

Dear "The 80s":

This letter is in regard to "80's Economic Crisis." As an economist, unionist, and socialist, I take seriously the task of analysis undertaken by Jack Shirai. It is my opinion that, while Western capitalism (I exclude Japan, as it is cleaning up in the intercapitalist rivalry) is indeed poised on the brink of major instability, the declaration of imminent collapse is both premature and politically non-constructive. Premature, because the working class is far from certain to block the reestablishment of the requirements of renewed growth. Non-constructive, because while it is all well and good to hold up "socialism" as the "only solution," it is quite another matter to show how the massive investments in auto and steel that I agree must occur would be accomplished, even under socialism, without a squeeze on working class living standards.

Let me turn to specific problems in the analysis:

1. It is manifestly untrue that "in the era of imperialism, it has taken ever-deepening crises . . . to correct the imbalance" between (presumably; it's never said) output and demand. Not to mention the fact that such an alleged imbalance requires an antiquated underconsumptionist theory of stagnation, it is hard to see how a set of industries that have not received enough investment can be over-producing. In fact, it is patently obvious that while increasing intercapitalist rivalry on a world scale has brought greater risk of crisis, the post-World War II period has been characterized by the absence of financial panics of the 1870-1929 type and, further, by recessions that have been relatively mild, short, and easy on profits.

2. As for the "catastrophic" cost of a military-induced "false prosperity," that must be shown, not just stated. There has not been "increasing fixed capital investment even during crises," and the run-up in energy prices has led to a major substitution of labor-power for energy-driven equipment since early 1974. In Marxian terms, the secular rise in the organic composition of capital has been stalled for going on seven years, during which — despite two recessions — employment has grown more than in any other seven-year period in capitalist history. True, the jobs are not good ones; but it would seem hard to defend predictions of soaring

joblessness in times like these.

3. While there has been under-investment in basic industry, the existence of international capitalist competition has invalidated the questionably-Marxist (actually CP anti-monopoly coalition) theory that monopoly creates "serious blockage in the development of the productive forces." There is simply no evidence that increasing monopolization — which, by the way, has not been occurring since the late 1950s; it's really been increasing conglomeration of competitive capitals — leads to reduced investment. Certainly, the Japanese record shows just the opposite. Finally on this point, the (allegedly) monopolistic enterprise hardly fears "advanced technology"; it requires control of new technology to keep new entrants out.

4. While equity (stock and bond market) financing, as opposed to debt, does make capitalists averse to long-term investment, that is hardly why steel and auto have trouble raising capital in the debt market — and they don't have much trouble, in fact. The reason is really that any smart banker would rather bankroll a 20-year synthetic fuel project than a new rolling mill, because the political power of the energy sector is such that the state will guarantee its profitability and hence ensure the bankers' repayment.

5. As for the declining market for U.S. armaments, the evidence simply isn't there. True, the Belgians and others are getting cut in; but the development of besieged Third World bourgeoisies, such as those in the OPEC nations, has brought huge increases in U.S. military sales, and the trend shows no sign of abating.

6. The collapse of the bond markets is indeed significant, but less than is stated and for fundamentally different reasons. First, the bond markets are not the most important source of long-term financing, and haven't been for 30 years. In fact, the dominant financial event of the postwar era has been the amazing increase in the share of investment financed from retained earnings and the issue of corporate debentures which, by the way, have been largely immune to the "bloodletting." Second, most of the non-pension fund holders of major quantities of regular bonds have swallowed the "massacre" with good humor: they took a few lumps, sold at a paper loss

We would like to know what you think about *The 80s* and the political issues and theoretical questions that face us today. Your comments, questions, criticisms and suggestions are welcome and needed to serve the class struggle and our readers more effectively.

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mostly picked up by the Treasury, and shifted into a solid stock market, a rising gold market, and a recovering real estate market.

7. I find it unbelievable that \$52 million dollars in airline losses and \$240 million in REIT write-offs are your examples of "heavy net losses" in the crisis. Why not look at auto, where losses in 1980 will exceed \$5,000 million?

8. Let's be consistent. If the action's in bonds, then how come the government can't finance inflation by selling bonds? After all, if old bonds have been so devalued, why wouldn't people want new ones? In fact, they do.

9. What "ever-quickenning impoverishment among the proletariat?" There are attacks on the best-paid fractions of the class, to be sure; but what makes anyone think that tens of millions of workers earning \$6 an hour will rally to a strategy that underwrites the compensation levels of \$11 an hour industrial workers. That's something to work for, but hardly something to predict.

10. Finally, your entire analysis is colored by your need to arrive at the conclusion that, all evidence to the contrary, the Western world is in decline compared to the Soviet Union and that the U.S. needs a weak China. Tell it to Moscow, which sees the same government that denies it oil recovery equipment blithely selling it to Beijing.

Overall, your predictions of doom are just that: predictions. Evidence would help. More important, if socialism is to be sold by its superiority over a crisis-prone capitalist future, more attention needs to be paid to the development of a socialist reindustrialization strategy, and less to questionably accurate assertions about the end of capitalist growth. Coal production may not be what it once was, but Lenin is dead and the world now uses oil, gas, and coal, not merely coal. It is time to update the facts, even if it makes the theory more complicated to apply.

Dan Luria

Jack Shirai responds: Mr. Luria has raised a number of incisive points which need answering to clarify the analysis made in the article. I would first like to respond to his specific points and then respond to his opening statement that "the declaration of imminent collapse is both premature and politically non-constructive."

(1) On the question of the ever-deepening crisis of imperialism. There is a confusing formulation in the article. It would have been more exact to say that "After the U.S. entered the era of imperialism, it had taken ever-deepening economic crises — *up to and including the Great Depression* — to correct the imbalance." Yes, the imbalance here is between the growth of the productive forces and the concomitant impoverishment of the proletariat.

I would be quick to add and emphasize that what I am talking about here is not a theory of "under-consumption." That is a vulgar and metaphysical concept of the Keynesian bourgeois economists. Our view is that the crisis of capitalism is a *crisis of overproduction*, or relative overproduction, in that only because of capitalism do crises of overproduction occur when the masses are always in need of more material goods.

We see that the inevitable economic crises in capitalist society are determined by the basic contradiction of capitalism — the contradiction between the socialized nature of production and the private ownership of the means of production.

Why does the basic contradiction of capitalism inevitably lead to economic crises?

First of all, the basic contradiction of capitalism inevitably manifests itself in a contradiction in which the productive forces greatly increase while the purchasing power of the laboring people relatively decreases. Capitalist large-scale production is very different from individual handicraft production. Individual production is characterized by simple reproduction. Even under very favorable market conditions, its growth in production is slow. Capitalist reproduction is production by big machines and is capable of rapid growth. The capitalist tries his best to expand production in search of more profit because the larger the scale of production, the more surplus value he can extract. At the same time, the capitalist must also try to improve his techniques and expand his scale of production in order to avoid being squeezed out by other capitalists. With the expansion of production, the standard of consumption must also be increased so that the increased production of commodities can be sold and social production continued. But under the condition of private ownership of the means of production in the form of capital, the capitalist always tries to reduce wages to the lowest possible level. The development of capitalist production and the adoption of new techniques inevitably keep a large number of workers outside the factory gates and expand the ranks of the unemployed. Capitalist competition inevitably renders a large number of peasants and handicraftsmen bankrupt so that small capital is squeezed out or swallowed by big capital. Thus, on the one hand there is an immense growth in production, and on the other hand there is a relative decrease in the purchasing power of the workers. This contradiction makes the economic crises of overproduction inevitable.

The basic contradiction of capitalism also inevitably leads to economic crises because the basic contradiction inevitably manifests itself in a contradiction in which the production of individual factories is organized while social production is chaotic. As production becomes social, the relationship and interdependency among production sectors and among various enterprises are increasingly close. For example, the cotton required by the textile mill is supplied by the agricultural sector, and spinning and weaving machines by the machine-building industry. Therefore, in a given period of time, there must be a unified plan and arrangement to determine the necessary amount of cotton, cloth, and spinning and weaving machines so that social production can be smoothly carried on. However, capitalist private ownership of the means of production divides the whole society into numerous autonomous capitalist enterprises. From the viewpoint of one enterprise, its workers are controlled by one capital, and its internal production is organized. But from society's viewpoint, what and how much the various enterprises of different capitalists produce are the

private business of individual capitalists. Nobody else can say anything about it. Therefore, the production of the society as a whole is carried on under anarchic conditions. Because social production is uncoordinated, individual capitalists cannot possibly know the actual demand for a certain commodity. Provided there is profit, capitalists will compete among themselves to expand production. At the same time, capitalist commercial activities may also create a false demand, that conceals the society's actual purchasing power. Even though production is actually exceeding the purchasing power of the masses, as long as the market price continues to go up, commercial capitalists will still order from industrial capitalists, and financial capitalists will still extend credit to industrial and commercial capitalists to expand production, thus creating false prosperity in the market. This false prosperity conceals the existence and development of overproduction. When overproduction is finally exposed, it is revealed through an avalanche of economic crises.

Thus we see that the source of economic crises lies in the capitalist system itself and in the basic contradiction of capitalism in which production is social but means of production are privately owned. As long as capitalism exists, economic crises are bound to explode. To eliminate crises, the capitalist system must first be destroyed, and only the planned economy of socialism can end capitalism's basic contradiction.

Let me say that I think the ongoing debate between those who favor "underconsumption" versus "falling rate of profit" as explanations of crises is an example of metaphysical one-sidedness among Marxists. In my view, these are incorrectly pitted against each other. Both the impoverishment of the proletariat and the increasing organic composition of capital (which gives rise to the falling rate of profit) are integral to the process of capital accumulation. And the causes of the crisis of overproduction come from the very nature of capital itself.

Both what drives the falling rate of profit and the increasing impoverishment of the proletariat drives the capitalist system towards crisis, setting up "immanent barriers" as Marx called them, to capitalist reproduction. I think if you read carefully Marx's discussion of the falling rate of profit and particularly the section on "Internal Contradictions of the Law" in *Capital*, Vol. 3, you will see that he shows *both* sides — which are two sides of the same coin. He says that the falling rate of profit (when additional capital invested returns no surplus value) triggers contractions. This is thoroughly elaborated in the text. But why at some points does the additional capital not return surplus value? Because the capitalists are always driven to overproduction because of the anarchy of production and face realization crises. And this says Marx, is caused by the limited *nature* of consumption under capitalism — the impoverishment of the proletariat. In fact, in chapter XXX of the same volume (p. 484) he says "The ultimate reason for all real crises always remains the poverty and restricted consumption of the masses as opposed to the drive of capitalist production to develop the productive forces as though only the absolute consuming power of society con-

stituted their limit."

In any case, this is but the beginning of a larger work and study.

How can a set of industries that have not received enough investment overproduce? Specifically, I am talking about the situation after World War II. In terms of investment, the criteria we use is (1) the rate of expanded capitalist reproduction historically and (2) the relative declining productivity of the U.S. versus other capitalist powers due to the law of uneven development under imperialism. In terms of these, there is stagnation in industrial production in the U.S. and it is showing up concretely especially after the decline of U.S. hegemony over the non-socialist world.

At the same time, even when the U.S. industry was stagnating, there undoubtedly were crises of overproduction. Even given the stagnating industry of the U.S., at certain periods there was too much produced given the market. That's why there have been a number of postwar economic crises.

True, there has not yet been a 1929-type crash and the postwar crises have not looked like the Depression. But that is to miss the depth of the unprecedented crisis we face now. In fact, the trend after World War II is for the cycle to shorten and become more frequent, averaging less than five years after the war as opposed to ten years between 1900 and 1945. Second, the blind replacement of fixed capital due to militarism and Keynesianism makes the ratio of capitalist reproduction more out of balance, making the contradiction of capitalist reproduction more acute and thus making economic crises more frequent and severe (this is explained below). Third, manufacturing crisis and agricultural crisis interweave and interact after World War II, intensifying the economic crises. And fourth, the crisis of capitalist overproduction is interwoven with fiscal and financial crisis — thus giving us stagflation.

Since the 1974-75 crisis, in fact, we see that the crisis of overproduction has become permanent. Steel, in fact, never recovered from the last crisis. And for industry overall, the capacity utilization rate has never reached the pre-crisis level of 1973. Today, permanent plant closings on a broad scale are a new fact of life for U.S. industry, with no end in sight.

(2) On the question of the cost of the false prosperity. Most of the article is devoted to demonstrating the cost — industrial stagnation and blockages to long-term investment, rampant inflation, greatly increased vulnerability to collapse. I agree, however, the statement, "There has been increasing fixed capital investment even during crises" after World War II is incorrect. The point I should have made was that before World War II, whenever economic crises occurred, investment in fixed capital usually dropped rapidly. However, after the war investment in fixed capital was generally higher than before the war. Even during postwar crises, the level of investment remained relatively high due to Keynesian stimulation policies. According to the Economic Report of the President (1978), total fixed investment in the postwar crises *fell or rose* as follows:

47-48	- 2.7 billion
53-54	+ 1.4 billion
57-58	- 4.5 billion
60-61	- .6 billion
69-70	+ .2 billion
74-75	- 5.1 billion

The point remains that Keynesianism — by counteracting the very mechanism that has brought capitalism back into balance, has thrown the imbalance between production and consumption to a qualitatively higher level, leading to a greatly heightened stagnation along with rampant inflation, and setting up the whole economy for the possibility of a crisis dwarfing the Depression. This is drawn out in the article. What we are saying is that the possibility of a general collapse has been created. Methodologically, we are examining the background factors of the economic crisis to show its trend of development. (By the way, the international financial aspects have been drawn out more in our article on the IMF crisis.) It would be deterministic however to say there has to be a general collapse a la 1929. As we said at the end of the article, the bourgeoisie could impose fascism and unleash world war in the hopes of winning big and bringing about another temporary capitalist stabilization. And the only thing that can prevent that is the resistance of the masses led by its vanguard party.

I also agree that the capital labor ratio has stalled in the last few years and that employment has grown, but that does not argue against the growth in unemployment. For one thing, the most recent recession saw the largest number of unemployed — nearly 8 million officially — since the Great Depression, and more than in the 1974-75 crisis, according even to the bourgeoisie's distorted statistics. Moreover, the official unemployment rate since 1974-75 has been the highest for any comparable length of time since World War II. And we know that the bourgeoisie consciously is vastly undercounting the true joblessness in the U.S., as undocumented workers are not counted, those who drop off the unemployed rolls are not counted, and youth who never even find the first job — an increasing number — are not counted.

To us, substitution of lower-paying jobs for lack of higher paying ones for workers laid off is not a sign of growing employment. If anything it is a sign of growing joblessness. The best way to describe this is underemployment, which is really disguised unemployment. That's one reason even the Reagan Administration is afraid to push the two-tiered minimum wage. They know that it will have sons and daughters kick their parents out of a job.

Overall, the problem is that underemployment has led to the drop in purchasing power of the masses. This has the effect overall to exacerbate the realization crisis the bourgeoisie faces and the vulnerability of the economy to collapse as a whole.

Secondly, the bourgeoisie was able to keep the economy going only at the expense of the worst inflation since the end of the Second World War. Now as they try to fight inflation, they will be forced to destroy further the productive forces through stricter monetary policies, budget cuts, etc. This will definitely lead to further

joblessness as companies go under. Most likely they will return to hyperinflation and rapidly impoverish the proletariat in another way, force more companies to the brink and bring on the collapse that way.

To me, there is no way to look at the situation today without looking at soaring joblessness.

On the question of technology and imperialism. I strongly disagree with the statement that "the existence of international capitalist competition has invalidated the questionably-Marxist theory that monopoly creates 'serious blockage in the development of productive forces.' First of all, it is precisely because of the monopoly position of the U.S. backed up by its political and military hegemony in the post-World War II era that it didn't modernize its steel and auto industries. As Lenin said in *Imperialism, The Highest Stage of Capitalism*, monopoly is not just within its home country, but has international proportions. Secondly, because of the U.S. fall from hegemony especially due to the national liberation struggles and the rise of the third world, the irreparable contradictions with Europe and Japan, and the existence of the socialist countries, the U.S. is now in the position of *losing its monopolies* as the article showed. As to Japan, we did say that while overall there is a stagnation tendency (in the imperialist countries), this by no means precludes the possibility of more rapid development in the production technology in a particular period, individual sector or country. For instance, while Japan has made strong inroads into auto around the world, it is already losing ground to other countries in shipbuilding and other industries. As an imperialist country, Japan "follows" the same law of the uneven development of imperialism as Lenin stated.

4. I agree with your point on debt financing state monopoly capitalism is definitely an important factor in determining investment decisions.

5. The point on the armaments market is not so much that the U.S. is declining absolutely. The point is that there is a *new trend* (since World War II) that other capitalist countries — like France — are getting into the armaments market in a big way. This is part of the sharp confrontation between the U.S. and other imperialist countries. By the way, we think that OPEC countries have the perfect right to get U.S. arms, for in doing so, they are in fact helping to safeguard their independence from the U.S.

6. The trend today, as we said, is for corporations to be unable to finance its new investments solely from retained earnings or debentures. IBM — the sine qua non of this trend — shows this. Since the article was written, GM has also been forced — for the first time ever — into the bond market to get the capital it needs. Recently, in fact, according to Newsweek (2/23/81) "... corporations have loaded themselves with what many economists regard as a dangerously high level of short-term debt. Unless some of the burden can be transferred to long-term obligations, economic growth will suffer. Yet there is little prospect for immediate relief: yields on top-rated corporate bonds have already surpassed 14 per cent, and Kaufmann (Salomon Brothers economist) predicts that they could rise to 16 per cent or higher. Few corporations

will be willing to pay those prices but unless they somehow manage to reduce their short-term obligations, banks will continue to add major borrowers to their lists of problem customers." Under this situation, the 'shifting' of capital out of bonds into speculative activities or into money market funds makes the situation worse.

The situation in the bond market since we wrote the article seems to have gotten worse. In the same Newsweek article it said "Given the uncertainties of the current economic environment, says David Woolley, chief economist for Bankers Trust Co., life insurance companies and other traditional suppliers of long-term money have stayed out of the market, preferring instead to remain "short-term, liquid and flexible." Recently, for example, even underwriters for the U.S. Treasury found it difficult to market \$8 billion in medium and long-term bonds." This shows very clearly that the capitalists *don't* want bonds.

7. I agree. The recent Ford loss and Chrysler's debacle makes the example seem like petty cash.

8. (?)

9. We explain the impoverishment of the proletariat more deeply in "American Dream/American Nightmare (*The 80's*. Vol. 1, No. 2, Sept., 1980)." Suffice it to say here that impoverishment is more than wage levels. It includes unemployment, deteriorating working and living conditions, pollution, inflation, taxation, the burden of credit and interest payments, etc. In all aspects, the impoverishment of the proletariat today is "runaway." And that's putting it mildly.

10. We have since repudiated our line on the Soviet Union being an imperialist country — see *The Socialist Road* by General Secretary, Jerry Tung. Yet, the decline of the U.S. is clear for all to see. Do Iran, Nicaragua, Zimbabwe, Southeast Asia and El Salvador show the U.S. is an ascendent power? Moreover, the other capitalist countries are giving the U.S. big problems.

Thirdly, precisely because of the decline of U.S. hegemony, and a strong socialist Soviet Union, the U.S. is forced to rely on contradictions between the Soviet Union and China to pull its coals out of the fire. The "weak" China refers to military power, to lure the Soviets into attacking it — which is still a possibility, although definitely not inevitable. The U.S. is willing to give China some technology precisely because (1) to play on the contradictions and (2) to lure the Soviets away from Europe and (3) because China will not be allowed to develop its military in any significant way from economic or technological aid from the U.S. On the other hand, the U.S. definitely fears the stronger Soviet Union and any aid the U.S. gives only makes them more of a threat to U.S. imperialism.

On The Question of the Role of Political Economy to Class Struggle

On the question of the declaration of imminent collapse being premature and non-constructive. First of all, let me repeat that at no time did I say that there *would* be an economic collapse, a la 1929. What we did say was that the *conditions for a collapse* of that sort clearly *exist and at a much higher level*. Of course, we should never

confuse economic collapse with imminent revolutions, although economic crises do act as levers of class struggle.

But is it politically premature to talk about the vulnerability to collapse and the deepest economic crisis this country has ever faced? We don't think so. What is involved is much more than a question of propagating the necessity of socialism. In fact, unless we have the clearest possible view of the economic crisis — its nature and extent — we will not be able to clearly synthesize a correct political line for this period based on the objective and subjective factor of all classes, cannot correctly define our tasks and cannot carry out correct revolutionary work among the masses, and lead them in the fight for socialism.

On a more general plane, as a Marxist-Leninist party, we follow Marxism-Leninism as the theoretical basis guiding our thinking. Political economy — along with Marxist philosophy and scientific socialism — is the basis of our basic political line that we make immediate and all-rounded preparation for workers' rule.

More specifically, from our study of the causes, nature and extent of the economic and political crisis facing all classes, we say that we are now in a pre-revolutionary situation. Based on this, Jerry Tung, General Secretary of the CWP and head of the Central Committee, has said, "The chickens have come home to roost. U.S. imperialists are no longer able to shift their crisis on the backs of other countries, or to bribe a small stratum of labor aristocrats and misleaders in this country to keep the lid down and lull the masses to sleep. This is a period when the economic crisis really starts to develop full-bloom. Using Marx's words, the historic lever of economic crisis is acting up in a most thorough-going way — in a way which affects people, not just conscious people, not just advanced, not just people in the black liberation movement, people who have been fighting the last several years, but everybody, regardless of their background, whether they're political or not. This period is a period of rapid capitalist destabilization. This historic action of the economic crisis is stirring people awake, and causing tremendous misery and suffering among the people but at the same time, people start looking."

Different positions on the political economy of this period have definite implications for class struggle. You are certainly correct in stating that "the working class is far from certain to block the reestablishment of the requirements of renewed growth." But to us, precisely because this is true, the question becomes, what are the forces at work that will aid us or retard us in the developing class struggle? Are we still in the post-war period of stabilization economically and politically, where there will be only quantitative changes? Or are we in a period of rapid capitalist destabilization and gear up for and prepare to lead exponential leaps in class struggle? Is it simple for the bourgeoisie to get out of this crisis, or is it a crisis that is a test of their strength, that will tear them apart, that will weaken them fundamentally? Is this just another cyclical crisis, or a historical opportunity that must be grasped by revolutionaries?

Different forces, like the Revolutionary Communist Party, for instance, from their analysis of political

economy, has said we are only approaching a deeper crisis, that the bourgeoisie is actually getting stronger and that the masses are "backwards." From this analysis they have said that fascism and world war are inevitable and even more sickeningly "necessary" before the masses will resist in any mass way. This line in fact aids the bourgeoisie in imposing fascism in this country and preventing socialist revolution for another few decades — at the cost of untold suffering, death and destruction of the masses throughout the world and here at home at the hands of the U.S. imperialists.

To sum up. Far from being premature or politically non-constructive, the question of the depth and character of this economic crisis is fundamental for orientation in class struggle today. It is an immediate question. Correct or incorrect lines on the question will either save or cost lives in the tumultuous class struggle of the 80s.

Finally, we agree that the question of the socialist economy after the seizure of state power is an important question for us to address, including the question of reindustrialization. In terms of the preparation for workers rule, it would be bowing to spontaneity to pit our immediate tasks to our long-term tasks, even after state power. What we are finding, as can be seen in General Secretary Jerry Tung's newly-released book on the Soviet Union and China, is that to understand our own class struggle and the character of preparation before the seizure of state power, in the U.S. we must have a pro-

found understanding of the problems and experience of socialist countries after the seizure of state power. As Lenin said, those making socialist revolution in advanced capitalist countries face problems that communists in less-developed countries like the Soviet Union and China faced only after they seized power.

Specifically, on the question of reindustrialization, we don't think that there will be any fundamental problems in accomplishing this after the seizure of state power, given the level of development of the productive forces and the highly centralized "commanding heights" of finance, industry, transport, etc. This at least as compared to the problems of the Bolsheviks in Russia and the Communist Party of China in 1949. The one caveat, of course, is that the bourgeoisie can be prevented from thoroughly destroying the productive forces — for instance, through world war — beforehand. Nevertheless, we most definitely welcome any further development of the question of socialist construction in the U.S. and especially implications for a socialist program in the U.S. We would certainly welcome more and deeper discussion on this and other points in the field of political economy from you and our other readers. From this struggle we will certainly be able to reach a higher level of synthesis, understanding and action in this period of the bourgeoisie's swing to the right and the massive resistance that is now beginning to unfold. □

Dear 80's,

The article "The Role of Practice in the Marxist Theory of Knowledge" appearing in the latest Journal on the whole is excellent. Our criticism is with the tendency to impute malice when setting forth mistakes or line differences of another communist/revolutionary group. On page 10, the dependence of knowledge on practice and the effect of stand, viewpoint and method on analysis and synthesis is discussed. The intent was to show why Klonsky, Communist Party Marxist Leninist (CPML) and Avakian, Revolutionary Communist Party (RCP) have summed up the same facts as CWP but erroneously concluded we are not in a pre-revolutionary situation.

That's fine; exposing mistakes within and without the Party is fundamental Marxist procedure. But look at the words used: Klonsky and Avakian "have not consciously worked hard to adopt the stand, viewpoint and method of the proletariat;" they "long to become part of the oppressors and their indignation is only a reaction to their class interest petty bourgeois being squashed;" they "want to effect changes from within the capitalist system and hope to get a piece of the pie from the bourgeoisie."

Preparing and making revolution in an advanced capitalist country is a complex matter. Errors in judgement and line can be made by well-intended individuals and groups. Let's continue to raise and struggle over every single one but attacking the motives should only occur when substantiated by convincing data. The 80's is not the time for sectarianism; it's the time for coalitions and united fronts as well as party building. CWP material

should reflect "unity, struggle, unity" not petty name calling.

We raise these two criticisms because they both touch on the party's ability to attract new membership and following. What do you think?

*In Struggle,
E.T. & H.P.*

Cynthia Lai Response:

Thank you for your constructive comments on the article. I agree with the criticism that the comments on Klonsky and Bob Avakian were not substantive and convincing enough, so it seemed petty. We also agree with you that "errors in judgement and line can be made by well-intended individuals and groups." This is especially true for young Marxists. But this is not the case with Klonsky and Avakian. Their motives notwithstanding, they have been slipping and sliding on many positions, from the role of theory/party building and busing without ever doing thorough repudiation and self-criticism of the basis of their incorrect lines. In fact, they have been justifying themselves every step of the way. Criticizing their opportunist lines is not sectarian, but necessary since they have damaging effects in class struggle.

For the same reason, criticizing incorrect lines of honest groups and individuals is not sectarian. Criticizing incorrect lines should not stop us from uniting with all those who can be united to fight the bourgeoisie and is

necessary to build that unity at a higher level in the struggle against the monopoly capitalist class. The attitude and method in raising those criticisms is important. As you said, it should be fact for fact, line by line, with the attitude of "unity, criticism, unity."

Please write again.

Dear 80's,

Enclosed is my non-sectarian payment of \$12 for a year's subscription to the 80's. Have you read PL Magazine?

In struggle,

R.R.

P.S. I have already viewed and read my first copy. Very good essay on Practice and Knowledge (shared with some INCAR [International Committee Against Racism] and Progressive Labor friends to broaden out the discussions!