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Debate on working class consciousness

The Labor Aristocracy Myth

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THE PERSISTENCE OF reformism and outright conservatism among workers, especially in the imperialist centers of North America, Western Europe and Japan, has long confounded revolutionary socialists. The broadest outlines of Marxist theory tell us that capitalism creates its own "gravediggers" - a class of collective producers with no interest in the maintenance of private ownership of the means of production. The capitalist system's drive to maximize profits should force workers to struggle against their employers, progressively broaden their struggle and eventually overthrow the system and replace it with their democratic self-rule.

The reality of the last century seems to challenge these basic Marxist ideas. Despite occasional mass militancy and even proto-revolutionary struggles, the majority of the working class in the developed capitalist countries have remained tied to reformist politics - a politics premised on the possibility of improving the condition of workers without the overthrow of capitalism.

While living and working conditions for workers in the "global North" have deteriorated sharply since the late 1960s, the result has not been, for the most part, the growth of revolutionary consciousness. Instead we have seen reactionary ideas - racism, sexism, homophobia, nativism, militarism - strengthened in a significant sector of workers in the advanced capitalist countries. Since the late 1970s, nearly one-third of U.S. voters in union households have voted for right-wing Republicans. [1]

[<https://npa31.org/IMG/jpg/team17.jpg>]

Well paid Boeing workers listen respectfully to Democrat Senator Barbara Boxer

This paradox poses a crucial challenge for revolutionary Marxists. However, we need to avoid "mythological" explanations, imagined explanations for real phenomena, whether to interpret natural events or to explain the nature of society. Unfortunately, one of the most influential explanations within the left for working class reformism and conservatism - the theory of the "labor aristocracy" - is such a myth.

Theory of the "Labor Aristocracy"

Frederick Engels first introduced the notion of the "labor aristocracy" in a number of letters to Marx stretching from the late 1850s through the late 1880s. [2] Engels was grappling with the growing conservatism of the organized sectors of the British working class. He argued that those British workers who had been able to establish unions and secure stable employment - skilled workers in the iron, steel and machine making industries and most workers in the cotton textile mills - constituted a privileged and "bourgeoisified" layer of the working class, a "labor aristocracy."

British capital's dominance of the world economy - its industrial and financial "monopoly" - allowed key employers to provide a minority of workers with relatively higher wages and employment security. Engels saw the resulting relative privilege, especially when compared with the mass of poorly paid workers in unstable jobs, as the material basis of the growing conservatism of the British labor movement.

The contemporary theory of the labor aristocracy is rooted in the work of V.I. Lenin on imperialism and the rise of "monopoly capitalism." Lenin was shocked when the leaders of the European socialist parties supported "their" capitalist governments in the First World War. The victory of what he called "opportunism" (his term for reformism) confounded Lenin, who had dismissed the development of "revisionism" (Edward Bernstein's challenge to classical Marxism in 1899) as the ideology of socially isolated, middle-class intellectuals. Lenin believed the "orthodox Marxist"

leadership of the socialist parties and unions had long ago vanquished the revisionist challenge.

Lenin had therefore expected that the European socialist leaders would fulfill their pledge, ratified at numerous congresses of the Socialist International, to oppose their ruling classes' war drive with strikes and social disruption. By 1915, Lenin had begun to develop his explanation for the victory of opportunism in the socialist and labor movements. In his article "The Collapse of the Second International," Lenin argued:

"The period of imperialism is the period in which the distribution of the world among the 'great' and privileged nations, by whom all other nations are oppressed, is completed. Scraps of the booty enjoyed by the privileged as a result of this oppression undoubtedly fall to the lot of certain sections of the petty-bourgeoisie and the aristocracy and bureaucracy of the working class." [3]

[https://npa31.org/IMG/jpg/Boeing_on_strike.jpg]

Boeing workers on strike

This segment "represents an infinitesimal minority of the proletariat and the working masses" whose "adherence... with the bourgeoisie against the mass of the proletariat" was the social basis of reformism.

Lenin located the economic foundation of the labor aristocracy in the "super-profits" generated through imperialist investment in what we would today call the "third world" or "global South." According to his 1920 preface to *Imperialism: The Highest Stage of Capitalism*:

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

"This stratum of bourgeoisified workers or 'labor aristocracy,' who have become completely petty-bourgeois in their mode of life, in the amount of their earnings, and in their point of view, serve as the main support of the Second International [the reformist socialists - CP] and, in our day, the principal social (not military) support of the bourgeoisie. They are the real agents of the bourgeoisie in the labor movement, the labor lieutenants of the capitalist class, the real carriers of reformism and chauvinism." [4]

The theory of the labor aristocracy remains an important explanation of working-class reformism and conservatism for important segments of the far left in the industrialized countries. While the mainstream Communist Parties generally distanced themselves from the notion of the labor aristocracy as they moved toward reformist politics in the late 1930s, [5] certain left-wing opponents of the Communist Parties continue to defend the theory.

Thus, in the "New Communist Movement" of the 1970s and 1980s, various currents defended the notion that a layer of U.S. workers shared in the "super profits" of imperialism and monopoly capitalism. Max Elbaum (the author of the influential *Revolution in the Air* [6] and Robert Seltzer, then leaders of the prominent "new communist" group Line of March, published a three part explication and defense of the theory of the labor aristocracy in the early 1980s. [7]

More recently, Jonathan Strauss of the Australian Democratic Socialist Party (DSP), one of the larger revolutionary organizations in the English-speaking world whose origins lie in Trotskyism, has published a series of articles in the DSP sponsored journal *Links* [8] that elaborates upon Elbaum and Seltzer's defense of the theory of the labor aristocracy.

The Labor Aristocracy Myth

Important groups of activists, in particular those working with low-wage workers, are also drawn to the theory of the labor aristocracy. Four members of the People Organized to Win Employment Rights (POWER), a workers' center organizing mostly "low-wage/no-wage" workers of color in the San Francisco area, argued that:

"Another feature of imperialism that distinguishes it from earlier eras of capitalism is the imperialist powers' creation of a "labor aristocracy." The dominant position of the imperialist nations allows these nations to extract super-profits. The ruling elite of imperialist nations use some of the super-profits to make significant economic and political concessions to certain sectors of that nation's working class. Through higher wages, greater access to consumer goods and services and expanded social wage such as public education and cultural institutions, the imperialist elite are able to essentially bribe those sections of the working class...

"For a contemporary example of this, all we have to do is look at the 2004 presidential elections. Statistics show that working class whites in the United States voted overwhelmingly for George W. Bush in an election that could be read as a referendum of the empire's war on the Iraqi people. An analysis that solely focuses on class would suggest that working class whites had and have an interest in opposing a war that, if nothing else, is costing them billions in dollars. But clearly that ain't what happened. Working class whites voted overwhelmingly in support of the war on the Iraqi people. The majority of working class whites, despite their own exploitation, tie their own interests to white supremacy and the dominance of "America" in the world." [\[9\]](#)

Most current versions of the labor aristocracy thesis recognize some of the grave empirical problems (see below) with Lenin's claims that higher wages for a significant minority of workers in the imperialist countries comes from the super profits earned from the exploitation of lower paid workers in Africa, Asia and Latin America. [\[10\]](#) Instead, they tend to emphasize how the emergence of "monopoly capitalism" allows large corporations that dominate key branches of industry to earn super profits, which they share with their workers in the form of secure employment, higher wages and benefits.

Contemporary defenders of the labor aristocracy thesis argue that prior to the rise of large corporations in the late 19th and early 20th centuries, capitalism was in its "competitive" stage. Under competitive capitalism most branches of industry saw a large number of relatively small firms competing with one another through price cutting.

If any particular firm or industry began to experience higher than average profits because of the introduction of new machinery, it was relatively easy for its competitors to either adopt the new technology or shift investment from industries with lower profits to industries with higher profits. Through this process of competition within and between branches of production, new technology was rapidly diffused and capital easily moved between different sectors of the economy, resulting in uniform technical conditions within an industry and equal profit rates within and between industries.

According to Elbaum and Seltzer, Marx's analysis of the equalization of the rate of profit [\[11\]](#) applied to the "competitive" phase of capitalism:

"In the era of competitive capitalism, profits above the average rate, i.e. surplus profits, were generally spasmodic and temporary. They were usually derived as a result of technological advances that enabled a capitalist to reduce costs below the industry average, or entrepreneurial skills that opened new markets. However, an abnormally high rate of profit by an individual firm, or in a particular branch of industry, was soon undermined by an inflow of capital seeking the higher rate of profit or by the relatively rapid adoption of cost-cutting innovations by competitors." [\[12\]](#)

The rise of large scale corporations in the 20th century create "institutional or structural restrictions of this process" which "result in monopoly super profits." [\[13\]](#) "Monopoly" or "oligopoly" - where a small number of firms dominate a

given industry - replaced competition. Specifically, the enormous cost of new capital's entering these industries (auto, steel, etc.) - the barriers to entry "allow these firms to limit competition and sustain above average profits in several ways.

These barriers to entry prevent the rapid diffusion of new methods of production across industries, creating what Ernest Mandel called "technological rents" or super-profits [14] for these monopoly corporations. These barriers also prevent capital from moving from low profitability to high profitability industries, blocking the equalization of profit rates. Finally, barriers to entry and restricted competition allow corporations to raise prices above their prices of production, securing super profits for the largest firms in the economy. [15]

In this view competition does not disappear under monopoly capitalism, but tends to operate primarily in those sectors of the economy where large numbers of relatively small firms continue to predominate. Cut-throat competition and the rapid depression of above average profits to the average rate persist in the "competitive" sectors (garment, electronics, etc.) of the economy. There the small scale of investment necessary to start a competitive firm lowers barriers to entry and allows a large number of small firms to survive.

The result is a "dual economy," with two distinct profit rates:

"In the monopoly stage of capitalism, the tendency to form an average rate of profit still exists, since monopoly doesn't obliterate competition in the system as a whole. But it is modified by monopoly power. Therefore, the surplus value of society is distributed both according to size of capital through inter-industry competition (which yields equal profit on equal capital as in competitive capitalism); and according to the level of monopolization (which yields monopoly super profits). Monopolies receive both the average profit and monopoly super profit. Consequently, there arise the phenomena of a relatively permanent hierarchy of profit rates ranging from the highest in the strategic industries with large-scale production and the strongest monopolies, to the lowest in weaker industries with small-scale production, intense competition and market instability." [16]

According to Strauss, Elbaum and Seltzer, monopoly super profits become the primary source of the "bribe" for the contemporary labor aristocracy. The monopoly industries' higher than average profit rates allow these firms to provide higher than average wages and benefits and secure employment to their workers. By contrast, competitive industries earn average (or below average) profit rates and doom workers in these industries to below average wages and benefits and insecure employment.

From this perspective, effective unions are only possible in the monopoly sector of the economy, where the absence of competition creates super profits and allows corporations to "bribe" workers with higher wages and more secure employment. Given the realities of racism and national oppression, "white" workers tend to be overrepresented in the higher paid sectors of the economy, while workers of color tend to be overrepresented in the lower paid sectors of the economy.

The labor aristocracy, as today's theorists see it, is no longer made up primarily of skilled machinists and other industrial workers, as was the case in the early 20th century. Today, the more highly paid workers in the unionized monopoly and public sector constitute a labor aristocracy whose higher wages derive from the super-exploitation of workers in the competitive sectors of the advanced capitalist economies. [17]

Despite its intellectual pedigree and longevity, the labor aristocracy thesis is not a theoretically rigorous or factually realistic explanation of working-class reformism or conservatism. This essay undertakes an examination of the theoretical and empirical economic claims of the labor aristocracy thesis.

We will first evaluate the claim that super profits pumped out of workers in the global South underwrite a “bribe” in the form of higher wages for a minority of the working class in the global North. The essay then evaluates the claim that limits on competition flowing from industrial concentration in key sectors of the economy produces differential profits rates and wages. We will conclude our critique of the theory of the labor aristocracy with an analysis of the actual history of radical and revolutionary working-class activism in the 20th century.

Finally, I will present an alternative explanation of the persistence of working class reformism and conservatism - one rooted in the necessarily episodic character of working-class self-organization and activity, the emergence of an officialdom (bureaucracy) in the unions and pro-working class political parties, and the inability of reformist politics to effectively win or defend working-class gains under capitalism. [18]

Investment, Wages and Profits

Imperialist investment, particularly in the global South, represents a tiny portion of global capitalist investment. [19] Foreign direct investment makes up only 5% of total world investment - that is to say, 95% of total capitalist investment takes place within the boundaries of each industrialized country.

Of that five percent of total global investment that is foreign direct investment, nearly three-quarters flow from one industrialized country - one part of the global North - to another. Thus only 1.25% of total world investment flows from the global North to the global South. It is not surprising that the global South accounts for only 20% of global manufacturing output, mostly in labor-intensive industries such as clothing, shoes, auto parts and simple electronics.

Data for profits earned by U.S. companies overseas do not distinguish between investments in the global North and global South. For purposes of approximation, we will assume that the 25% of U.S. foreign direct investment in labor-intensive manufacturing in Africa, Asia and Latin America produces profits above those earned on the 75% of U.S. foreign direct investment in more capital-intensive production in western Europe, Canada and Japan. It is unlikely, however, that more than half of the profits earned abroad by US companies are earned in the global South.

Thus, assigning 50% of foreign profits of U.S. companies to their investments in the global South probably biases the data in favor of claims that these profits constitute a significant source of total U.S. wages. Yet even accepting such a biased estimate, the data for the period 1948-2003 supports Ernest Mandel's assertion that U.S. profits from investment in the global South “constitute a negligible sum compared to the total wage bill of the American working class.” [20]

[<https://npa31.org/IMG/jpg/nikefactoryVietnam2.jpg>]

Nike factory, Ho Chi Minh City

Prior to 1995 total profits earned by U.S. companies abroad exceeded 4% of total U.S. wages only once, in 1979. Foreign profits as a percentage of total U.S. wages rose above 5% only in 1997, 2000 and 2002, and rose slightly over 6% in 2003. If we hold to our estimate that half of total foreign profits are earned from investment in the global South, only 1-2% of total U.S. wages for most of the nearly 50 years prior to 1995 - and only 2-3% of total U.S. wages in the 1990s - could have come from profits earned in Africa, Asia and Latin America.

Such proportions are hardly sufficient to explain the 37% wage differentials between secretaries in advertising agencies and “labor aristocracy” machinists working on oil pipelines, or the 64% wage differentials between janitors in restaurants and bars and automobile workers. [21]

Does this analysis mean that imperialism - rooted in the export of capital (and capitalist class relations) across the globe - has no impact on profits and wages in the global North? No - but the impact is quite different from what the

labor aristocracy thesis predicts.

In *Capital*, Volume III, [22] Marx recognized that foreign investment was one of a number of “countervailing” tendencies to the decline of the rate of profit. Put simply, the export of capital from the global North to the global South, especially when invested in production processes that are more labor intensive than those found in the advanced capitalist countries, tends to raise the mass and rate of profit in the North. There is indeed some evidence that foreign profits - from investments in both the global North and global South - constitute an important counter tendency to declining profits in the United States.

Profits earned abroad by U.S. companies as a percentage of total U.S. profits (Table I and Graph I) have risen fairly steadily since 1948, rising from a low of 5.19% in 1950 to a high of 30.56% in 2000. [23] The proportion of U.S. profits earned abroad jumped sharply after the onset of the long-wave of stagnation in 1966, jumping from 6.43% in 1966 to 18.36% in 1986.

Even more indicative is the relationship between annual percentage changes in domestic and foreign U.S. profits (Table II). In a number of years (1967-1970, 1972-1974, 1978-1980, 1986-1990, 1994-1995, 1997-2001, 2003), the annual percentage change for foreign profits was higher than the annual percentage change for domestic profits. In some of these years (1967, 1969-1970, 1974, 1979-1980, 1989, 1998, 2000-2001), total profits earned in the U.S. declined while total profits earned abroad increased.

Higher profits result in more investment across the board in the industrialized countries. More investment eventually brings a growing demand for labor (within limits set by investment in newer, more capital intensive technology), falling unemployment and rising wages for all workers in the industrialized capitalist countries.

Put simply, this means that imperialist investment in the global South benefits all workers in the global North - both highly paid and poorly paid workers. Higher profits and increased investment mean not only more employment and rising wages for “aristocratic” steel, automobile, machine-making, trucking and construction workers, but also for lowly paid clerical, janitorial, garment and food processing workers. As Ernest Mandel put it, “the real ‘labor aristocracy’ is no longer constituted inside the proletariat of an imperialist country but rather by the proletariat of the imperialist countries as a whole.” [24] That “real ‘labor aristocracy’” includes poorly paid immigrant janitors and garment workers, African-American and Latino poultry workers, as well as the multi-racial workforce in auto and trucking. [25]

Clearly, these “benefits” accruing to the entire working class of the industrialized countries from imperialist investment are neither automatic nor evenly distributed. Rising profits and increased investment do not necessarily lead to higher wages for workers in the absence of effective working-class organization and struggle.

During the post-World War II long wave of expansion, the industrial unions that had arisen during the mass strike wave of 1934-37 were able to secure rising real wages both for their own members and the bulk of the unorganized working classes. However, since 1973, the labor movement in the United States and the rest of the industrial countries has been in retreat.

Real wages for U.S. workers, both union and nonunion, have fallen to about 11% below their 1973 level, despite strong growth beginning in the late 1980s. [26] Higher than average profits have accrued, first and foremost, to capital, allowing increased investment; and to the professional-managerial middle class in the form of higher salaries.

Nor are the “benefits” of increased profitability and growth due to imperialist investment distributed equally to all portions of the working class. As we will see below, the racial-national and gender structuring of the labor market

result in women and workers of color being concentrated in the labor-intensive and low-wage sectors of the economy.

Whatever benefits all workers in the global North reap from imperialist investment in the global South are clearly outweighed by the deleterious effects of the expansion of capitalist production on a world scale. This is especially clear today, in the era of neoliberal "globalization."

Although industry is clearly not "footloose and fancy free" as some theorists of globalization claim - moving from one country to another in search for the cheapest labor [27] - the removal of various legal and judicial obstacles to the free movement of capital has sharpened competition among workers internationally, to the detriment of workers in both the global North and South.

The mere threat of moving production "off-shore," even if the vast majority of industrial investment remains within the advanced capitalist societies, is often sufficient to force cuts in wages and benefits, the dismantling of work rules and the creation of multi-tiered workforces in the United States and other industrialized countries. Neoliberalism's deepening of the process of primitive accumulation of capital - the forcible expropriation of peasants from the land in Africa, Asia and Latin America - has created a growing global reserve army of labor competing for dwindling numbers of fulltime, secure and relatively well paid jobs across the world.

Put simply, the sharpening competition among workers internationally more than offsets the "benefits" of imperialism for workers in the global North. [28]

Monopoly, Super-Profits and Wage Differentials

The claim that monopoly super-profits, resulting from industrial concentration and the limitation of competition in key sectors of the economy, produce higher than average wages - and a labor aristocracy of unionized workers - is also open to empirical challenge. During the long boom of the 1940s, 1950s and 1960s, certain branches of production did seem to enjoy stable higher than average profits and wages flowing from the rise of oligopolies.

However, as that boom turned into the long stagnation beginning in the late 1960s, these industries began to face persistently lower than average profits and sharpened competition both at home and abroad.

By 1980, the impact on wages and working conditions are apparent. According to Howard Botwinick:

"(T)he 'eternal' core ["monopoly" industries - CP] was beginning to show more and more evidence of peripheral ['competitive' industries - CP] behavior. Industries like steel and auto were experiencing serious profitability crunches and were becoming more and more interested in lowering the wages and working conditions of their primary work force. In addition to relocating to low-wage areas, core firms were successfully extracting serious concessions in wages and working conditions from their work forces. Even more distressing, a 'secondary' labor market was developing within the factory gates of these core firms as two-tiered wage packages were increasingly introduced on a wide scale." [29]

As early as the mid-1970s, statistical studies of the relationship between industrial concentration and profit and wage differentials began to challenge the central factual claims of the monopoly capitalism thesis.

In his 1984 study, Willi Semmler [30] reviewed the existing literature on industrial concentration and profit rate differentials and carried out his own statistical analysis for the United States and West German economies since the second world war. He found, first, that while there was evidence of a correlation between industrial concentration

(monopoly) and profit rate differentials before 1970, he also found that marked profit rate differentials existed between and within concentrated industries in this period.

In other words, profit rate differentials had multiple causes before 1970. Semmler also found that when profit rate differentials were examined through the 1970s and early 1980s, the correlation between industrial concentration and higher than average profit rates all but disappeared. Instead, "differentials of profit rates are significantly related to the productivity, capital/output ratios, and unit wage costs of each industry." [31]

Howard Botwinick's 1993 study of wage and profit differentials reviewed the literature published since Semmler's work was completed, and found similar patterns. [32] Industrial concentration, again, could not explain profit and wage rate differentials. In fact, not only were factors like labor productivity, capital-intensity of production, and the like more important in accounting for profit and wage differentials; but many of the highly concentrated industries that had experienced higher than average profits prior to 1970 were experiencing lower than average profits in the 1970s and 1980s.

More recent studies have confirmed the absence of a strong correlation between industrial concentration and higher than average profits and wages. Instead, profit and wage differentials were rooted in differences in labor-productivity and capital-intensity of production. [33]

The empirical problems with the monopoly super profits argument - so central to contemporary theories of the labor aristocracy - are rooted in the very notions of "monopoly" and "oligopoly." [34] The notion that the existence of a small number of large firms in an industry limits competition, allowing higher than average profits and wages, is derived from neo-classical (non-Marxian) economics' vision of "perfect competition."

For neoclassical economists, perfect competition - which allows instantaneous mobility of capital between branches of production, uniform technology, equal profit rates and wages - exists only when a large number of small firms exist in a market. Any deviation from this is "oligopoly" - a form of "imperfect competition" that creates obstacles to capital mobility, different techniques, and higher than average profits and wages.

The notions of perfect competition and oligopoly/monopoly are both conceptually and empirically flawed. Perfect competition is an ideological construction - an idealization of capitalist competition that makes the existing economic order appear efficient and just.

Real capitalist competition - from the birth of capitalism in English agriculture in the 16th century, through the industrial revolution of the 18th and 19th century to the emergence of the transnational corporations in the 20th century - has never corresponded to the dream world of "perfect competition." Capitalist competition is fought through what Marx called the "heavy artillery of fixed capital" - constant technological innovation, taking the form of the increasing mechanization of production.

Older investments in fixed capital, even if they no longer allow a particular firm to reduce unit costs and raise its profit margins and rates, cannot be abandoned immediately in favor of new and more efficient machinery. According to Botwinick:

"Given the presence of fixed capital investment, however, new techniques cannot be immediately adopted by all firms in the industry. Because fixed capital generally requires prolonged turnover periods, new techniques will be adopted primarily by those capitals that are in the best position to do so. Thus, although new capitals will enter the industry with 'state of the art' equipment and other existing capitals will gradually begin to replenish and expand their productive facilities with the latest techniques, older, less efficient capitals will also tend to live on for many years.

This is particularly true within prolonged periods of rapid growth... Rather than creating identical firms, competition therefore creates a continual redifferentiation of the conditions of production.” [35]

Put simply, competition - not its absence - explains the diversity of technical conditions of production and the resulting differentiations of profit and wage rates within and between industries throughout the history of capitalism. The higher wages that workers in unionized capital-intensive industries enjoy are not gained at the expense of lower paid workers, either at home or abroad. Instead, the lower unit costs of these industries make it possible for these capitals to pay higher than average wages. As we have seen over the last thirty years, however, only effective worker organization can secure and defend these higher than average wages.

Racial and gender inequalities can be best understood in relationship to the profit and wage differentials created through capitalist accumulation and competition. As race, nationality and gender structure the “employment queue” in capitalist societies, women and workers of color are over-represented in different segments of the “active” and “reserve” armies of labor.

Different industries, with diverse technical conditions of production, profit rates and wages, thus recruit workers from these racially and gender defined sectors of the working class. In general, women and workers of color tend to be over represented in labor-intensive, low-wage sectors; while white and male workers tend to be over represented in the more capital-intensive, higher-wage sectors.

Thus race, nationality and gender do generate a stratified working class as workers are distributed into branches of production that competition and accumulation - rather than monopoly or imperialist super profits - continually differentiate in terms of technique, profitability and wages.

PART 2

The “Labor Aristocracy” and Working-Class Struggles onsciousness in Flux

WHATEVER THE THEORETICAL and empirical problems with the economics of the labor aristocracy thesis, its defenders still claim that well paid workers have generally been more reformist and conservative in their politics than lower paid workers. They point to the example of mostly white New York City construction workers (“hardhats”) attacking antiwar demonstrators in the Spring of 1970; and contrast them with the militancy and progressive politics of some of the recent “Justice for Janitors” campaigns.

A more systematic examination of the history of workers' struggles in the global North in the past century, however, does not bear out the claim that well paid workers are generally reformist or conservative, while poorly paid workers are more revolutionary or radical.

The most important counter-example is the Russian working class in the early 20th century. The backbone of Lenin's Bolsheviks (something he was most definitely aware of) were the best paid industrial workers in the Russian cities - skilled machinists in the largest factories. Lower paid workers, such as the predominantly female textile workers, were generally either unorganized or apolitical (until the beginnings of the revolution) or supported the reformist Mensheviks. [36]

In fact the mass base of the left, antiwar wing of the pre-First World War socialist parties and of the postwar revolutionary Communist parties were relatively well paid workers in the large metalworking industries. These

workers led militant struggles against speedup and deskilling that became political struggles against conscription and the war.

German Communism became a mass movement when tens of thousands of well paid metal workers left the Independent Socialists and joined the Communists in 1921. The French and Italian Communists also became mass parties through the recruitment of thousands of machinists who led the mass strikes of the postwar period. These highly paid workers were also overrepresented in the smaller Communist parties of the United States and Britain. [37]

Well paid, although generally deskilled, workers in large scale industry continued to play a leading role in mass upsurges throughout the 20th century. During the CIO upsurge during the 1930s, relatively well paid workers in the U.S. auto, steel, rubber and other mass production industries, often with skilled industrial workers in the lead, spearheaded the creation of industrial unions that united skilled and unskilled, highly paid and poorly paid. Well paid and skilled workers were, again, over represented in radical and revolutionary organizations in the United States during the 1930s. [38]

Well paid workers were also in the vanguard of proto-revolutionary mass struggles in France (1968), Italy (1968-69), Britain (1967-75), and Portugal (1974-75). Relatively "aristocratic" workers in trucking, auto, telecommunications, public education and the postal service were at the center of the unofficial, wildcat strikes that shook U.S. industry between 1965 and 1975.

In France in 1995, well paid workers in telecommunications, public transport, postal, health care and education led the public sector strikes that mounted the first successful workers' struggles against neoliberalism. In the Fall of 2004, auto workers, some of the best paid in Germany, stood up to layoffs, defying their own union leaders in an unofficial strike.

In the U.S. working class during the past decade, relatively poorly paid workers (janitors, hotel workers, and grocery clerks) have engaged in strike actions much more frequently than relatively well paid workers. However, better paid workers - from UPS workers in 1997 to New York City transit workers in 2005 - have not been absent from militant workplace struggles.

Nor is this pattern of militancy and radicalism among relatively well paid workers limited to the global North. In Chile between 1970 and 1973, and Argentina between 1971 and 1974, copper miners and metal workers engaged in industrial struggles and took the lead in mass mobilizations against the military and the right. In Brazil, it was the well paid metal workers in the "ABC" suburbs of San Paolo who led mass strikes in the 1970s that created the CUT (United Workers Confederation) and eventually the PT (Workers Party) in the early 1980s.

Similarly, it was the highest paid Black workers in South Africa - in mining, auto, steel - whose struggles in the 1970s created the radical and militant FOSATU trade union confederation. FOSATU and its successor COSATU were able to build on workplace organization and power in the political struggle against apartheid in the 1980s and 1990s.

It is not surprising that relatively well paid workers have been at the center of the most militant and radical workers' struggles of the last century. These workers tend to be concentrated in large, capital intensive workplaces that are often central to the capitalist economy. These workers have considerable social power when they act collectively. Strikes in these industries have a much greater impact on the economy than workers in smaller, less capital intensive workplaces (garment, office cleaning, etc.) Workers in capital intensive industries are also often the first targets of capitalist restructuring in periods of falling profits and sharpened competition.

Explaining Working-Class Reformism [39]

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How do we explain the fact that most workers, most of the time, do not act on their potential power? Why do workers embrace reformist politics - support for bureaucratic unionism (reliance on the grievance procedure, routine collective bargaining) and Democratic party electoral politics - or worse, reactionary politics in the forms of racism, sexism, homophobia, nativism, militarism?

The key to understanding working-class reformism (and conservatism) is the necessarily episodic nature of working-class struggle and organization. The necessary condition for the development of class consciousness is the self-activity and self-organization of the workers themselves. The experience of mass, collective and successful struggles against capital and its state in the workplace and the community is what opens layers of workers to radical and revolutionary political ideas. [\[40\]](#)

The working class cannot be, as a whole, permanently active in the class struggle. The entire working class cannot consistently engage in strikes, demonstrations and other forms of political activity because this class is separated from effective possession of the means of production, and its members compelled to sell their labor power to capital in order to survive. They have to go to work!

Put simply, most workers, most of the time are engaged in the individual struggle to sell their capacity to work and secure the reproduction of themselves and their families - not the collective struggle against the employers and the state. The "actually existing" working class can only engage in mass struggles as a class in extraordinary, revolutionary or pre-revolutionary situations. Because of the structural position of wage labor under capitalism, these must be of short duration. Most often, different segments of the working class become active in the struggle against capital at different times.

In the wake of successful mass struggles, only a minority of the workers remain consistently active. Most of this workers' vanguard - those who "even during a lull in the struggle...do[es] not abandon the front lines of the class struggle but continues the war, so to speak, "by other means" [\[41\]](#) - attempts to preserve and transmit the traditions of mass struggle in the workplace or the community. However, a sector within this active minority, together with intellectuals who have access to cultural skills from which the bulk of the working class is excluded, must take on responsibility for administering the unions or political parties created by periodic upsurges of mass activity.

This layer of fulltime officials - the bureaucracy of the labor movement - is the social foundation for "unconditional" reformist practice and ideology in the labor movement. Those workers who become officials of the unions and political parties begin to experience conditions of life very different from those who remain in the workplace.

The new officials find themselves freed from the daily humiliations of the capitalist labor process. They are no longer subject to either deskilled and alienated labor or the petty despotism of supervisors. Able to set their own hours, plan and direct their own activities, and devote the bulk of their waking hours to "fighting for the workers," the officials seek to consolidate these privileges.

As the unions gain a place in capitalist society, the union officials strengthen their role as negotiators of the workers' subordination to capital in the labor-process. In defense of their social position, the labor bureaucracy excludes rank and file activists in the unions and parties from any real decision-making power. [\[42\]](#)

The consolidation of the labor bureaucracy as a social layer, distinct from the rest of the working class under capitalism, gives rise to its distinctive political practice and world-view. The preservation of the apparatus of the mass union or party, as an end itself, becomes the main objective of the labor bureaucracy. The labor bureaucrats seek to contain working-class militancy within boundaries that do not threaten the continued existence of the institutions which are the basis of the officials' unique life-style.

Thus what Ernest Mandel called the “dialectic of partial conquests,” the possibility that new struggles may be defeated and the mass organizations of the working class weakened, buttress the labor bureaucracy's reliance on electoral campaigns and parliamentary pressure tactics (lobbying) to win political reforms, and on strictly regimented collective bargaining to increase wages and improve working conditions.

The labor bureaucracy's stake in stable bargaining relationships with the employers and their credibility in the eyes of the capitalists as negotiators further reinforce their conservative ideology and practice. From the bureaucracy's point of view, any attempt to promote the militant self-activity and organization among workers must be quashed. At this point, the bureaucracy's organizational fetishism (giving priority to the survival of the apparatus over new advances in the struggle) produces a world-view that demands the workers' unquestioning obedience to leaders who claim they know “what is best for the workers.”

While the unconditional ideological commitment to reformism grows organically from the privileged social position of the labor officialdom, how do we explain the conditional reformism of most workers? Why do most workers, most of the time accept reformism? Put bluntly, why is this conditional reformism the normal state of working class consciousness under capitalism?

In “normal times” - of working class quiescence and passivity - the majority of workers come to accept the “rules of the game” of capitalist competition and profitability. They seek a “fair share” of the products of capitalist accumulation, but do not feel capable of challenging capitalist power in the workplace, the streets or society. For most workers during “normal times,” mass, militant struggle seems unrealistic; they tend to embrace the labor officialdom's substitution of liberal and reformist electoral politics, institutionalized collective bargaining and grievance handling.

However, the continued hold of reformism over the majority of workers requires that labor officials “deliver the goods” in the form of improved wages, hours and working conditions. As Bob Brenner points out:

“(G)iven even a minimum of working-class organization, reformism tends to be widely attractive in periods of prosperity precisely because in such periods the threat of limited working-class resistance - symbolized by the resolution to strike or a victory at the polls - actually can yield concessions from capital. Since filling orders and expanding production are their top priorities in the boom, capitalists will tend to find it in their interests to maintain and increase production, even if this means concessions to the workers, if the alternative is to endure a strike or other forms of social dislocation.” [\[43\]](#)

When capitalism enters one of its unavoidable periods of crisis and restructuring - like the one that began in the late 1960s through most of the capitalist world - the paradox of reformism becomes manifest. In a world of declining profits and sharpened competition, capitalists throughout the world went on the offensive at the workplace and at the level of the capitalist state. The restructuring of the capitalist production along the lines of lean production, and the neoliberal deregulation of capital and labor markets, [\[44\]](#) required all-out war against workers and their organizations across the capitalist world.

At this point, reformism becomes ineffective. Workers can and have made gains against their employers in the past fifteen years - the success of the UPS strike and the “Justice for Janitors” campaigns in various cities cannot be ignored. However, these victories often required substantive rank-and-file organization and mobilization - including independent organizations, like Teamsters for a Democratic Union (TDU).

In fact, the reformist officialdom of the unions and social-democratic parties embraced realpolitik - adapting to the new “reality” of declining living and working conditions. As Mandel pointed out:

"(T)he underlying assumption of present-day social-democratic gradualism is precisely this: let the capitalists produce the goods, so that governments can redistribute them in a just way. But what if capitalist production demands more unequal, more unjust distribution of the "fruits of growth"? What if there is no economic growth at all as a result of capitalist crisis? The gradualists can then only repeat mechanically: there is no alternative; there is no way out." [\[45\]](#)

Eschewing militancy and direct action by workers and other oppressed people, the labor bureaucracy and reformist politicians in the West have no choice but to make concessions to the employers' offensive and to administer capitalist state austerity. The spectacle of reformist bureaucrats shunning the struggle for reforms has been repeated across the capitalist world in the last three decades, with tragic results.

Again and again, the reformist bureaucrats have surrendered to the requirements of capitalist profitability. The Italian Communist party embraced austerity in the 1970s. The U.S. AFL-CIO officials have accepted concession bargaining since 1979, usually without even the pretense of struggle. Social-democratic regimes across Europe (Mitterand and Jospin in France, Blair in Britain, Schroeder in Germany) embraced neoliberal realism - cutting social services, privatizing public enterprises, and deregulating capital and labor markets.

Nor has the reformist retreat been limited to the imperialist countries. In the early 1990s, the ANC-COSATU-led government in post-apartheid South Africa has embraced what some have called the "sado-monetarism" of the IMF and World Bank. The debacle of the Lula regime in Brazil - attacking workers' rights, opening the agricultural economy to transnational investment and systematically retreating from its promise of popular reform - fits the pattern all too well. Today, even the most moderate forms of social-democratic gradualism have become utopian, as the labor bureaucracy across the world has been unable to defend the workers' past gains much less win significant new reforms in an era of crisis and restructuring.

Why Working-Class Conservatism? [\[46\]](#)

The inability of reformism to "deliver the goods" for most working people also helps us make sense of the appeal of right-wing politics - racist, sexist, homophobic, nativist and militarist - for a segment of workers. The objective, structural position of workers under capitalism provides the basis for collective, class radicalism and individualist, sectoralist and reactionary politics.

Bob Brenner and Johanna Brenner point out, "workers are not only collective producers with a common interest in taking collective control over social production. They are also individual sellers of labor power in conflict with each other over jobs, promotions, etc." As Kim Moody put it, capitalism "pushes together and pulls apart" the working class. As competing sellers of labor power, workers are open to the appeal of politics that pit them against other workers - especially workers in a weaker social position:

It appears possible for the stronger sections of the working class to defend their positions by organizing on the basis of already existing ties against weaker, less-organized sections. They can take advantage of their positions as Americans over and against foreigners, as whites over and against blacks, as men over and against women, as employed over and against unemployed, etc. In so doing, working people may act initially only out of what they perceive to be their most immediate self-interest. But over time they inevitably feel the pressure to make sense of these actions and they adopt ideas which can make their actions reasonable and coherent. These ideas are, of course, the ideas of the right. [\[47\]](#)

Bruce Nelson's recent study of steelworkers details how relatively white workers in the steel industry struggled to defend their privileged access to better paying and relatively more skilled work after the establishment of industrial unionism. The rise of the CIO opened the possibility of classwide organization that began to reduce the

racial/national segmentation of the working class.

As the CIO offensive ground to passed its peak by the late 1930s, and the industrial unions became bureaucratized during the second world war, white workers increasingly moved to defend their privileged access to employment (and with it housing, education for their children, etc.) against workers of color. In the steel industries, white workers militantly defended departmental seniority in promotion and layoffs against demands of Black and Latino workers for plant wide seniority and affirmative action in promotions in the 1960s and 1970s. [48]

As Marxists, we understand that such strategies are counter-productive in the medium to long term. Divisions among workers and reliance on different segments of the capitalist class only undermine the ability of workers to defend or improve their conditions of life under capitalism. [49] However, when reformism proves incapable of realistically defending workers' interests - as it has since the early 1970s - workers embrace individualist and sectoralist perspectives as the only realistic strategy.

This is particularly the case in the absence of a substantial and influential militant minority in the working class that can organize collective resistance to capital independently of, and often in opposition to the reformist labor officials. [50]

Conclusion

Kim Moody has pointed out that everyday working class “common sense” is not “some consistent capitalist ideology” but instead:

a clashing collection of old ideas handed down, others learned through daily experience, and still others generated by the capitalist media, education system, religion, etc. It is not simply the popular idea of a nation tranquilized by TV and weekends in the mall. “Common sense” is both deeper and more contradictory because it also embodies experiences that go against the grain of capitalist ideology. [51]

Only through the experience of collective, class activity against the employers, starting at but not limited to the workplace, can workers begin to think of themselves as a class with interests in common with other workers and opposed to the capitalists. Workers who experience their collective, class power on the job are much more open to class - and anti-racist, anti-sexist, anti-militarist, anti-nativist - ways of thinking.

As Marx pointed out, it is through the workplace and union struggles that the working class “becomes fit to rule” - develops the organization and consciousness capable of confronting capital. Such organization will require a struggle not only against “backward ideas” among workers, but against the officialdom of the unions and other popular mass organizations that are committed to reformist strategies, no matter how blatantly ineffective.

Workers' self-organization and self-activity in the workplace struggles is the starting point for creating the material and ideological conditions for an effective challenge to working class reformism and conservatism. Clearly, militant workplace struggle is not a sufficient condition for the development of radical and revolutionary consciousness among workers. Struggles in working-class communities around housing, social welfare, transport and other issues; and political struggles against racism and war are crucial elements in the political self-transformation of the working class.

Successful workplace struggles, however, are the necessary condition for the development of class consciousness. Without the experience of such struggles, workers will continue to passively accept reformist politics or, worse,

embrace reactionary politics.

This does not mean that workers of color, women and other oppressed groups in the working class should “wait” to fight until white and male workers are ready to act. White and male workers, because of the temporary but real advantages they gain in the labor market - preferential access to better jobs - are not likely to initiate struggles against racism, sexism or homophobia in the workplace or anywhere else. Self-organization and self-activity of racially oppressed groups are crucial to the development of anti-racist struggles and anti-racist consciousness.

However, a mass working-class audience for anti-racist, anti-sexist and anti-militarist ideas will most likely be created in the context of mass, class struggles against capital. Today, the main audience for the idea that workers need to stand up to right-wing ideas and practices are the small layer of rank and file activists who are trying to promote solidarity, militancy and democracy in the labor movement.

Only if these activists, with the help of socialists in the labor movement, can succeed in building effective collective fight back will these ideas - the politics of class radicalism - achieve mass resonance.

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[1] New York Times' compilation of exit polls for the years 1972-2004 www.nytimes.com/packages/pdf/politics/20041107_px_ELECTORATE.xls

[2] Jonathan Strauss, in “Engels and the theory of the Labor Aristocracy”, Links: International Journal of Socialist Renewal, 25 (January-June 2004) www.desp.org.au/links/bank/issue25/Strauss.htm, presents a useful summary of Engel's writings.

[3] <http://www.marxists.org/archive/lenin/works/1915/jun/x01.htm>

[4] <http://www.marxists.org/archive/lenin/works/1916/imp-hsc/pref02.htm>

[5] See C. Post, “The Popular Front: Rethinking the History of the CPUSA,” Against the Current 63 (July-August 1996) on the Communist Parties' evolution into reformist organizations.

[6] Revolution in the Air: Sixties Radicals Turn to Lenin, Mao and Che (London: Verso Books, 2002).

[7] “The Labor Aristocracy: The Material Basis for Opportunism in the Labor Movement, Part I: The Theory of the Labor Aristocracy,” Line of March 11 (May-June 1982) [home.conexus.net.au/benj/LOM.htm]; “Part II: The U.S. Labor Movement Since World War II,” Line of March 12 (September-October 1982); “Part III: The Polemic Within the Communist Movement,” Line of March 13/14 (March-April 1983).

[8] Strauss, “Engels and the Labor Aristocracy” 2004; “Monopoly Capitalism and the Bribery of the Labor Aristocracy,” Links: International Journal of Socialist Renewal 26 (July-December 2004).

[9] J. Browne, M. Franco, J. Negron-Gonzales & S. Williams, Towards Land, Work & Power (San Francisco: POWER: United to Fight, 2005), 46.

[10] Elbaum and Seltzer, “The Labor Aristocracy,” Part I, 16-17; Strauss, “Monopoly Capitalism,” 49.

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[11] Capital, Volume III (Harmondsworth, England: Penguin Books, 1981), Part Two.

[12] Elbaum and Seltzer, "The Labor Aristocracy, Part I", 41 (note iv).

[13] Strauss, "Monopoly Capitalism," 50.

[14] Late Capitalism (London: New Left Books, 1975), Chapter 3. This is the main economic argument of Strauss, "Monopoly Capitalism," 50.

[15] Elbaum and Seltzer, "Theory of the Labor Aristocracy, Part I", 41 (note iv).

[16] Elbaum and Seltzer, "Theory of the Labor Aristocracy, Part I" 41 (note iv). Strauss relies heavily on the work of Ernest Mandel, which does attempt to reconcile notions of "monopoly" with a classical Marxist concept of competition. Elbaum and Seltzer do not cite other Marxist and radical economists as the source of their theory of "monopoly capitalism." However, both arguments bear a close relationship to the theories of Paul Sweezy and Paul Baran, Monopoly Capital (New York: Monthly Review Press, 1966); and especially the work of David Gordon, Richard Edwards and Michael Reich, Segmented Work, Divided Workers (Boston: Cambridge University Press, 1982).

[17] Elbaum and Seltzer, "The Labor Aristocracy, Part II" presents a fairly detailed discussion of the composition of the "labor aristocracy" in the US since the second world war, which is very similar to Gordon, Edwards and Reich's discussion of the "primary labor market" under "monopoly capitalism" in Segmented Work, Divided Workers.

[18] My arguments against the "labor aristocracy" argument owe much to Tony Cliff, "Economic Roots of Reformism," Socialist Review (Old Series) 6,9 (June 1957); Ernest Mandel, "What is the Bureaucracy?" in T. Ali (ed.), The Stalinist Legacy: Its Impact on 20th Century World Politics (Harmondsworth: Penguin Books, 1984); and Sam Friedman, "The Theory of the Labor Aristocracy," Against the Current (Old Series) 2,3 (Fall 1983).

[19] These statistics are drawn from Kim Moody, Workers in a Lean World: Unions in the International Economy (London: Verso, 1997), Part I; and personal correspondence May 15, 2002 and October 23, 2004.

[20] Mandel, "What is the Bureaucracy?" 19.

[21] Jane Osburn, "Interindustry Wage Differentials: Patterns and Possible Sources," Monthly Labor Review (February 2000), Table I ("Mean Hourly Wages of Selected Occupations in Selected Industries, 1998), 36.

[22] Chapter 14, Section 5.

[23] Clearly, US corporations earn above average or "super"-profits on these investments-the result of the combination of low wages and labor intensive techniques common in the global South, rather than the transnationals' "monopolistic" position in the world market.

[24] Mandel, "What is the Bureaucracy?" 19.

[25] Some exponents of the labor aristocracy thesis have argued that "unequal exchange"-the ability of firms in the global North to obtain raw materials, components, consumer goods (clothing, electronics, etc.) and foodstuffs from the global South below their value-is the basis of the "imperialist bribe" to the "labor aristocracy" of the advanced capitalist countries. Specifically, they argue that "unequal exchange" lowers the cost of inputs (raw materials, components), elevates profit rates in the North by lowering the cost of inputs (raw materials, components); and reduces the cost of food and consumer goods, increasing the living standard of some workers. (See Arghiri Emmanuel, Unequal Exchange: A Study of the Imperialism of Trade (New York: Monthly Review Press, 1972)

The question of "unequal exchange" in the capitalist world economy involves a variety of theoretical and technical measurement questions which are beyond the scope of this essay. (See Anwar Shaikh, "Foreign Trade and the Law of Value, Parts I-II," Science & Society (Fall 1979 and Spring 1980) Granting the reality of "unequal exchange," the notion that it produces benefits only for a minority of workers in the global North is not tenable. Again, all workers in the global North-from the most poorly to the best paid-would benefit from "unequal exchange." They would benefit

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from elevated profit rates and the resulting increase in accumulation and demand for all labor-power. Similarly, lower cost consumer goods and food "affects the standard of living not only of a minority 'aristocracy of labor' but the whole of the working class of the industrial countries." (Cliff, "Economic Roots of Reformism," 4)

[26] Lawrence Mishel, Jared Bernstein and Sylvia Allegretto, *The State of Working America*, 2004/2005 (Ithaca, NY: Cornell University Press, 2005), Chapter 2.

[27] For instance, Michael Hardt and Antonio Negri's influential *Empire* (Cambridge, MA: Harvard University Press, 2000), which I reviewed in *Against the Current* 99 (July-August 2002).

[28] See Kate Bronfenbrenner and Stephanie Luce, "The Changing Nature of Corporate Global Restructuring: The Impact of Production Shifts on Jobs in the US, China, and Around the Globe," Submitted to the US-China Economic and Security Review Commission (October 14, 2004) www.uscc.gov/researchpapers/2004/cornell_u_massreport.pdf.

[29] *Persistent Inequalities: Wage Disparity Under Capitalist Competition* (Princeton: Princeton University Press, 1993), 45.

[30] *Competition, Monopoly and Differential Profit Rates* (New York: Columbia University Press, 1984)

[31] Semmler, *Competition*, 127.

[32] Botwinick, *Persistent Inequalities*, 155-170.

[33] David G. Blanchflower, Andrew J. Oswald and Peter Sanfey, "Wages, Profits and Rent-Sharing," *The Quarterly Journal of Economics*, 111, 1 (February 1996); Kenneth R. Troske, "Evidence on the Employer- Size Wage Premium from Worker-Establishment Data," *The Review of Economics and Statistics*, 81, 1 (February 1999); Osburn, "Interindustry Wage Differentials;" (2000); Julia I. Lane, Laurie A. Solomon and James R. Speltzer, "Establishment Wage Differentials" <http://www.urban.org/UploadedPDF/410505.pdf> Urban Institute Working Paper, 2001 all come to similar conclusions on the determinants of profit and wage differentials.

[34] Our critique of the theory of "monopoly capitalism" is indebted to Steve Zelluck, "On the Theory of the Monopoly Stage of Capitalism," *Against the Current* (Old Series), 1,1, (Fall 1980); Botwinick, *Persistent Inequalities*; Semmler, *Competition*; and Anwar Shaikh, "Marxian Competition versus Perfect Competition: Further Comments on the So-Called Choice of Technique," *Cambridge Journal of Economics* 4 (1980).

[35] Botwinick, *Persistent Inequalities*, 131.

[36] David Mandel, *The Petrograd Workers*, Volumes I and II (London: Macmillan, 1985).

[37] Chris Harman, *The Lost Revolution, Germany 1918 to 1923* (London: Bookmarks, 1982); Mark Hudson, "Rank-and-File Metalworker Militancy in France and Britain, 1890-1918," *New Politics* 9, 3 (New Series) (Summer 2003) www.wpunj.edu/newpol/issue35/Hudson35.htm

[38] Mike Davis, "The Barren Marriage of Labor and the Democratic Party" in *Prisoners of the American Dream* (London: Verso Books, 1986), Chapter 2.

[39] My alternative theory of working class reformism and conservatism is drawn from Mandel, "What is the Bureaucracy?" and Robert Brenner, "The Paradox of Reformism: The American Case," in M. Davis, F. Pfeil, M. Sprinker (eds.) *The Year Left: An American Socialist Yearbook* (London: Verso, 1985); Robert Brenner, "The Problem of Reformism," *Against the Current* (New Series) 43 (March-April 1993).

[40] Clearly, successful economic and political struggles under capitalism can also encourage the development of a "militant reformist" consciousness among many workers. Some combination of successful self-activity and organization, which allows workers to experience their collective power; and the experience of the limits of struggles that accept capitalist economic and political rule are necessary for the development of revolutionary consciousness among a minority of workers.

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[41] Ernest Mandel, "The Leninist Theory of Organization: Its Relevance for Today" in S. Bloom (ed.), *Revolutionary Marxist and Social Reality in the 20th Century: Collected Essays of Ernest Mandel* (Atlantic Highlands, NJ: Humanities Press International, Inc. 1994), 85.

[42] The process of bureaucratization of trade unions and working class political parties, and the resulting development of reformism, goes on in all capitalist societies where the labor movement achieves legal recognition and institutional stability. Put simply, reformism is not limited to the working classes of the global North. Thus, it is not surprising that in periods of declining mass struggle, the mass industrial unions and political parties of the Brazilian (CUT and PT) and South African (COSATU) working classes have become bureaucratized and their leaderships embraced reformist-and ultimately neo-liberal-politics.

[43] Brenner, "The Paradox of Social Democracy," 42.

[44] C. Post and J. Slaughter, *Lean Production: Why Work Is Worse Than Ever, And What's The Alternative?* (Solidarity Working Paper, 2000) [<http://solidarity.igc.org/LeanProduction.html>]; C. Post, "The Economic Impact of the War and Occupation of Iraq," *ATC (New Series)* 104 (May-June 2003) <http://solidarity.igc.org/indexATC.html>

[45] Mandel, *Power and Money: A Marxist Theory of Bureaucracy* (London: Verso, 1992), 236.

[46] I want to acknowledge my debt to the seminal essay by Johanna Brenner and Robert Brenner, "Reagan, the Right and the Working Class," *Against the Current (Old Series)* 1, 2 (Winter 1981).

[47] Brenner and Brenner, "Reagan, the Right and the Working Class, 30.

[48] B. Nelson, *Divided We Stand: American Workers and the Struggle for Black Equality* (Princeton, NJ: Princeton University Press, 2001), Part Two.

[49] Michael Reich's *Racial Inequality: A Political-Economic Analysis* (Princeton: Princeton University Press, 1981) presents substantial evidence that a divided working class is less capable of defending itself against capital. He finds that those areas in the US that had the greatest racial inequality in wages (an index of working class racial division), also had the lowest average wages (an index of working class weakness in relation to capital).

[50] C. Post and K.A. Wainer, *Socialist Organization Today* (Solidarity Pamphlet, 1996) <http://solidarity.igc.org/sot.html>.

[51] *The Rank And File Strategy: Building A Socialist Movement In The US* (Solidarity Working Paper, 2000) <http://solidarity.igc.org/TheRankAndFileStrategy.html>