countries because Britain is more vulnerable with its older industrial establishment and with a higher standard of living that its people will not voluntarily sacrifice. The Tories took a series of measures whose aim was to postpone the day of reckoning with this crisis until after the elections. Thus Wilson, upon coming into office, faced a full-scale economic crisis which could not be put off for even a month.

Faced with this situation the Labour Government has come to the aid of the capitalists and is exerting every effort to shore up the sick and dying system rather than seeking to replace it. Wilson moved to increase the bank rate in England sharply to 7 per cent as an alternative to devaluation. His aim was to check the outflow of sterling from the country by drawing money to the country through the higher rate.

However such a raise in the bank rate, by making money more expensive within the country, can not help but slow up the internal economic growth of the country and thus produce a crisis at a later date because of the slow growth of the economy. In order to deal with this more long term crisis Wilson obviously had two steps in mind. First was to place Great Britain on the side of the United States in the internal capitalist battles as a dependent and dependable lackey. In return for services rendered Wilson wants the United States to take over a greater share of Britain's military responsibilities, thus relieving this economic burden on the British economy and releasing funds for growth purposes. Wilson also wants increased United States economic assistance in dealing with its general economic crisis.

Wilson Plans to Suppress Workers

The second aspect of Wilson's program for dealing with the crisis will undoubtedly be increased pressure on the working class of Britain. If the financiers are to get more for lending money to capitalists then the working class will be expected to get less so that the capitalists can make their "reasonable" profits. The British capitalists obviously feel that a government which calls itself "labor" will be

able to accomplish this task more easily than a government the workers regard as their class enemy.

It is becoming more necessary than ever for revolutionaries to expose the Wilson government as a representative of the interests of British monopoly capitalists and of the need therefore for British workers to break from the Labour Party leadership and create an alternative revolutionary leadership. It is to this task that the Socialist Labour League, our fraternal party in England, is now addressing itself.

It is obvious that behind the recent attack on the pound was the worry of international capitalists as to whether the Wilson government would really carry out a policy of "wage restraint" in England. These financiers were showing in concrete action that they will be happy to bring down the entire British economy, if necessary, to bring down the Labour Party if the Labour Party does not carry out their wishes. Behind the rallying to the pound on the part of the 11 nations was undoubtedly reassurance from Wilson to these capitalists of his intent to sacrifice the workers to the interests of the financiers. It was also a sign of how dependent Wilson is on these capitalists.

Crisis Grows in U.S.

The effects of all this in the United States are also of great interest and significance for those seeking to build a revolutionary party here. The raise in the British bank rate forced the United States to raise its own rate slightly. So shaky is the economy of this greatest of all capitalist nations that the Johnson administration deeply feared a further draining of funds out of the United States and a worsening of the United States' balance of payments picture. Thus even though such draining would be in the interests of shoring up a close ally in difficult economic straights, the U.S. capitalists simply couldn't afford it.

The raise in the bank rate here has caused great concern both in banking circles and on Wall Street. Fearing that the banks would be forced to increase interest rates to businesses, thus slowing economic development at a time when it is already too slow, Wall Street went into a slump from which it has yet to fully recover. Only the direct intervention of Johnson prevented a general increase in the basic interest rate of the banks. It would be more accurate to say "postponed" such a rate increase. In time the banks will be forced to raise interest rates in one way or another as their own cost of getting money goes up.

While the United States does not face as severe an economic crisis as England it still faces a crisis of the same general nature. Precisely because of this crisis five to six per cent of the labor force remain unemployed; the working conditions of the employed workers are under attack

in every major industry; automation is throwing more workers out of work every week; a vast minority of the population — the Negroes, Paerto Ricans, Mexican, and white poor — remain outside the even limited economic prosperity of the working class as a whole; the slums grow faster than they are torn down; the health standards of millions deteriorate; the schoola go from bad to intolerable in our great urban centers. Thus the American economy, even during this period of "boom" prepares its own grave diggers. The great outburst of the Negro movement cannot be sol ely understood by the racial oppression which has existed for over a century. It is also due to this economic stagnation which excludes 90 per cent of the Negroes from a viable productive and tolerable role in our society. The growth of dissidence in the trade unions, as illustrated by the recent auto strikes, is another reaction to this stagnation.

The Inner-Capitalist Conflicts

Internationally the old alliances, and even the newer alliances within alliances, are breaking up under the pressure of the crisis. The conflict over a multi-lateral nuclear fleet is but a reflection of this process. the growth and development of the European Common Market both as an economic and a political entity with a certain independence from the U.S. was the cooperation of France and West Germany, those two great industrial nations of Eur-Today the economic stagnation has had its effects on Common Market growth and Germany has turned to the United States while France still seeks a course independent from the U.S. The multi-lateral nuclear fleet is a method of arming Germany with nuclear weapons and bringing Germany into a subordinate but powerful relationship with the U.S. relationship would deepen U.S. penetration of Europe economically and threaten France's predominance there.

On the other hand under Tory leadership the British capitalists sought entry into the Common Market and greater integration into European politics in general. Its independent nuclear arsenal was its way of projecting this independence from the U.S. The Wilson government has scrapped this independence and with it has turned its back on Europe. It looks to the Commonwealth and to the United States seeking a newAnglo-American bloc as against Europe. The problem now faced by England, West Germany and America is whether or not a triumvirate can be created. We doubt this is possible as U.S. relations with West Germany are part of a plan of deeper penetration of Europe while a greater reliance on relations with England would mean a more complete break with Europe than the American capitalists can afford.

However it all works out, these various maneuvers are but vain attempts to keep together a Western Alliance formerly cemented in the past on the general economic growth of capitalism in the late forties and early fifties and deep

fear of the Soviet countries. Today this growth has been replaced by stagnation and internecine conflict while the Soviet camp is in the process of disintegration. The problem for the capitalists is that their international structure is disintegrating as fast or faster than the Soviet camp. Behind all this disintegration lies the decay of capitalism and the rise once again of the working class as a real actor on the international stage.

The Role of the Soviet Countries

The role of the Soviet countries in all this will undoubtedly be extremely confused and generally treacherous. This is particularly true of the Eastern European nations. Already there is talk of a "Greater European Community" not only in West European capitals but in East European ones as well. The economies of the East European countries are becoming more and more enmeshed with West Europe. The bulk of trade for a country like Czechoslovakia is with the West and a high percentage of the trade of Poland, Hungary, and East Germany is also with the West.

Should a general crisis develop in Europe there can be no doubt but that the economies of the East European countries would be deeply threatened and the ruling bureaucracies would be on shaky ground indeed. There is every indication that these bureaucrats will do their best, therefore, to keep Western European capitalism afloat rather than seek to destroy it through aid to the West European proletariat. In the next few years we may well see some betrayals of the world working class which will make the Second International's betrayal during World War I look like revolutionary audacity by comparison.

The building of a revolutionary movement in the United States must begin with an understanding of this deep crisis which is building up within capitalism itself. American revolutionaries of course must fully support every struggle of the colonial peoples against imperialism. But we must also understand that the decisive battles with capitalism must be fought here in the United States and in other advanced capitalist countries. "Sympathy" for revolutions elsewhere has for too long been an excuse for inaction by American socialists in their own country.

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