The collapse of the USSR and its satellite regimes in Eastern Europe, between 1989 and 1991, marked a historic turning point. In the following articles, based on documents of the LRCI?s Third Congress, Trotskyist International looks at the shape of the new period and the struggles ahead for the working class.

The division of the world between the imperialist powers and the Stalinist bureaucracy has been abolished. The bi-polar world order has been destroyed in a series of events of equal magnitude to those of the late 1940s, which first established it. The historic character of the events of these years can be seen from the fact that the whole template of international relations has been torn up. The NATO-Warsaw Pact conflict has ended. The tacit support of the United States for racist South Africa, Israel and a whole series of semi-colonial dictatorships has undergone radical change. The United Nations stands on the threshold of fundamental change under the pressure of imperialism.

A new extended period in world politics is opening, one whose character will be more revolutionary than the early post-war decades. Capitalism?s economic stability and strength is being eroded and this in turn will contribute to the growth of inter-imperialist rivalry. Profound political instability and crisis will spread to the imperialist countries and to the moribund degenerate workers? states, while in key semi-colonies the bourgeoisie will be confronted by a growing working class. No sector of the world will achieve lasting stability, and the interlinking of struggles in each of them will be qualitatively greater than in the 1948-89 period.

For the moment the revolutionary character of this period is still obscured by the results of the severe, if temporary, defeats that the proletariat suffered after the upheavals of 1989. The revolutionary events of that year initiated many changes, but the working class lost the opportunity to make a political revolution.

As a result a counter-revolutionary reaction set in as pro-capitalist forces seized power. This has given the general world situation over the past three or four years a reactionary character, although the form that this has taken has been that of democratic, not a fascist or bonapartist, counter-revolution. Whilst important, indeed historic, social gains of the proletariat have been weakened or lost, whilst opportunities for proletarian revolution have been squandered, the democratic rights of the proletariat under bourgeois rule have been preserved and even extended. The course of the East European ?revolutions? during the years 1989-92, for example, all resulted in the installation of democratic counter-revolutionary political regimes in the moribund degenerate workers? states.

Added to this we have seen the successful negotiation of pro-imperialist settlements in a number of regional conflicts inherited from the period of the Cold War. Since the beginning of the 1990s, the imperialists have largely succeeded in their intervention in the Middle East. Iraq?s pretensions were nullified. Lebanon has been stabilised, at the price of its domination by Syria. The retreat by the PLO leadership, and the presence of a more flexible government in Israel, have contributed to the fact that, for the moment, the main force opposed to imperialism in the Middle East, the Palestinian people, has lost its political bearings and is in deep confusion. Similar processes and results have been at work in Central America, South East Asia and South Africa.

Moreover, the collapse of Stalinism has led many ?anti-imperialist? regimes and movements in the semi-colonial world to abandon or greatly modify their goals. Even in the imperialist countries both the trade union and political wings of the labour movement have found new reasons to deepen their class collaboration.

The collapse of the USSR has undoubtedly resulted in a strengthened United States. The USA has used the momentum
gained to impose a whole series of pro-imperialist settlements on the key crisis spots inherited from the era of the Cold War. The US has used its relative world economic pre-eminence and its absolute military dominance to open up many semi-colonial regimes both economically and politically. The US likewise retains powerful leverage within the blocks of its European and Japanese imperialist rivals. Huge investments by US multinationals deter protectionist measures against the US; hundreds of thousands of troops and NATO inhibit Europe and Japan’s capacity to take independent politico-military initiatives. The serious problems in the unification process in the European Union, the political incoherence demonstrated over policy towards ex-Yugoslavia, and the deepening crisis of the Japanese political system all reveal the temporary weakness of the USA’s rivals.

Despite these reactionary victories the decades ahead will not prove to be ones of political stability or economic expansion for imperialism. On the contrary, it will become ever clearer, as time goes on, that we are actually entering a period of deeper revolutionary crises than those which marked the 1949-1989 period. World capitalism does not have the economic or political pre-requisites to establish a long lasting stability, even in the imperialist heartlands; even if is able to destroy all the degenerated workers’ states it cannot create a stable and expanding capitalism on their ruins.

The first and most important reason for this is the ever more pronounced stagnation of the productive forces in the principal imperialist countries when examined over successive business cycles after 1973. Imperialism at the end of the Cold War is not the dynamic economic force it was at the beginning of the Cold War. It labours under the effects of a twenty year long period of declining profits and depressed accumulation, oscillating between low growth and outright stagnation, ensnared in global overcapacity and intensifying competition. In the metropolitan imperialist powers declining productivity, ageing populations and ?generous? inherited welfare commitments cramp profitable expansion. The 1990-93 global recession, the third during the last twenty years, further weakened imperialism’s economic strength, forced it to exact even more tribute from some semi-colonies and to marginalise even further the vast bulk of the world’s countries from the mainstream of productive economic activity. This period of depressed accumulation indicates that imperialist capital, despite its political victories, has been unable to achieve an economic re-ordering equivalent to that of the 1940s.

Closely connected to this phenomenon is the intensification of inter-imperialist rivalry. This is occurring firstly in the economic arena and will later spill over into the political and military ones too. This rivalry promotes the formation of three regional blocs and ensures that relations between them will be a growing source of instability. The world economy no longer enjoys the advantages of an absolutely hegemonic power. In the past the United States, simply by acting in its own interests, also safeguarded the common interests of all imperialists. Now it is only the first among equals. The pursuit of its interests increasingly runs counter to those of its allies. A deep and destabilising uncertainty predominates in the relations between the emerging capitalist blocs. Hence imperialism falters over what political solutions to adopt, what military alliances to build. It has renounced a whole period of its post-war history but cannot define with any certainty or confidence the period that lies ahead. The heady rhetoric of the New World Order has given way to gloomy self-doubt.

Powerful states, such as Japan and those in continental Europe, are forced to co-ordinate major attacks on the wages and social welfare conditions of their respective working classes. This comprises the second set of factors pushing the globe into a new revolutionary period. This rivalry promotes the formation of three regional blocs and ensures that relations between them will be a growing source of instability. The world economy no longer enjoys the advantages of an absolutely hegemonic power. In the past the United States, simply by acting in its own interests, also safeguarded the common interests of all imperialists. Now it is only the first among equals. The pursuit of its interests increasingly runs counter to those of its allies. A deep and destabilising uncertainty predominates in the relations between the emerging capitalist blocs. Hence imperialism falters over what political solutions to adopt, what military alliances to build. It has renounced a whole period of its post-war history but cannot define with any certainty or confidence the period that lies ahead. The heady rhetoric of the New World Order has given way to gloomy self-doubt.

The severe crisis unleashed by the restoration process in the former USSR and Eastern Europe is a third major factor leading to a change in the character of the period. This crisis, or rather separate but overlapping crises, involve economic collapse, mass unemployment, state fragmentation, nationalist wars, and the rise of ultra-chauvinist and fascist movements. This deep social crisis is, slowly at first, promoting the trade union and political recomposition of a workers’ movement. Already, neo-liberal shock-therapy is in retreat and its political proponents are discredited. In the
years ahead it is likely that a deadly battle will be joined between the bonapartist state capitalist forces and a workers' movement reborn in the struggles against restoration.

Fourthly, over the last decade and a half we have witnessed the emergence of a number of sizeable semi-colonial countries where rapid economic development has speeded up the growth and organisation of the working class. The absence of basic democratic rights and social welfare provision foments struggle. In the semi-colonial world in general an ever greater unevenness will become manifest. Many of the more underdeveloped semi-colonial countries of Africa, Asia and Latin America have suffered de‐industrialisation as a result of a long-term withdrawal of imperialist investment in raw material extraction. In these states there is little prospect of either imperialist investment or domestic capital being able to reverse this trend.

The consequent reduction of the industrial or extractive proletariat, the historic leadership of all the oppressed and exploited classes in the permanent revolution, tends to strengthen non-proletarian movements of various sorts. But the destructive effects of neo-liberal policies in a majority of semi‐colonies promote mass struggles which will intensify throughout the next period, even where reactionary pseudo‐radical forces represent a great danger to the proletariat in the fight against the effect of economic collapse.

In Latin America, for example, in the period ahead public sector workers will find themselves in the forefront of struggle. This will apply both to the nationalised industries, such as mining, and to public services such as health and education. This is because of the attacks that the neo‐liberal regimes are pressing ahead with; privatisations and reduction of real wages.

Taken together all these factors indicate that pre-revolutionary and even revolutionary situations will develop as the effect of the bourgeoisie?'s initial successes wears off. The developing synchronisation of a truly world arena of capitalism?'s historic crisis means that any serious victories will precipitate world pre-revolutionary situations in a way they did not in the period 1948‐89.

Can we exclude the possibility of the imperialist blocks surmounting all these barriers to accumulation without having to wage war against one another? To overcome them will require a massive and expanding process of liquidating surplus capacity in large scale industry. Widespread physical and moral depreciation of capital would have to be followed by a technological transformation of all important production processes such as happened between 1895 and 1913 and again after 1940. Short of a solution of this magnitude the only answers are class struggle ones?cuts in real wages, an increase in productivity by the intensification of work rates and sackings, cuts in social services in order to reduce state budgets and thereby decrease capital costs. Any road to something more than just a cyclical recovery, to a new period of expansion, must pass through intense class struggles. Of course, should the imperialist bourgeoisie be able to restore capitalism in Russia and China and, above all, deliver a damaging defeat for the workers? movement in the imperialist heartlands, establishing a whole new regime of accumulation, then a new period of imperialist upswing could indeed begin.

Doubtless this would not be a period comparable to the long boom after the Second World War, since it would lack the undisputed political, economic and military hegemony of one imperialist power. But such defeats of the working class could establish the basis for the increasing contradictions between the imperialist blocs not taking the form of military conflicts. But all this lies in the future. Despite an advance of reaction and despite important partial victories for imperialism over the last decade, these gains are still far from laying the foundation of a new, although temporary, inter-imperialist order, for example, one similar to the period 1895‐1913.

None of the objective factors making for an extended period of revolutionary crises will automatically bring revolution. Indeed, if the workers of the world do not resolve the long crisis of leadership which debilitates all organisations of struggle then they can face severe counter-revolutionary defeats, ones which undermine their democratic and social conquests within capitalism. For this reason the goal of proletarian power becomes, ever more, a life or death question.

The collapse and degeneration of world Stalinism, the further embourgeoisement of Social Democracy, the capitulation
of yesterday’s anti-imperialist heroes—all sharpen the crisis of proletarian leadership. To the extent that this destroys or weakens the mass labour and popular movements, built up over decades or centuries, it is clearly a victory for the bourgeoisie. But these movements were not only organisations of the workers, they were also instruments of the bourgeoisie for disciplining and subordinating the working class and its allies. Their weakening and discrediting opens the road to the creation of a new revolutionary labour movement: renewed fighting unions and workplace organisations, new popular organisations and above all, new revolutionary parties and a new revolutionary International.

The need for these will become ever clearer as capitalism’s stagnation and inability to provide a decent and democratic life becomes plain in the years ahead. Only those revolutionaries that can train a new generation of young fighters, whilst rallying the best cadres from the defeated and disintegrating Stalinist, Social Democratic and anti-imperialist movements, will be up to this task. They will have to develop a strategy for halting or minimising the defeats and preparing for future recovery and advance.

The three years ahead will have a combined, transitional character. They will be infused with aspects of the post-1990 counter-revolutionary phase. The social counter-revolution will continue to develop within the moribund workers’ states and spread to those where, as yet, the bureaucracy rules unchallenged. The Chinese, Cuban, Vietnamese, and Korean Stalinist bureaucracies will either experience splits or step up their capitulations to imperialism. The harder and more in exile the regime, the greater will be the explosion when it finally comes. Unless there is a massive, spontaneous, upsurge of proletarian alarm and resistance in the ex-USSR and Eastern Europe, then the Rubicon of capitalist restoration will be reached, if not crossed. In the semi-colonial world, despite possible temporary breakdowns, mainly caused by ultra-reactionary forces and resistance from the masses, the pro-imperialist settlements will continue due to the capitulationist leadership of the ?national liberation? forces from Ireland to Palestine. The collapse and social-democratisation of the Stalinist parties and the rightward move of social democracy, Labourism, and petit-bourgeois nationalism will continue to be a general trend.

But over the next few years a counter-tendency will begin to emerge. This will be fuelled by the, at best, sluggish recovery, at worst, outright stagnation, of the world economy. It will be fuelled by the increasingly apparent necessity to fight back against the forces of reaction rather than place hopes in the benign results of market forces or bourgeois democracy. New forces of resistance will begin to emerge. These could take on a mass class-form in certain semi-colonial countries or those undergoing a profound or prolonged revolutionary crisis such as South Africa and in certain of the degenerate workers’ states. In the imperialist countries we have already seen the signs of a renewal of the class struggle and of the radicalisation of the youth. This tendency - which should grow - will constitute the basis of our own intervention, in order to turn the combativity into politicisation.

The two sleeping giants of the world working class remain the Japanese and German labour movements. The bosses’ first attacks may shake them out of their slumber. In the former Stalinist states the terrible suffering which capitalist restoration brings?long term unemployment and plummeting real wages, together with the neo-liberal demolition of the cumulative social gains of the working class?will spur the growth of reactionary forces such as fascism and religious fundamentalism. They will, step by step, undermine the prestige of bourgeois democracy and the market economy and provide the spur for new genuinely anti-capitalist forces to emerge.

New forces are already coming into existence around new battles, sometimes around confused, democratic, non-class slogans and we will have to learn how to relate class, socialist and anti-imperialist slogans to them. The betrayals of social democracy, Stalinism and secular nationalism have promoted the development of mass reactionary movements (e.g. populism or religious fundamentalism). Where such movements mobilise a popular base, even amongst sections of the working class, we must find a way of addressing the very real problems which give rise to these movements, whilst of course maintaining class independence.

The objective conditions of the new period favour the building of a mass movement on a revolutionary basis. The enormous task facing revolutionaries over the coming decade is to lay the programmatic and organisational basis for this. This will require the building of the nuclei of revolutionary parties welded into revolutionary international unity,
the destruction of the centrist and reformist roadblocks to the masses and integration with the fighting vanguard of the working class. The LRCI is dedicated to achieving this goal.

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