The 'Constant Revolution'

By Robert Bills

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The following is the text of an address delivered by National Secretary Robert Bills at the Socialist Labor Party's 41st National Convention Banquet, held at the Days Inn Hotel in Santa Clara, Calif., Saturday, May 1, 1993.

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Ladies and Gentlemen, Comrades and Friends of the Socialist Labor Party, and Delegates to the SLP's 41st National Convention:

Robert Reich, now secretary of labor in the Clinton administration, is also the author of a book that gained considerable attention a year or so ago for what it had to say about the future course of American capitalism.

In his book, *The Work of Nations*, Reich speaks, among other things, of a "globalization of capital," by which he simply means that American capitalists are investing more than ever in foreign corporations, foreign capitalists are investing more than ever in American corporations, and that all are loosening themselves from their former national foundations to establish production plants wherever they can locate the cheapest and most productive labor available. As he put it:

"When profitability requires that production be shifted from an American factory to a foreign one, the American executive hesitates not."

Obviously, as everyone understands today, it would be a mistake to think that this means *only* American capital is increasingly going abroad, not only for markets, but in search of cheaper labor. Foreign capitalist concerns—best typified, perhaps, by several Japanese auto manufacturing firms—have found what they are looking for right here in the United States.

TECHNOLOGY AND LABOR

While no one is stopping to say that all this substantiates what the SLP has maintained right along about where the cheapest, because the most productive, labor in the world could be found, Reich at least provides corroboration when he adds that, and I quote:

"... Lower wages in other areas of the world are of no particular attraction to global capital unless workers there are sufficiently productive to make the labor cost of producing *each unit* lower than in high-wage regions. Productivity in many low-wage areas of the world has improved due to the ease with which state-of-the-art factories and equipment can be installed there."

In short, it is not and never was cheap labor, *per se*, that attracted capital to a foreign country, but how much could be squeezed out of that labor—and that has always depended on where the best machinery and the most advanced technology could be found. And that, as Reich concedes, is really what's going on today.

The newspapers and the media generally are filled with similar stories about what the effects of modern technology and this "globalization" of capital are likely to have on the country and its workers—and they are almost unanimous in their prognostications that the outlook for the vast majority of American workers as we approach the 21st century is not good.

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One such article appeared in last Sunday's edition of the *San Jose Mercury News* under the heading of "The Jobs Revolution." According to the writer of that article, too, the future is not bright for large numbers of American workers. But that is not the main thing that interests me here. What interests me, and what I would like to quote, are the first three, onesentence paragraphs from that article, as follows:

"At the end of the 18th century, America was an agrarian society that prospered as it reaped bountiful harvests from its rich soil.

"At the end of the 19th century, America had transformed itself into an industrial giant powered by a string of breakthrough inventions: the steam engine, the telegraph, the railroad locomotive.

"At the end of the 20th century, America is changing once again—the result of revolutionary high-tech advancements, exploding international trade and a massive shift from blue-collar to white-collar jobs."

These revolutionary technological and industrial advances denote

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important departures from the way things were during most of the 20th century, departures that will alter the lives of people and cause serious dislocations within capitalist society. There is nothing new in that, however, and certainly not where the capitalist economic and social system is concerned. A few passages from the *Communist Manifesto*, written nearly 150 years ago by Karl Marx and Frederick Engels, may help to put certain things in perspective:

"The bourgeoisie cannot exist without constantly revolutionizing the instruments of production, and thereby the relations of production, and with them the whole relations of society. Conservation of the old modes of production in unaltered form, was, on the contrary, the first condition of existence for all earlier industrial classes. Constant revolutionizing of production, uninterrupted disturbance of all social conditions, everlasting uncertainty and agitation distinguish the bourgeois epoch from all earlier ones

"The need of a constantly expanding market for its products chases the bourgeoisie over the whole surface of the globe. It must nestle everywhere, settle everywhere, establish connections everywhere.

"The bourgeoisie has through its exploitation of the world market given a cosmopolitan character to production and consumption in every country. . . [I]t has drawn from under the feet of industry the national ground on which it stood. All old-established national industries have been destroyed or are daily being destroyed. They are dislodged by new industries, whose introduction becomes a life and death question for all civilized nations, . . . industries whose products are consumed, not only at home, but in every quarter of the globe. In place of the old wants, satisfied by the productions of the country, we find new wants, requiring for their satisfaction the products of distant lands and climes. In place of the old local and national seclusion and self-sufficiency, we have intercourse in every direction, universal interdependence of nations. . . . "

There is more, of course, and if you have never read the *Communist Manifesto*, or if you haven't reread it lately, you would profit greatly by doing so soon. However, the passages cited here are enough to show that the socialist understanding of capitalist development is as up-to-date and on the mark as anything could possibly be.

If what Robert Reich and other writers on the subject have to say is true—that we are moving toward a "globalization" of capital brought on by developments in the means of production—what does it prove beyond what Socialists have been saying right along, i.e., that the world is more and more being divided into two nations, so to speak—on the one hand, a dwindling class of capitalist oppressors into whose hands an ever-growing share of the world's wealth and power is being concentrated, and, on the other hand, an ever-growing and increasingly exploited working class?

Since all this is being placed against the broad sweep of history, perhaps it would be well if we did a brief historical sweep of our own to put things into perspective.

When people come into contact with the Socialist Labor Party for the first time, they often wonder what it was that produced and accounts for the socialist movement. They quickly learn that the SLP has been active for more than 100 years, and they are often favorably impressed by the sincerity and dedication of the men and women participating in it and making sacrifices for it. There must be a reason, a cause, for such perseverance and dedication and there is.

The SLP, of course, didn't just fall out of the sky. It developed out of the conditions under which we all live and work. It is important that this be clearly understood, and I will try to explain it as simply and clearly as I can.

To start with, the socialist movement is a working-class reaction against capitalist exploitation. But what is the working class, and what is exploitation? These words must be explained for those who are not familiar with them. Listen.

THE WORKING CLASS

The working class is that body of people in every country, men and women and their dependents, who perform all the productive work, who build houses for shelter, produce the clothing we wear and the food we eat, and at the same time distribute the things they produce. It will be seen at a glance that this working class is *the* most important part of human society. Without them we could not live, except as our primitive ancestors did thousands of years ago by hunting and foraging. The billions who now inhabit the earth would be impossible without the labor of the working class applied to the raw materials furnished by the earth.

Having gotten that far, we come across a very strange and puzzling thing. We find that even though the working class produces all things—factories, ships, mines, machinery, etc., as well as the goods that are offered for sale—it doesn't own any of the things needed to produce wealth with, even though all of those factories and machines were made by them. And of all the goods offered for sale, workers can buy but a portion with the wages they get in exchange for the work done. How did that come about? Let's see.

Time was when people on this earth could largely provide for themselves. They could make the things they needed to sustain life in simple fashion. The tools required were few and simple and easily acquired.

At a somewhat later stage of development, when the division of labor had set in, they made a little more than they could use themselves. They found that their neighbors had done the same thing, and they began to exchange the surplus with their neighbors for things their neighbors had made but could not use themselves.

In time, as one of those writers I have quoted points out, steam power was discovered, and the invention of machinery followed in its wake. Thereupon the means of production, the things to produce wealth with, grew bigger and more powerful; and as they grew bigger and more complex, they slipped out of the hands of the many and more and more slipped into the hands of the few. Why was that?

It happened because the people who got possession of these bigger means of production thereby acquired great power. They could give and they could refuse work to those who didn't own any of the now complicated and costly tools. And since those who didn't own had to work for those who did to exist at all, it follows that they had to work under conditions that the owners of the means of production imposed upon them. In other words, they had to work for wages, and those wages were fixed by the number of workers looking for the same job. They were fixed by the competition of the workers among themselves for a chance to get that job. But wages always represented only a portion of the wealth produced by the workers, while the other portion always went to the owners and possessors of the tools.

When this change first took place, the portion that went to the owners of the tools was not very large, but neither was the total amount of wealth produced—and wages, no matter how small as compared with today, could buy back a larger portion of the total produced under those conditions. But, little by little, the proportion changed. There was more and more machinery. As a result, the labor of the workers became more and more productive. As this increasing productivity developed, wages would buy back less and less of the product of labor, and the portion that went to the owners of the tools became larger and larger.

That is the fix the working class finds itself in today under this system of production where they don't own and control the tools needed for work, and that is why the working class is dependent upon the owners of the tools for a chance to work and live.

THE CAPITALIST CLASS

But who owns the tools? They are called capitalists because they own and control capital, which, broadly speaking, are those tools—the means of production. All these capitalists put together form the capitalist class. At one time there were quite a few of them, none so very big, but as the means of production—the tools—grew bigger and bigger and more costly, ownership slipped into fewer and fewer hands. This process is what Socialists call the concentration of capital.

Today, of course, this process has advanced to such a point that in the biggest industries individual ownership has disappeared and been replaced by corporate ownership, that is, by a number of capitalists getting together, pooling their money and buying the large and costly tools now needed to produce wealth. The workers, of course, are made to hustle to turn out the most wealth in the shortest possible time, and for the least pay the capitalists can get them to work for. And wages go down because in today's high-tech industries the number of jobs is shrinking, and the number of workers trying to get or keep them is growing. This competition of the workers among themselves for a chance to work, to get a job, to live and to support their families, is going to get worse and worse as the capacity to produce new wealth gets bigger and bigger.

EXPLOITATION OF LABOR

But what is exploitation?

When you work a man or woman to his or her utmost capacity, make either or both produce wealth in abundance and in the shortest possible time, then pay either or both as little as you can possibly get away with, then you are exploiting their labor. When this exploitation process is repeated every day

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by as many million times as there are workingmen and workingwomen, then this process constitutes a very important and decisive social factor. Indeed, it rules the world of today. Exploitation of wage labor is the cornerstone of the capitalist system. Private ownership of the things created by the cooperative labor of all society, combined with the exploitation of the many by the few, are the fundamental principles on which the capitalist system is built.

Capitalists would never give anybody a job unless they could make a profit out of that somebody's labor. There would be no incentive for them to do so. The desire for profitmaking—another word for exploitation—is what keeps the wheels going. And when a profit can't be made the wheels come to a stop. In other words, wealth is not produced and labor expended to satisfy human needs and wants, or to keep people alive; no, labor is expended and wealth is produced solely for the purpose of enabling the owners of the tools of production to grind profit out of the workers who made the tools and who make everything else that is worth having, and then get very little of it.

But the workers form the vast majority of the people. When they get so little of the wealth they have produced—and when that wealth is produced for sale, not merely to look at—then they can only use up a small share, and a big surplus is left over. To get rid of that surplus the capitalists must chase all over the world to find markets. Very often they have gotten into conflicts with the capitalists of other countries out trying to do the same thing, and then there may be—and often has been—a war. And when there is a war the workingmen are put into uniforms and are given guns to do the fighting, while the capitalists conduct "business as usual," that is, make more money out of the war.

We have always been told—and I'm sure the schoolbooks today still say the same thing—that the capitalists are needed to carry on production and exchange; that they have the brains, the initiative, the push, and that without them all would come to a dead stop. To a certain extent, that may have been true a long time ago. But it isn't true anymore. Capitalists today don't plan or aid production in any way. Hired managers are paid to do that for them. They may have their money invested in the manufacture of tools and yet not know the difference between a monkey wrench and a hammer, between a screwdriver and a chisel. They don't have to know, because they hire others who do. Capitalists often own only pieces of paper, shares of stock, and don't know and don't care where the production plants are located from which they draw their profits and where they exploit labor. To bring our historical sketch right up-to-date I turn again to Robert Reich and that book of his, and I quote:

"Cross-border investing is undertaken quietly, without fanfare. The average American investor, assigning his or her savings to a mutual fund, insurance fund, or pension plan, is unaware of owning small portions of companies with foreignsounding names, headquartered in exotic places. But the people who manage the funds, and who compete furiously to be able to show that they are more successful than other fund managers, are increasingly scouring the globe to find good investment prospects for their clients...."

FRUITS OF CAPITALISM

With this brief sketch on what the working class is, what the capitalist class is, and what exploitation is all about, you may now have a better idea of why the SLP says that the socialist movement is a working-class reaction, conscious and subconscious, against capitalist exploitation. Many workers see nothing ahead for themselves, for their children or their children's children but work, and then some more work—for others mostly, not for themselves; and many sense at the same time that such a system cannot last forever.

That is why the SLP works hard to teach the workers how to organize their great numbers and great power. We work hard at it because we know that, sooner or later, the working class will realize that they must take their fate into their own hands to put an end to this system of exploitation, and bring the tools of production back into the hands of society where they belong. We work hard at it because we know that only the working class can do away with a system based upon competition and replace it with one based on cooperation.

Of course, these aren't the only reasons the SLP calls upon the working class to organize its political and economic might to get rid of capitalism and establish socialism. There are others that take a great toll on humanity and on the world in which we live. As I reminded the delegates to the convention this afternoon:

"As Marxist-De Leonists trained in the school of the SLP, we all know that

the distinctive feature of capitalism is that it enables the capitalist class to exploit the working-class majority of nearly all the wealth that they produce, except that small portion that comes back to the useful producers in the form of wages. We all know that this is made possible by virtue of the capitalist class' ownership and possession of all the means of wealth production.

"This distinctive feature of the capitalist system is the spring from which flow all the social evils that afflict society today.

"As members of the SLP we know that all the blood shed in war and civil strife, whether in Los Angeles or Sarajevo, flows from the evil spring of the capitalist system.

"As members of the SLP we understand that the slaughter that maims and kills tens of thousands of working men and women in the workplaces of the country every year flows from the poisoned spring of capitalist anarchy.

"As members of the SLP we have no difficulty tracing increased poverty and misery, urban decay, the degradation of millions of men, women and children, violence on the streets and in the home to the same source.

"As members of the SLP our training tells us where to look for the source of the increase in emotional and mental illnesses, outrageous and barbaric acts of mass murder, and tragic confrontations between the deluded and the power of the capitalist state as illustrated by recent events near Waco, Texas.

"As SLP men and women we know and understand why it is capitalism that has made a sewer of our environment, denuded our forests and destroyed much of our wildlife.

"We know these things, and many more that could easily be identified and catalogued, because we understand the nature of the capitalist system, how it functions and why it functions as it does.

"And because we know these things to be demonstrable and incontrovertible truths, we, the men and women who comprise the Socialist Labor Party, condemn the capitalist system, and call upon the working class to organize its economic and political strength to rid the world of that evil and to usher in the socialist era."

Picking up from there, members of the SLP also know that trying to explain socialism—genuine socialism—to the workers is not an easy job. There are a great many obstacles in our path, some of which have been placed there by history. And there are others that are placed there deliberately in order to confuse workers about where their real interests lie.

The capitalist class, and all those who benefit from the system of exploitation on which capitalism is based, have a direct interest in preventing workers from grasping the real meaning of socialism. Every institution that capitalism has created or that it has nurtured—from the mass media to the schools and colleges, to the churches, and so on—have contributed to this confusion and made our job very difficult. The ruling class knows its enemy, and they understand that if and when the working class clearly sees what the capitalist system is all about, and why it is the source of all the problems that make life so difficult, that will be the end of their system.

WHAT SOCIALISM IS

That's why we are told over and over again that socialism just won't work. And they prove it, after a fashion. The proof they offer can be mighty convincing if you don't know the real meaning of socialism and if you allow yourself to accept their premises—their definition of what socialism means.

The first thing to understand is that not everyone who claims to be a Socialist *is* a Socialist, and that not everything that is passed off as socialism is socialism in fact.

The most direct way to get to the heart of this is to give a proper definition of socialism. A clear understanding of what it is is the best defense there is against being deceived on this score.

Socialism is one thing, and one thing only. In the clear and plain language of Daniel De Leon—

"Socialism is that social system under which the necessaries of production are owned, controlled and administered by the people, for the people, and under which, accordingly, the cause of political and economic despotism having been abolished, class rule is at an end. That is socialism, nothing short of that."

Under socialism, to repeat, the necessaries of production, the land and all its resources, the workshops and all the facilities for social production and service, will be owned by the people.

As co-equal owners of the country's facilities for wealth production, everyone will have an equal right and an equal opportunity to work. There will be no massive unemployment as there is today, brought on by the economic crises that periodically shake capitalism and throw millions of workers onto the streets. The marvelously productive facilities of the country being our own, it follows that what we produce will also be our own. In the orderly process of socialist exchange, we shall each receive the full social value of the product of our labor. We won't work for wages or the profit of others, but simply to produce what we want.

As co-equal owners of the country's wealth-producing means, everyone will have an equal voice and vote, delegate the technicalities of the administration of industry to representatives, departmental managers, shop superintendents and to a committee in each and every industry (or service) functioning as a kind of clearinghouse for that industry—a congress of the industries and services on which we depend for all the things we need in order to live and enjoy our lives.

These representatives will, in the nature of things, be democratically elected and subject at all times to control and recall. They will have no coercive powers of any sort divorced from the people—no standing or professional army, no professional police. Their work, as Daniel De Leon put it—

"... will not be the complicated one which a society of conflicting interests, such as capitalism, requires, but the easy one which can be summed up in the statistics of the wealth needed, the wealth producible and the work required and that any average set of workingmen's representatives are able fully to ascertain, infinitely better than our modern rhetoricians in Congress."

Instead of a class-divided society seething with unrest, discontent, despair and the bitter struggle between labor and capital over the division of labor's product, society will be one, great unified body of producers. There will be neither masters nor slaves, nor political gunmen paid by their masters to "preserve law and order," i.e., to protect their masters' stolen wealth and force slaves to abide by the theft. Each, in his and her own right, will be owner, producer and enjoyer. No one will enjoy without producing. No one will produce without enjoying, i.e., without receiving the full social value of his or her product.

That, in simple terms, is what socialism means. Or, to put it another way, socialism means the realization of all the possibilities for a world of plenty, peace, and the higher and greater endeavors that humanity has always dreamed of achieving.

This much even the blind can see today: Capitalism is not working; at any rate, it is working against the interest of the vast majority.

CLARITY OF PURPOSE

It is important that we clearly understand what the issue is and to never lose sight of it. On that basis of understanding we must do everything within our power to reach the working class and to teach it how to organize and use its political and economic strength on behalf of itself—to abolish the instrument of class rule, the political state; and on the economic field, where its real strength lies, to establish the Socialist Industrial Union, ready to step in, when the great majority decides it is right, to take, hold and operate the means of production.

Comrades and friends, we are living through one of those periods in history when all the contradictions and absurdities of a dying social system come to a head and beg for a solution that cannot be found within the framework of that old and dying system. Look around you and you will see what I mean. On the one hand, there is more misery and human suffering in the world today than at any previous time in all of recorded history. On the other hand, human society possesses the most wonderful and powerful technological and productive forces ever imagined. We don't need to *imagine* them any more. They are here, and used properly they are capable of yielding a material abundance easily sufficient to provide for the material needs of every man, woman and child on the face of the earth.

"Today," as De Leon so eloquently expressed it, "the excuse, the apology for the involuntary poverty of a single member of society exists no more. Material conditions have changed so radically that, so far from insufficiency, there is today a material possibility of abundance for all. The mechanisms and the methods of production are such today that the leisure, the freedom from arduous toil for the necessaries of life, the emancipation from the clutches of the Fear of Want, all of these prerequisites to mental and spiritual expression, onetime enjoyable but by some, are today possible to all."

Times like these, when the only purpose a ruling class can serve is to hold society back from realizing the full potential of the age, are times when opposing principles arise and come into conflict. Those conflicting principles are based on and grow out of the conflicting interests of the conflicting classes in that society. Today those conflicting principles reflect the opposing interests of a small and useless capitalist class that contributes nothing to the welfare of humanity on the one hand, and, on the other, the interests of the laboring millions who build and make the industries run, who produce and distribute all the goods and who perform all the useful social services.

THE SOCIALIST LABOR PARTY

That is why it is of such vital importance for the SLP to work as never before. That is why we must take advantage of every opportunity to advance the program and agitation of the Party. That is why we must strengthen and build up our Party with a determination, energy and skill greater than ever before. And that is why we must keep our organization strong and clean.

As Socialists, we possess a great truth. However, an abstract truth is not enough. As Henry David Thoreau once said: "It is not enough that we are truthful; we must cherish and carry out high purposes to be truthful about."

As Socialists, we must always stand on solid ground and never lean in any degree on the principles of the enemy. It is part of our business— and an important part—to prove the enemy wrong: wrong in principle, socially and ethically wrong. We must take care to say or do nothing wrong. The enemy can afford to take risks; they have nothing to lose by it, and can always lie themselves out of it. We cannot, and will not, do so. When the Southern slaveholders refused to pay their Northern debts, those affected wanted Lincoln to confiscate Southern property located in the North. Lincoln refused, saying: "They can afford to do a wrong—I cannot."

Until the workers awaken in sufficient numbers, we shall be ignored by all the forces that live by, or trade on, capitalist principles. Like the Abolitionists before the Civil War, we too will be ridiculed and generally treated with contempt because we are few and seemingly obscure! No matter how vocal we may be, no matter how active and influential we are, we shall appear like Thomas Carlyle's "noble silent men, scattered here and there, each in his department; silently thinking, silently working; whom no morning newspaper makes mention of! . . . [yet] the salt of the earth!"

For all that, however, we of the SLP know that our principles are correct. We know that these principles must eventually conquer if human society is to remain fit for the protection and elevation of human beings. In that sense we know that we are *bound* to win. Above all, we know that as true men and women we have no choice, and that no choice is presented to us. We must continue to adhere to principle, and to the organization without which that principle could not move forward at all. "I am not bound to win," said Lincoln, "but I am bound to be true. I am not bound to succeed, but I am bound to live up to what light I have. I must stand with anybody that stands right; stand with him while he is right and part with him when he goes wrong."

So say we of the SLP. And great as the work of our Party has been in the past—of greater value, perhaps, than any of us can fully appreciate—the work that the SLP will accomplish in the future will be greater by far.

The world cannot indefinitely proceed on false theories and wrong principles. The vulgar noisemakers have their day, and thereafter they are forever silent and forgotten. The "silently thinking, silently working" men and women will in the end prevail, and the enduring structure of the Socialist Republic will finally attest to the breaking of the silence.

Thank you.

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