December, 1941

# THE NEW INTERNATIONAL A Monthly Organ of Revolutionary Marxism

"The Struggle for Greedom"

James M. Fenwick . . . . THE WAR AND PRIORITIES Henry Judd . . . . . THE FUTURE OF INDIA

# WHAT IS IMPERIALISM?

By Gregory Zinoviev

### Archives of the Revolution:

THE CRISIS IN THE RIGHT-CENTER BLOC By Leon Trotsky

**FEATURES** 

NOTES

**BOOK REVIEW** 

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### Jean Meichler

Upon going to press The New INTERNATIONAL received the tragic news of the death of our French comrade, Jean Meichler. Meichler was held by the German occupation army as a hostage and summarily executed by the barbaric Nazi horde. In the loss of Meichler at the hands of fascism, the revolutionary movement of France and the world was deprived of one of its most devoted and ardent members.

Jean Meichler was one of the founders of the French Trotskyist movement and through the years of its development was a leading member, engaging in a wide sphere of activity. He was well know in the French revolutionary movement and respected by everyone for his ardent revolutionary spirit and adherence to the cause of the liberation of mankind and the struggle for socialism.

We mourn the loss of Jean Meichler, who died on the proletarian firing line.

#### **Editor's Note**

With this issue we begin the publication of two series of articles, one in the Archives section and the other a timely study on the subject of modern imperialism. Both articles, the one by Leon Trotsky on the crisis in the Right-Center bloc, and the other by Gregory Zinoviev on Imperialism, will continue in the next issue. These are important contributions and their publication is part of The New INTERNA-TIONAL policy of regularly reproducing the best contributions of the great thinkers of the world socialist movement, especially those studies which have not hitherto appeared in the English language.

Another feature in the next issue of the magazine will be a review of the economic situation in 1941 and the prospects for the war year 1942. This article, by Albert Gates, will discuss the main developments on the economic front, the prospects of the proletariat under the war economy and impending problems facing the classes in the nation.

Max Shachtman is completing his long delayed article on The Theory of Bureaucratism. The main theme of this article is to demonstrate how bureaucratism develops as an inherent characteristic of class society. Special reference will be made to the New Deal, Germany and the Soviet régime.

Other articles on the war, special topics of American interest and book reviews will complete the issue.



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#### Editor: Albert Gates

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## THE NEW INTERNATIONAL

A Monthly Organ of Revolutionary Marxism

**VOLUME VII** 

DECEMBER, 1941

NUMBER 11

## Notes of the Month

### "The Struggle for Freedom"

THE TIME INTERVAL between the Japanese attack on Pearl Harbor, the declarations of war which followed and the arrival of Prime Minister Winston Churchill in this country was exceedingly short. This is what his government had long awaited. The wily Briton wasted no time. He was on his way to work out with President Roosevelt the grand strategy of the Allied war camp. At last, American arms and manpower were to assist the bruised and battered Empire in its struggle for existence. The United States, too, was now fighting the same group of imperialist competitors.

In his haste to reach Washington, the British war leader epitomized Anglo-American relations. Washington has become the capital of the Allied powers and Roosevelt is its leader, a situation which was unthinkable in the last war. Thus are expressed, in an altogether unexpected way, the inherent antagonisms between the United States and Great Britain.

Admittedly, the present war is a peculiar way for these antagonisms to emerge. The world situation, however, altered so radically with the rise of Hitler, that the main characteristic of international capitalism, Anglo-American rivalry in the struggle for the domination of the world market and the world's raw materials, never reached its final culmination in the characteristic bourgeois method of solving competitive economic struggle, war.

Moreover, the general world development of capitalism has been downward. There is not a single capitalist power which has not reached the zenith of its growth, nay, whose direction is not toward social disintegration. The very existence of fascism in Germany and Italy are descriptive of the utter inability of the bourgeois social order to exist by normal means. There (and in Japan, too) the bourgeoisie has resorted to economic, political and social barbarism to maintain its rule. Lacking the socially reinvigorating power of socialism, the other nations unmistakably traveled the historical road of the Axis. War between the two capitalist camps forestalled, at least temporarily, the rise of fascism in the democratic nations.

In what manner is the pre-war Anglo-American struggle now expressed? In the complete economic and military dependence of Great Britain upon the United States. Since 1939 this dependence was marked by the universally known fact that England could not prosecute the war without American assistance. And that assistance was forthcoming, first in the concretization of Roosevelt's aim to make of the United States the "arsenal of democracy," in the exchange of American destroyers for British naval bases, in the passage of the lease-lend bill and the decision of the President to convoy merchant marine to insure the steady stream of supplies to the Island Empire. Britain's secondary position in the Allied war camp is the result of economic inferiority. Conversely, the economic superiority of the United States, steadily increasing as a result of the war and the further subordination of British industry to American, asserts itself in a thousand and one ways. American export industries now dominate the South American markets. English protests were silenced by threat of diminution in the shipment of lease-lend materials. An attempt by British industrialists to utilize lease-lend materials to re-invade the South American markets was sharply rebuked. Their Yankee partners would stand for no nonsense in these matters. The two most important dominions in the Empire have moved closer to collaboration with the United States. They clearly understand that their safety lies with the leading nation of the New World and not with England.

It is not idle conjecture to speculate on the wild-eyed amazement of the Britishers (as of the rest of the world) on the aim of the Roosevelt Administration to produce in two years 185,000 airplanes, 120,000 tanks, 55,000 anti-aircraft guns and 18,000,000 deadweight tons of shipping. Here is your industrial colossus. It is upon this program that the entire Allied cause rests. Only this kind of production of war goods can supply the necessary weapons to the overwhelming manpower on its side and thus guarantee a military victory over the Axis.

#### The Nature of Allied Aims

There is, then, nothing strange about Churchill's trip to Washington. Allied strategy is determined in the first place by the United States and Great Britain as the two senior partners of the firm. The strategy was thereafter discussed with the other powers in the order of their military strength and importance in the war. Even in this minor display, the overweighing traditions of bourgeois social distinctions (wealth and power) is glaringly expressed. We shall observe in other parts of these notes how overpowering it is in the decisive aspects of Allied strategy.

Once the main line had been adopted by Roosevelt and Churchill, it was only a moment before the other partners indicated their support. The grand strategy for the prosecution of the war is simple enough. It is based on a single salient point: the Axis is far better prepared for war and extremely daring in the execution of their military policies. Therefore:

1. The Allied powers must be prepared to suffer new losses of territory and men for another period. It is impossible now to conduct a world offensive against the Axis. Such an offensive must await the production of a far greater supply of all types of military weapons

and the construction of 'America's mass and trained army of upwards of 7,000,000 men.

- The core of the Axis strength is Germany. She remains 2. the central Allied objective. It is recognized that a defeat of Germany would send the Axis crumbling to oblivion. The surprising military fact remains that the Soviet Union is the only nation effectively engaging the German war machine. Whatever the outcome of the battle on the Eastern Front, it is acknowledged that the depth of the struggle may so absorb the great shocks of Hitler's military organization as to weaken it to a point where an Allied offensive on the Western Front, employing the British and American armies, could result in Germany's decisive military defeat. In view of these facts, nothing must be done that will weaken the Soviet struggle. Thus, common agreement has been reached on the need of supplying material aid to the Red Armies to keep them in the field, while Stalin's refusal to engage in any action against Japan on the Far Eastern Front is assented to.
- 3. Since Japan has the jump on the Allies in the Far East and the Western Pacific waters, the ABCD powers must fight defensive and delaying actions until such time as the European struggle takes a turn for the better and Allied men, ships and planes reach parity with the Japanese.
- 4. Northern Africa must be kept out of German hands. As an intimate part of this strategy great attention must be paid to any Germany attempt to march through Turkey as the most direct route to the Middle Eastern oil fields and the Suez Canal. Concurrently preparations must be stepped up on the Gibraltar end of the Mediterranean Sea to meet a German attack there.

#### What Does the Atlantic Charter Mean?

These, however, are purely military questions. They are only a share of the problems which confront the Allies and, since so many unknowables arrange themselves before the general staffs, they are only partly decisive.

Of even more importance than the purely military considerations involved in the above-described problems, are the political and therefore social issues of the war. The bourgeois régimes of America and England are not oblivious to these issues. Quite the contrary, they are completely aware of them, but they cannot solve a single one of them.

For propagandistic and military purposes, the Allied governments have described this imperialist war as a war against totalitarianism, against a world revolution or a world counterrevolution, in the interests of democracy, economic prosperity for the whole of mankind, the right of self-determination, etc. The "political" aims of the Allies, joined in the Atlantic Charter, were devised by Roosevelt and Churchill and subscribed to by all the partners, including the Union of "Socialist" Soviet Republics. The eight-point peace aims of the Atlantic Charter, drawn up last August, are:

1. No territorial or other aggrandizement by the United States or Britain.

2. Territorial changes only through self-determination.

3. "All Peoples" have a right to choose their own forms of government those forcibly deprived of the right should have it restored.

4. Free international trade.

5. World-wide cooperation to secure 'improved labor standards, economic adjustments and social security." 6. "After the final destruction of the Nazi tyranny," assurances of a secure peace, of "freedom from fear and want."

7. Freedom of the seas.

8. "Abandonment of the use of force," disarming of aggressor nations, and lightening "for freedom loving peoples the crushing burden of armaments."

A series of conferences between the military staffs of the United States and Great Britain followed the Roosevelt-Churchill conversations. These in turn were accompanied by discussions with the representatives of the Allied nations. As a culmination to these meetings, the announcement was made that twenty-six nations had subscribed to the Atlantic Chater and were prepared to stand with the two great powers to insure their realization. Among the aspirants for a world in the image of the Atlantic Charter are such notoriously democratic nations as Yugoslavia, Guatemala, China, Nicaragua, Honduras and Poland. In response to a State Department declaration that it will recognize movements seeking the national liberation of their conquered countries, that eminent democrat, King Carol, has asserted that he is ready to lead a "Free Roumania" committee. The composition of the other "free" committees discloses that they are composed of a motley combination of aristocrats, monarchists, semifascists, racialists and a whole variety of anti-democrats. Their sole aim is a return to power, to continue where they left off before Hitler turned them out.

The purpose of the emphasis given to the Atlantic Charter and the Four Freedoms in the propagandistic aspect of the Allied struggle is to avoid a real discussion of their peace aims. In replying to demands made by members of the Labor Party and the Independent Labor Party to state his war aims, or peace program, Churchill has stated that the first and foremost aim is to win the war! While the prosecution of the war and the projection of peace aims are indissolubly connected, the British Prime Minister has studiously avoided the latter question. It is better to speak in generalities! But the generalities do not cloak the obvious "peace aims" of the Allies: total dismemberment of Germany, the reestablishment of pre-war Europe and its system of national states, enlarged by the division of Greater Germany. Thus, the recreation of conditions which brought about the Second World War.

Secretary of the Navy Knox asserted that the United States must be the leader of an international police force to maintain "the peace and security of the world." This imperialist concept clashes fundamentally with the unachievable Four Freedoms and is tantamount to the maintenance of a global state of war. Such an international police force is the basis for the world counter-revolutionary army which would prevent the peoples of the world from truly asserting their genuine freedom.

#### The Peace Aims of Henry Wallace

The problem of post-war construction, however, is nightmarish to the real New Deal reformists who surround Roosevent. Their unsuccessful efforts to lead the United States out of economic chaos on the principle of maintaining the bourgeois social order has only frightened them the more when they observe the gargantuan task of post-war reconstruction. They know that the weight of an international war economy absorbing the labor of all of mankind in the pursuit of economic and social destruction (war), cannot continue endlessly. somewhere along the road the chain must break. Naturally they are certain it will occur first in the Axis countries where the proletariat has been enslaved and the war economy has existed for a long time. The magnitude of war production December, 1941

is terrifying in the manner in which it has dislocated "normal" economy. No matter how adamant the war leaders remain in their refusal to concretely discuss "peace aims," the social reformists cannot avoid projecting their views thereon.

In the January issue of *The Atlantic* magazine, Vice-President Wallace posed these questions through his article, *Foundations of Peace*. The program is a mélange of reformist doctrine postulated in such a manner as to indicate that certain changes must take place in the economic and political life of bourgeois society upon the close of the war and that these changes must be prepared now; otherwise the war effort will suffer. We shall have occasion to discuss these peace aims at another time, but a summary of the Vice-President's views demonstrates the following key features of his post-war program:

a. The paramount post-war problem is the re-establishment of the "world's trade and of extending economic activity so as to improve living standards everywhere."

b. "The modern world must be recognized for what it is—an economic unit. . . The foundations of democracy can be rendered safe only when people everywhere have an opportunity to work and buy and sell with reasonable assurance that they will be able to enjoy the fruits of their work."

c. There must be freedom of speech, freedom from want and freedom from fear.

d. The United States must assume its rightful place as leader of the world, bring universal peace, happiness and security to it.

e. The western world must be prepared now to supply raw materials, food, clothing and shelter to the war-torn areas of the globe.

f. There must be established minimum standards for the physical well-being of all the peoples, through essentially New Deal methods.

#### **Diplomatic Double-Talk**

These propositions, vague as they are, indicate the trend of the New Deal ideology when thinking of the post-war stage. It is as general and vague as the Atlantic Charter. Moreover, none of the bourgeois leaders dare concretely discuss the vapid generalities that make up their program, for it is in their concretization that all the contradictions of capitalism become so clear as to establish the total unrealizability of the bourgeois democratic aims without a fundamental change in the social order.

The Atlantic Charter is not a charter for world freedom and economic security. It is a charter for the freedom and economic security of "white civilization," that is to say, capitalism—a class freedom and a class economic security.

Churchill, as the British New Leader pointed out in its issue of December 6, was a pro-fascist, a great admirer of Hitler, Mussolini and Franco. He is, above all, an imperialist. In his mind, and in the collective mind of his class, the Atlantic Charter does not apply to India. It does not apply to any of the colonial possessions of the Allied powers. They are to remain colonies, subject peoples, exploited by their present overlords.

In the United States the Four Freedoms is applicable only to the white race. The American Negro has always been discriminated and disfranchised socially, economically and politically. This is especially true since war reached American shores. Conditions in the South, in the Army and Navy, and the numerous services connected with the war effort, are not a hair's-breadth removed from Hitler's racial theories and practices.

The assertion, "no territorial or other aggrandizement by the United States and Great Britain" means exactly what? The freedom of the present colonial possessions of these two powers? Freedom of the colonial possessions seized from the Axis? Or is it perhaps a covenant binding Great Britain and the United States from seizing, in the event of victory, each other's colonies-to maintain the colonial status quo?

"Territorial changes," says the Charter, "only through selfdetermination." Who shall have their right? Will it belong to all the peoples of the world? And who shall decide when and where it is applicable? To answer these questions is to give the whole show away.

The above is merely a restatement in one form or another of the Wilsonian program in the last war. The same is true of the other provisions of the Charter relating to trade, economic security and the Four Freedoms. They are aims which are in large part realizable only under socialism. But against socialism the war leaders will struggle even more desperately than they do against their current military enemies, for socialism would strike at the very basis of the present social structure, the existing system of national states and imperialism, the profit system and class and racial exploitation.

Churchill is quite right, the war is not new. It is the continuation of the war of 1914-1918. As the war lengthens the propaganda about a struggle for freedom against barbaric fascism recedes. As the war develops and the national governments assume greater dictatorial character, they speak with greater frankness. National interests, colonial possessions, material aggrandizement, raw materials, trade routes and profits—this is what the war is about. The Four Freedoms and the Atlantic Charter return to their rightful place as shibboleths to inspire the masses. And it is the old ideological baggage, too—old vintage in new bottles.

#### • •

#### Germany and Soviet Property

**A**RECENT BERLIN DISPATCH reports a highly significant discussion now taking place in the German financial press with relation to the disposition of Soviet property in those areas of the Soviet Union occupied by the German armies. It is recorded that "negotiations with German business groups concerning the sale of Soviet mines and factories were already in progress."

The dispatch bears directly upon the numerous discussions held in The NEW INTERNATIONAL regarding the social character of the respective orders in Germany and Russia. There should have been no doubt as to Hitler's intentions regarding Russia when he announced that it was his aim to "destroy every vestige of Bolshevism" in the areas conquered. Those who believed that the German conquest of the Soviet Union would leave untouched the fundamental gain of the October Revolution, expropriation of the bourgeoisie and nationalization of property must acknowledge their essential mistake which emanates from their identification of the two systems, the one monopoly capitalist, the other bureaucratic collectivist.

The fact that Hitler seeks to sell the Soviet industrial plant for the purpose of acquiring liquid funds and to reduce the Reich's expenditures for war, is only incidental to the basic issue: nationalization and collectivization of property, through the expropriation of the capitalists, are incompatible with monopoly capitalism. The German rulers recognize the impossibility of reconciling Germany's private property economy with Soviet economy, and they proceed in the characteristic manner of bourgeois conquerors. In the present case, instead of seeking some form of indemnity in the occupied territory (the war is not yet over!) they have seized all property as war booty because of the fact that "all Soviet industry is state owned and may be regarded technically and legally as booty," and "greatly simplifies the matter of disposing of these assets in the interests of war financing...."

The dispatch says further: "The German government is not interested in operating the plants, chiefly because after the systematic destruction by the retreating Soviet armies most of the plants require substantial investments of fresh funds." There is a more fundamental reason than this, however, to explain why the German government does not take over the Russian industrial organization and operate it as a government institution. The German régime is not in the business of operating economy. It is a capitalist régime and performs the same general function of all bourgeois states. It discharges the functions of the national government in the interests of the dominant economic class in German society, albeit, under the existing world conditions and the specific place that German imperialism occupies in declining world capitalism, in the sharper and more aggravated manner expressed by its totalitarian character. It retains bourgeois property relations. Where such property relations are nonexistent, it plans the restoration of the only property form it understands and recognizes. Its main goal is to adhere the conquered economies to the German and to establish a balance between the Reich and those areas.

As an aside, the report states that Germany has no intention to compensate Belgian, French and other capitalists who owned property in pre-revolutionary Russia. C'est la guerre!

But what stands out in this report is the principal difference in the way Hitler approaches the question of property in the Soviet Union and bourgeois France, Belgium, Holland, Denmark, Austria, Czechoslovakia, etc. While the New York Times declares that the procedure in Russia and France is paralleled (the infiltration of capital in the respective industries), the real fact is that a fundamental divergence exists respecting policy in the two countries. It is true, in France, the method employed is penetration of French industries by employment of German capital in previously completely French owned property. This holds for occupied and unoccupied France. The Germans buy large numbers of stocks on the French Bourse with the occupation payments made by Vichy. In this way a number of French industrial enterprises have come under German control. In the French textile industry, for example, German capital enabled a revival of economic activity, but the profits were divided between the French textile magnates and the German.

While Germany regards France, Belgium, Holland and the other occupied territories as vanquished enemies and forces enormous reparations payments, penetrates their industries, subjects their agriculture to the German war needs and in general pursues a policy of de-industrializing those countries, they do not violate the principle of capitalist private property. Contrariwise, in the Soviet Union, this problem of the maintenance of bourgeois property relations does not exist. But for that very reason, the Germans seek to reestablish bourgeois property relations.

It may be objected that the German bourgeoisie does not exhibit any great interest in Russian properties. The reason for this, however, is made explicit. The German capitalists are not certain what the outcome of the war will be. The lurking fear that Germany may not win the war makes them extremely hesitant to advance any capital to the régime. But whether or not they do buy these properties, they will be compelled, if the demands of the war require it, to comply with

the needs of the régime and furnish the necessary capital and liquid funds to help defray the costs of the war.

In this instance we have another confirmation of the basic *dissimilarity* of the German and Soviet systems.

#### **Once Again, the German Economy**

GREAT DEAL of nonsense is written these days on the nature of German society. The general state of confusion and alarm emanating from the decay of the bourgeois social order and the character of Imperialist World War II is recorded in high places and low, but nowhere so flagrantly as by the professional economists, sociologists and politicians, or the would-be theorists of "a new social order in Germany." With some exceptions, the proponents of the "new society" in Germany merely erect blinders to conceal their social patriotic support of the war. But now and again, some professional economist publishes a paper which completely shatters the theories of the innovators.

An extremely interesting survey made of German society is the article by Dr. A. R. L. Gurland, entitled "Technological Trends and Economic Structure under National Socialism," contained in the magazine, *In Re: Germany*, issued by the Research and Information Service of the American Friends of German Freedom. *In Re: Germany* is a monthly digest of the most important books, articles and reviews on the economic, political and social development of Nazi Germany. It has an important place as a purveyor of information where one may seek sources of study on this highly important topic. Following is the digest contained in the periodical. It bears directly upon discussions previously had in this magazine:

"This article analyzes the technological development and economic changes which have led to increasing state intervention in all industrial countries. The author first ascribes the capitalist economy under totalitarian control to the growing preponderance of chemical processes in modern technology. The huge investments required for experimentation and production, the increased risks due to the unproductiveness of plastic synthesis, lead to the establishment of giant combines and to increasing clamor for government protection.

"The author argues that the establishment of the Nationalist Socialist régime was the best solution for paramount problems of the giant combinations: it gave them low cost labor, expansionist policy, state guaranteees for special investments and a practically unlimited government demand. This liberation from the handicaps hampering industry in the past led to a further accentuation of the trend and to a veritable technological revolution under National Socialism. In the author's view the fact that this revolution occurred in the form of war preparation is somewhat incidental—'motorized lightning war... is but one of the aspects of motorization as a whole.'

"In Dr. Gurland's opinion the positions of the capitalist monopolies as against the political machinery are strengthened. The trend seems to be that more and more supervisory functions are entrusted to the organizational bodies of big business itself. The author argues that on the whole the characteristics of capitalist production are maintained and even accentuated to a much higher degree than is generally assumed. Regimentation had the effect of sharpening 'the sting of the profit motive instead of neutralizing it.' Government policy makes for maximum expansion of enterprise. Price fixing obeys the profit-bound expansionist economy. Internal financing makes big business largely independent of government intervention and investment control. The financial divisions within the framework of a big business economy have compromised between divergent economic group interests, negotiated by a bureaucracy with proper respect for established property rights. The separation of ownership and management is followed by 'separation of the entirety of the capitalist's function from the legal title to property,' by growing 'anonymization' of capital and increasing control through banks or holders of a comparatively small proportion of shares, transforming the 'old' capitalists (shareholders) into consumers of fixed dividends-rentiers without any further rights. The 'new' capitalists are those in actual control-whether managers or owners-and their primary interest is increasing profit accumulation, i.e.: expansion; an interest thoroughly consistent with the party machine's aim. Dr. Gurland concludes that 'whereas the monopolists in controlling the means of production hold the key to economic life, the political masters are reduced to the rôle of mere organizers and superintendents of the social set-up.'

"This article is amply documented and probably the most instructive statement available in support of the theory of 'National Socialism-the highest form of Monopoly Capitalism.'" (Emphasis mine-Ed.)

A. G.

### The War and Priorities

MID THE FLESHLY DELIGHTS of the Waldorf-Astoria Hotel in New York City, God was enthusiastically chosen as an honorary member of the National Association of Manufacturers at its 1941 convention held in December. God was able to make the grade after all these years because, in the words of Dr. George B. Cutten, president of Colgate University, who made the proposal, "God is a reactionary." If any one has any doubts as to the qualifications of the learned Dr. Cutten to determine the class sympathies of the Lord, no one, certainly, can question the credentials of Tom Girdler, who introduced Dr. Cutten to the members of the convention.

(Note: In view of the current drive for the seven day work week, it is to be doubted if God is the type of person the capitalist class wants as an honorary member of the National Association of Manufacturers. The reader may perhaps recall what Paul LaFargue once pointed out-namely, that God himself worked for only six days creating the earth and then rested for all eternity!)

More than one pointed lesson could be drawn from this small but brazen incident in the activity of the capitalist class. To invest one's mercenary activities with the aura of divine concurrence, even if, as in this case, it looks suspiciously as if God had been dragooned into the job, is a time-hallowed practice. Viewed broadly, however, the incident is merely a part of the mobilization of the mind of the capitalist class for the prosecution of the war, and therefore, as a corollary, the similar mobilization of the mind of the working class.

Underlying, and determining, the character of this very necessary "head-fixing," as the old socialists in the United States used to put it, goes the basic material necessity of converting the "peacetime" economy of the United States into a total war economy. This conversion had begun, if in a temporizing fashion, prior to the outbreak of open hostilities. With the opening of the war in the Pacific, however, and the accompanying revelation of the strength of United States imperialism as consisting of not too much material and a great deal of incompetency and braggadocio, the tempo of conversion will accelerate tremendously.

Naturally, this change-over will produce severe dislocations in the economic structure of the country. When one of the business men's confidential letter services predicts "economic dislocations as yet undreamed of," it is stating nothing but an obvious truth. The conversion will complete the victory of the colossus of finance capital over the small business man. The armaments industry will dominate the whole industrial horizon. Consumers' industries will be operating on an "iron rations" basis whose level will be determined largely by the militancy of the working class in resisting the lowering of its standard of living.

It is practically certain, likewise, that taking into account the manpower necessary to oppose the Axis powers, and the production workers needed to equip such a force, unemployment will virtually reach zero under the conditions of a total war economy. Such a condition obtains in England today, where there is, in fact, a shortage of labor.

The qualified benefits of this prospect, however, lie entirely in the future. Confronting the working class today is not only the unemployment typical of capitalism in even the best of times but a phenomenon new to the United States known as "priorities unemployment."

Priorities unemployment is not, however, uniquely a property of that best of all possible capitalisms which exists in the United States. It occurs whenever there is a sudden acceleration in the conversion of a "peacetime" into a war economy. England, for instance, felt its effects at the beginning of the intensification of the war effort in September, 1939. Of this period the magazine United States News recently said: "In England this transition lasted for a number of months and brought with it a good deal of hardship, both for individuals and for industries."

The same magazine added: "There is nothing to suggest that the transition in the United States will be less painful or less disruptive than in England. High officials are warning that it may be more so, because fewer plans have been made to cushion the shock." Such has proved to be the case. And it can be expected that in the near future the acuteness of priorities unemployment will be accentuated. The reason for this lies in the industrial dislocations which will be caused by the stepping up of armaments production as a result of the opening up of the war in the Pacific.

#### The Origin of Priorities Unemployment

What is priorities unemployment? It may be defined as a more or less temporary form of unemployment occurring in the period between the curtailment of civilian production and the expansion of armaments production to the point where it will absorb all of the workers laid off as a result of the curtailment of civilian production made necessary by the capitalist preparation for total war.

The United States is being placed on a full war economy basis as quickly as capitalist idealism and an infallible sense of where the profits lie can do it. In the era of total war this means the building up of armaments goods at the expense of consumers goods. *Business Week*, a magazine for industrialists, recognized this early last fall, when it stated: "And seemingly the question of butter versus guns has finally been resolved. . . . Clearly, defense now comes first, civilian needs second."

(Note: The reader will perhaps remember with what scornful hoots the bourgeois press greeted this program when Hitler first advanced it. Other times, other customs.)

In addition to placing armaments needs first, the putting of the United States on a war economy basis means that the conversion be accomplished as quickly as possible. So far as heavy industry—the decisive sector of United States capitalism —is concerned, there is no advantage from the point of view of either profits or military strategy in tapering off civilian production and concurrently absorbing laid-off workers in armaments production as the tempo of production increases. To think that big business would attempt to solve the priorities unemployment problem in this fashion can harrdly be called thinking.

Consequently, if the supply of any given raw material is insufficient to serve the needs of both armaments and civilian production, civilian production is cut the requisite degree. For instance, as was pointed out in *Forbes* for September 15, the copper available in the country in August was 110,000 tons. Armaments production took 88,000, leaving 22,000 tons for a market which ordinarily takes 75,000 tons. As this difference has to be absorbed by civilian production, obviously unemployment results, because the pickup in armaments work does not necessarily have to occur in the location where the layoffs were made, or result in an equivalent number of workers being hired. This is the situation which produced the recent unemployment among the zipper workers in Meadeville, Pa.

Similarly, 21,000,000 tons of nickel is needed annually; 15,000,000 tons is available. The demand for zinc is 1,200,000 tons annually; 900,000 tons is available. *Business Week* has listed no less than 260 critical items ranging from acetone to zinc—and all of them are taking their toll in unemployment.

There are other factors which increase priorities unemployment. In spite of the fact, so well known until recently at least, to our rear-admirals of the Navy and to our (truth to tell) hardly less qualified naval experts of the newspaper syndicates, that the Japanese are congenitally poor marksmen who would be quickly defeated in any full-scale modern war, rubber imports from the Far East will be non-existent in the future. This circumstance brought to an even keener edge the sharpness of the priorities unemployment crisis confronting the rubber workers.

The necessities of maintaining the Roosevelt "good neighbor" policy in Latin America, founded, alas, on such material considerations, further aggravate the priorities unemployment problem. Despite the fact that tin is a scarce commodity, thousands of tons are being shipped to Latin America for use in making tin cans, and for other civilian purposes.

The monopolist control of heavy industry is a large factor in the creation of shortages which brought quick curtailment of consumer goods production. Alcoa, for instance, opposed the erection of aluminum reduction plants by rival concerns out of fear of post-war competition. Big industry likewise declined to add to present plant capacity out of its own resources because it did not want an unproductive and gigantic elephant on its hands following the war. Hence the construction of plants out of government funds, with private corporations operating them on a lease basis. These plants being government property, it is guaranteed that they will become neither competitors in the post-war period, nor useless, idle instruments.

Big industry likewise piled up huge inventories of basic materials, in this fashion freezing out smaller concerns, which had to curtail production—and thus augment the number of unemployed. Big business has likewise piled up fantastic backlogs of orders which it has refused to sub-contract, an act which would serve to take up some of the unemployment slack. The Vultee-Consolidated merger, for instance, placed at the disposal of Tom Girdler, the newly chosen chairman of the board, over a billion dollars in unfilled orders, a sum achieved, no doubt, as a result of Girdler's thrift and abstinence in early youth.

In armaments production big business is in the saddle and is riding hard. Last November, Phillip Murray pointed out in the *CIO News* that according to government figures for May, 1941, just six companies held 31.3 per cent of the armaments contracts, and that 56 of the nation's 200,000 corporations held approximately 75 per cent of the dollar value of all armaments contracts. This control of armaments production by big business makes it very difficult for small business men to land armaments contracts. Since their production for civilian needs has been curtailed, layoffs of workers result.

#### **Big Business Tightens the Noose**

Murray's figures also show very sharply how the war economy is hastening the consolidation of monopoly capitalism at the expense of small business. Big business is winning all down the line. That small business is uncomfortably aware of what is being done to it is reflected in an editorial by the *New York Times*, which says of certain of the small business men who went to Washinton in an effort to hook some of the tempting contracts being landed by heavy industry: "Some of those who made the attempt have returned convinced that the big business men in OPM were deliberately trying to freeze out small business."

Peter R. Nehemkis, one of those bright young men of the OPM who, having a warm little nest in the government bureaucracy, can view things *sub specie æternitatis*, as it were, cheerily announced recently: "It is one of the profound ironies of our defense effort that its total effect may well be to move toward obliterating smaller business enterprises from the American scene."

It is, of course, due not only to the more complete control of the government and to the more complete access to government offices that gives big business its virtual monopoly of armaments contracts. Its political power and its industrial dominance over small business are both due to basic economic facors. Big business has inestimable competitive advantages over small scale production. Big business possesses its own sources of raw materials, machine tool departments, shipping lines, railroads, research laboratories, training schools, marketing outlets, etc. Generally speaking, in relation to these important necessities small business can be squeezed out in any number of obvious ways: machine tool companies may

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be occupied with other orders, raw materials may be subject to priorities, etc. Small business has a fatally *dependent* character. Overshadowing everything, of course, is the simple but all important economic fact that as a general rule, unit for unit, small industry cannot produce as cheaply as big business.

Small business, however, is not an unimportant factor in the economic life of the nation. And it has been squealing like a pig caught under the fence, as even a cursory glance at business journals will show. Certain concessions are being made to it. This is the meaning of the appointment of Floyd B. Odlum of the Atlas Corporation as the head of the OPM's defense contract service. It is Odlum's job to farm out judicious amounts of armaments work to small business, in order to stop the worst of the screaming. Anyone familiar with Odlum's record—and it is fully in the best tradition of capitalist legalized piracy—need have no fears as to the amount of relief Odlum will afford small business.

(Note: Readers of The NEW INTERNATIONAL who are interested in the genesis of a modern capitalist are earnestly advised to read the biographical sketch of Odlum contained in the November issue of *Nation's Business*, the organ of the Chamber of Commerce of the United States. This Wall Street wolf, who is to shepherd the lambs of little business, has a personal fortunte estimated at between \$4,500,000 and \$5,000, 000. He annually creams off \$100,000 from the Atlas Corporation alone. "If he had paid much attention to public opinion," the article significantly says, "he would not have the \$5,000,000."

(His career begins in the traditional Horatio Alger style with Odlum as a boy riding an ostrich against a horse at the Grand Rapids fair, at fifty cents a race. In college Odlum engaged in such enterprises as taking over fraternity houses during the summer and running them as tourist homes. In the depression years 1930 to 1933 Odlum took over 22 investment trusts. "He seldom paid more than fifty cents on the dollar, sometimes as low as twenty cents." He wound up controlling or having a hand in Bonwit Teller, Warner Brothers, Loew's, TWA, Greyhound Bus Lines, and Madison Square Garden, to name a few businesses he muscled into. It might be remarked, parenthetically, that he almost got into Curtiss-Wright, but, in the scientific terminology of the article, "the stockholders rallied and warded him off." We can well believe it.

("For relaxation," says the article, "he makes clay models, which he generally destroys." Odlum, as may be imagined, is surrounded with a fine circle of sycophants. "Associated with Odlum in the new job"—as head of the defense contract service—"are Sidney Weinberg, a partner in Goldman Sachs, and Ed Weisel, Chicago lawyer. Weinberg is not only an inseparable companion but a vocative admirer. He was tremendously impressed when Odlum picked up the \$22,500,000 Goldman Sachs Trading Corp. at a bargain price. Now, at every opportunity in a business meeting or a social gathering, he points admiringly at his boss and chants: 'Fifty-Cents-onthe-Dollar Odlum.'" A man, one sees, for the ages!)

Of course, small business will be pulled into the armaments effort because of the demands of total war. But it will be done on a modest scale, in no wise comparable to the tremendous and increased activity which big business will be engaged in. Should United States capitalism weather the war, small business will find itself utterly dependent on big business, with no resources, a vanished market, a plant worn out and tooled solely for armaments work, and faced with the cold realities of a competitive market which had been foregone to a certain degree at least, during the hectic war days. Small business will collapse, never to be revived. Naked monopoly capital will hold undisputed sway.

#### The Extent of Priorities Unemployment

It is difficult to state the exact extent of priorities unemployment as it exists now or is anticipated in the near future. No real breakdown of national statistics on this problem has been made. The government, of course, is quite willing to let the whole problem be forgotten amid the pandemonium of the war. In mid-year, 1941, Leon Henderson, the Administration's general utility man, estimated that priorities unemployment might reach 2,500,000. Shortly afterward, in August, *Barron's* stated: "One thing seems probable on the basis of our investigation: Mr. Henderson's estimate is low." Since the issuance of these figures there have been few official statements on the subject.

A few concrete cases of priorities unemployment serve to illumine the situation. The United States News notes, for instance, that 175,000 silk workers were thrown out of work last July when the silk processing industry was shut down by government order. There were 16,000 workers in the aluminum cooking utensil industry which was wiped out altogether when priorities were imposed. According to government figures, priorities unemployment in the automobile industry was to reach 130,000 workers in Detroit alone at the end of 1941. The figure for the state of Michigan was set at 206,000. Current statements by the government on the unemployment situation in the badly hit rubber industry contain nothing but a great deal of rosy optimism and a too typical absence of concrete data.

Among industries already hit by priorities unemployment are the following: home construction, refrigerator, vacuum cleaner, washing machine, automobile, rubber, aluminum utensil, zipper, etc. And the list will increase.

Mention should be made of another aspect of priorities unemployment – what might be called secondary priorities unemployment. This unemployment does not occur at the point of production but occurs at the point of distribution as a result of curtailment of production at the factory proper. For instance, the *Wall Street Journal* pointed out last July, when the curtailment of automobile production was first broached, that the effects would immediately be felt by 44,000 dealers and 380,000 salesmen, auto mechanics and office workers. To this list can be added the gasoline station attendants and other workers servicing automobiles, who will be hit in the future when the supply of tires runs out.

It should be noted that the sharpness of priorities unemployment is often masked by the spreading of work down to three or fewer days per week per worker.

A few weeks prior to the war in the Pacific, Representative John H. Tolan, chairman of a congressional committee investigating unemployment throughout the Midwest, stated that "the situation . . . is apparently going to take a turn for the worse in the near future." Some authorities expect the real crisis to occur this spring. The intensification of the war effort as a result of the opening of actual hostilities can have only a sharpening effect upon the crisis, as has already been demonstrated in the case of the rubber industry.

#### The Effect Upon the Working Class

In the long run, priorities unemployment will, of course, disappear becacuse of the huge armaments output which will be necessary. The National Resources Planning Board estimates that by 1944 there will be no unemployment, that the entire 60,000,000 available labor force will be employed at that time. Some industrial sources, however, are already predicting the exhaustion of the reserve labor supply in 1942, if for no other reason than because of the drafting of additional men into the armed forces.

All things, however, are resolved—in one fashion or another—"in the long run." But, unfortunately, the gas bill, the rent bill, the grocery bill and all the other insistent big and little bills have to be settled in the very much here and now. The one to eight months, or longer, of unemployment necessitated because of the imposition of priorities, has severe conseqences for a worker who has travelled the rocky path out of a depression, into a recession, and out of a recession into the ethereal price levels of a war economy. In addition to the prospect of eviction—in a time when housing is extremely scarce—the danger of repossession of his furniture and car, and the scrambling to find money for food, clothing, rent and coal, the average worker will be saddled with a debt burden that will take him many months to discharge.

#### **Business Offers Its Solution**

To expect business to worry over the problem of priorities unemployment as it affects the worker is like expecting rain to fall upward. What business is worried about is business. What happens to labor is no serious concern of business. Consequently, all its proposals consist merely of plans to land armaments contracts. When business touches upon priorities unemployment directly it is only to moan about its effect upon retail trade. The Wall Street Journal, which clasps all the poor and suffering capitalists to its bosom, even has tears for the plight of the bloodsucking finance companies in Michigan, which are going to be so cruelly hit as a consequence of priorities unemployment among the workers. It's enough, no doubt, to make the Wall Street Journal question the equity of the present order. Whenever the problem of priorities unemployment is otherwise dealt with by business it is to assure the public that it is really not unemployment but disemployment (Business Week) or to point out that everything will come out all right in the end-just wait and see (Barron's).

Occasionally government and business pool their rich experience and produce something like the seven-day wonder known as the Buffalo Plan. The Buffalo Plan was brought forward as the answer to the layoff of 3,200 men at the Chevrolet plant in Buffalo as a result of an eight-month retooling program for armaments production. The essence of the plan was the payment to each worker of \$15.00 per week for retraining, pending absorption in the aircraft industry. At the end of two months-the period necessary to absorb the laid-off workers, according to business spokesmen-the box score stood as follows: 650 workers were still unemployed, 1,000 did not register for the plan at all (presumably preferring to look for work elsewhere, rather than to attempt to exist on \$15.00 a week), and the union movement was making vigorous protests over the discrimination against union men in the operation of the plan.

#### The Program of the Government

The government has pursued an eclectic course, each phase having the common attribute of affording no real relief for the worker during the period of unemployment.

One method employed is to award armaments contracts to "distressed areas," usually one-industry towns in which business activity was threatened with complete cessation as a result of priorities rulings. Manitowoc, Wis., for instance, received \$3,000,000 in orders. The washing machine industry as a whole received a \$12,000,000 armaments order. These contracts are let within a 15 per cent upward tolerance of the lowest bid received, since, generally speaking, small industry is at a competitive disadvantage with big industry. By early December, eleven distressed areas, involving 125 plants and \$135,000,000 in contracts, had been certified by government agencies.

Another step taken by the government is the changing over to a system of allocating materials, rather than letting the system of priorities determine their distribution. Under the system of priority ratings, concerns having higher ratings would pile up huge surpluses of materials at the expense of the smaller firms. Under the system of allocations small firms are thus to be allowed a certain minimum of production. How seriously the allocation system can and will benefit small business is another question.

Further than this, the government maintains a madhouse of boards, bureaus, offices, committees, agencies, directors and investigators—all singing like sirens in an effort to lull an alarmed labor movement, and all trying to devise ways painless to everybody but the workers involved—of transferring laid-off workers into armaments production. It's a field day for the career boys.

#### The AFL and the CIO Programs

The program of the American Federation of Labor was announced in detail in the October issue of *The American Federationist*. Basic to the plan is the demand for labor representation on government boards to run industry which would, in the opinion of the AFL, facilitate the achieving of labor's objectives during the war period.

The second aspect of their program concerns itself with proposals for "rationalizing" production, so that (1) the production of armaments will be consided up and (2) priorities unemployment eliminated. ( .jezzively, the program is one for the rescuing of small industry. It provides for the breaking up and sub-contracting of huge Army and Navy contracts now held by a few giant corporations. It proposes to institute negotiated contracts instead of the present competitive ones which work to the advantage of big business. The program proposes that scarce materials be allocated. Under the plan, armaments contracts are to be let in areas where the priorities unemployment pinch is being felt. Plant conversions are to be less sharp in character. Small business is to be involved in the armaments effort. In sum, planning is to be more thorough and more smoothly done, thus cushioning the shock of priorities unemployment.

For labor, the AFL proposes retraining for armaments jobs without loss of pay, the preservation of jobs and seniority rights when the worker's plant begins armaments production, surverys of the unemployed labor market, labor intervention in the securing of armaments contracts, etc.

The CIO proposals, whether they are the generalized formulae of the Murray Plan or the more concrete proposals of the UAAAIWA-the union in the CIO which is being hardest hit by priorities unemployment-are basically the same as those of the AFL: (1) Labor participation on boards, along with representatives of government and business, which will run industry, (2) more efficient organization of armaments production to soften the effects of plant conversion upon employment, and (3) protection of workers' job rights.

#### Good and Bad of the Union Programs

The dangerous aspect of the union proposals which sprang up out of the priorities unemployment crisis, and one which will expose its reactionary character even more clearly later on, is the demand for the seating of labor representatives on war boards along with representatives from the government and from business. By participating in this fashion in the war effort labor would take an integral share of the responsibility for a war, and for the conduct of a war, in which it has absolutely nothing to gain but misery and death. As members of the joint boards, labor would be bound to participate in decisions whose effect would be the lowering of the standard of living of the masses, and to share in the responsibility for these decisions. Moreover, the abolition of strikes, the most decisive means at the disposal of labor for the enforcement of its most elementary needs, would receive official labor "governmental" endorsement and leave the trade union movement prostrate at the hands of big business. Labor would always be a minority on the boards. The government, as was amply demonstrated in the handling of the miners' strike in the National Defense Mediation Board, is not a neutral party, but a faithful servant of its master-big business.

Today and in the future, members of the trade union movement must oppose the participation of labor on the war boards. Only by refusing to be the captive of the government and business representatives on the boards can labor begin to exert any real influence on the economic and political problems of the day.

Of the more immediate and concrete demands raised, labor is of course a thousandfold right in firmly demanding the retention of seniority rights the securing of jobs near at home, so that workers will not have to travel distances up to 50 miles from home in order to get work—or even have to move to a new town, in order to secure employment retraining at industry's expense; hiring at armaments plants on a seniority basis; and all the other rights won by labor in many hard struggles over the course of years.

#### **Proposals on Priorities Unemployment**

Where labor has been too modest is in failing to demand that government and business jointly pay the unemployed worker his regular scale of wages until he has secured re-employment. There have been half-hearted attempts in this direction, such as the demand raised by the United Rubber Workers in Ohio, that severance pay be given to workers until unemployment compensation benefits (a miserable dole, it should be noted) begin coming in. But only by receiving full pay when he is unemployed can the worker escape the hardships which unemployment imposes in a period of rising prices. To raise demands for the breaking up and sub-contracting of the armaments orders of the trusts has only a limited utility. The time lag is too great; the worker benefits only after the contract is landed, the raw materials received, and the plant tooled up.

"And where," we can hear the capitalist representatives crying out in genuine anguish and alarm, "can government and business get the money to make such payments?" Our reply is very simple: Those payments would consume a very minute portion of the profits on a truly *Arabian Nights* scale of magnificence which are pouring into the coffers of American capitalism as a result of the war boom. They would likewise consume a very minute portion of the taxes being spent by the government for armaments. And unlike armaments extenditures, these expenditures would be used for constructive, not for wholly destructive, ends. It is entirely proper that workers affected by priorities unemployment should receive this small share of the profits of industry-profits which are, in any event, possible only through the capitalist exploitation of the entire working class.

As a matter of fact, labor should demand, not only the payment of its regular scale of wages during the period of priorities unemployment, but a 100 per cent tax on all profits of the war industries. If workers are being conscripted to sacrifice their lives in the war, let business make the much less serious sacrifice of foregoing its war profits. Let there be no profit in the taking of human life! Revenue from such a tax would amply take care of workers victimized by priorities unemployment, with hundreds of millions of dollars left over to be used for socially constructive purposes.

Viewed broadly, the struggle around the question of priorities unemployment is only one of the first of a series of actions which will be precipitated by the attempts of the capitalist class to unload the whole crushing burden of the war upon the backs of the working class. The working class will resist no doubts need be held about that. How well it resists will depend upon how well it understands the meaning of phenomena such as priorities unemployment and other similar phenomena which will arise. And flowing from the understanding of these events will come the higher understanding that the only way out for a world that is threatening to destroy itself lies in the victory of socialism.

JAMES M. FENWICK.

## The Future of India

THE PROCESSES of revolutionary development and the working out of socialist programs of action are far more complex than is usually believed. Only the methods of long and stubborn analysis, patient checking and rechecking of accumulated experience can answer what is clearly the most difficult problem of our time-the building of the Marxian socialist party supported by the masses of people.

World War II has shown that, with respect to India and its approaching colonial revolution, there has been a lack of a serious class analysis of the problems faced by this most important section of the colonial world. The Workers Party has sketched, in broad terms, its position advocating the organization and triumph of the Third Camp-the camp of independent world labor opposed to the two existing imperialist camps. Naturally, this remains valid as a succinct summation of historic proletarian strategy. But the revolt of the colonial world against oppression—the mass base of the world movement to socialism, representing close to one and a half billion people, or two-thirds of humanity—is a highly difficult and complex process.

Thus, concretely, the question of the Indian Revolution is not simply a matter of 389,000,000 Hindus and Moslems rising up in wrath and driving out the two-century old British oppressor, under the banner of the Third Camp. Every petty bourgeois "liberal" and dilettante has, for years and years, gushed tons of watery emotionalism about the "sufferings and exploitation of the Indian masses." It is (or was!) the stock argument in dealing with British propagandist and imperialist agents. "Why don't you free India?" Whereupon, Mr. Englishman would give his stock reply, to which Mr. Liberal, entirely ignorant of anything but the most superficial aspects of the question, would generally have no retort.

However, India needs not sympathy, nor lengthy listings of the multitude of British crimes and techniques of exploitation. It needs what the primitive and elementary character of its revolutionary movement have long denied it: (1) A sharp posing of the various problems—internal and external —faced by the revolution; (2) An analysis of class forces and class relations within the country, particularly the relation between the worker and the petty bourgeoisie; (3) A balance sheet to be drawn of two decades of Gandhist and Indian National Congress experience, particularly in the light of the present war; (4) A revolutionary perspective to be drawn; a perspective having as its axis the specific application of the theory of the permanent revolution and the organization of the Indian revolutionary party.

It is not the writer's intention to wrestle with or attempt to solve the above listed points. Although such efforts have been made easier for us by the lengthy Russian experience culminating in the Russian Revolution, the most difficult problems are those that lie hidden in the *differences*, not the similarities. Thus, India—as so many Marxists think—is not China. Trotsky wrote voluminously on the Chinese question and from the betrayal of its revolution drew many valuable lessons, including the brilliant summary in thesis form of his theory of the permanent revolution (*The Permanent Revolution*). But he wrote little about India and then only in generalities. But India and China differ considerably, in important respects.

#### **Problems of the Indian Struggle**

For example, China is a *semi-colonial* country, with a recognized and recognizable *bourgeoisie* and a lengthy nationalist and revolutionary experience. India is a *colonial* country, however, with a sub-normal and barely discernible bourgeois class of *compradores*. Problems of the peasantry, of relations with the imperialist ruling power, of language, of national unification, etc., differ greatly in China and India.

Nor is it simply a matter of writing correct Marxist histories of India, with the correct social and economic descriptions. Some fine work has been done in this important field, not excluding the writings of the notorious Anglo-Indian Stalinist, R. Palme-Dutt! No, there is far more to its than that. For example, merely to list some of the problems that come under heading (1)—internal and external questions of the Indian Revolution—will give some idea of its complexity. India is ruled by a "bloc of imperialists with the feudal and national bourgeoisie" (Trotsky). What are the relations between, and the divisions within, these ruling groups? Are the rajahs, maharajahs and nizams feudal lords—to be overthrown by a repetition of the French Revolution of 1789? Is there a "general" peasant question? What do the broad divisions among the peasantry signify? What are the specific characteristics of the Indian proletariat? Of the new, war-created layers of workers? Why is Indian trade unionism completely different from trade unionism in advanced capitalist nations? Is there a language problem? What is the *real* Hindu-Moslem problem (one of the most grossly misunderstood things about modern India)? What part do the so-called religions of India (Hinduism, Buddhism, Mohammedanism, etc.) play in the life of the masses? Is there a caste problem? What have been the *special* effects of the law of uneven development as manifested in India?

As we have already indicated, it is not the writer's objective to deal at length with these questions. Most of them will have to be answered ultimately by the revolutionary regroupment now taking place in the Indian revolutionary vanguard -a vanguard significantly headed by the Indian adherents of a Fourth International. At present we wish to deal primarily with point (3), a balance sheet of 20 years of Nationalist experience in the light of the Second World War, with the specific aim of posing for discussion a new perspective and a new strategy for India's revolutionary nationalists.

#### The Influence of Gandhi

In 1921, at the height of the post-war upsurge, Mohandas K. Gandhi took over leadership of the Indian National Congress. This organization which, until the war period, had been a fraternal association of ambitious Hindus and English imperialists, became the organized medium of Indian nationalism, dominated by the war-created native bourgeoisie and the textile mill owners of Bombay. Exactly two decades have passed since then. During this period the INC has, on the whole, controlled the political scene in India and Gandhi has remained at the helm.

The essential problems of 1941 are the same as those of 1921. Namely, the question of national liberation from the imperialist yoke and a solution of the agrarian question. Unlike most people believe, there is no serious problem of national unification if the relatively unimportant question of the "native" states is discounted. Linguistically and culturally, India is far more unified than most of its sympathizers know. The Moslem and Hindu masses long ago solved the artificially induced "national minority problem." We must again repeat-India is not China-in many respects its revolutionary problems are simpler and less difficult of solution.

But 20 years of Gandhism has not advanced the nation a single step toward its goal. The imperialist fetters still bind it, all constitutional and parliamentary gains have been negated by the New Constitution and wartime dictatorial rule of the Viceroy; the agrarian question is as acute as ever; national poverty accompanied by huge unemployment, lack of education, social services, etc., remain just as before. Furthermore, in the political field, the only step forward has been (1) the birth and growth of the Trade Union Congress; (2) the development of various left-wing Marxist tendencies among the youth. Thus, only the Indian proletariat has made the slightest ideological or organizational advance in two decades!

What has been the historic objective of the Congress during this time? Trotsky describes his conception of proletarian and peasant unity as "an alliance of the proletariat and peasantry in struggle *against* the liberal bourgeoisie." The situation in India has been the opposite—an alliance of the peasant and worker *with* the liberal bourgeois against the foreign imperialist. Naturally, as in the case of the Chinese Kuomintang, this "alliance" has meant the subordination of the peasant and worker to the limited objectives of the native capitalist and landlord.

What have been these objectives? Let us recall what Trotsky wrote about the Russian liberal bourgeoisie in 1905. "Our liberal bourgeoisie comes forward as counter-revolutionary even before the revolutionary climax. In every critical moment, our intellectual democracy only demonstrates its impotence." (Natchalo.) The liberal layers of Indian society are even more miserable; they aim primarily at preventing a revolutionary climax. Their greatest objective has been to share power with the British rulers (National Government at the Center), in exchange for the annihilation of internal peasant or labor movements. More important are the economic concessions it has always demanded: control of tariff boards, of internal revenue and taxation systems, of the India Reserve Bank. Thus, to it, the nationalist movement is a favored weapon in the struggle for its own profits and prestige. (We must never forget the sub-imperialist exploitation carried on by these gentlemen in the crown colony of Burma.)

#### **Forestalling the Freedom of India**

Did this liberal nationalist leadership ever seriously propose or work for the liberation of India? Absolutely not! The proof of this charge lies in the Gandhist methods employed for 20 years. Why these peculiar methods? Why these unique doctrines of ahimsa (non-violence), satyagraha (passive resistance); why all this emphasis on religion and ethics in a political movement? Not only does it reflect the pathetic and feeble character of the native bourgeoisie but-and this is most important-it constitutes an ideological disarming of the nationalist masses in advance of the struggle. For two decades the Ghandist doctrine has succeeded in solving the great dilemma of the Hindu capitalists: to organize a mass pressure movement that will be strong enough to win limited engagements with the imperialist master, but weak enough to be firmly yoked when the elemental forces at work within the movement threatened to precipitate revolutionary action (peasant and worker uprisings). The fact that the Indian capitalist class has succeeded in getting away with this deceitful act; this farce which is enacted on an unbelievably primitive plane (as anyone who has witnessed any official Congress session can testify) - only indicates the unfortunately low level of the labor movement in general and the left-wing movement in particular. "An insufficiently prepared proletariat unable to unite the peasantry behind it cannot bring the democratic revolution to its conclusion." (Trotsky.) This is the tragedy of India-"an insufficiently prepared proletariat."

Over two years of the Second World War have destroyed remaining illusions among the most naive Congress radicals about the capitulatory character of the Gandhian leadership. It has displayed its own bankruptcy in the most shameful fashion to the world labor movement. But there is more than cowardice behind its policy.

The cynical manner in which British imperialism dragged India into the war found a violent response on the part of the working and peasant masses. The nation was swept by strikes in the great industrial centers (Bombay, Cawnpore, Calcutta); the peasants in various areas (Punjab, Orissa, etc.) rose in local revolts; the middle class intellectuals and students were aroused as never before. From a cocksure position that India would support the war, the British authorities hastily retreated to a position from which they hoped to win the *neutrality* of India. It was clear at once that 1914 could not be repeated; the alternative was (1) a turbulent and rebellious India or (2) a passive, quiescent India. On the basis of postwar promises, the imperialists set out to soothe the troubled waters. Automatically, they turned to the Congress bourgeois leadership, to Gandhi.

#### The Nationalist Leadership and the War

What was the response of the nationalist leadership? Precisely what the imperialists desired-steps and measures which have made it possible for them to fulfill their most optimistic variant: a calming of the atmosphere which enabled an important industrial growth (munitions field) and a limited military mobilization for overseas service. Congress steps and measures can be summed up as follows: (1) Assurance that no effort would be made to hamper any type of war efforts (collections, mobilizations, transportation to foreign territories, etc.); (2) Refusal to launch any sort of anti-war mass movement even along traditional Gandhian "non-violent" lines; (3) A concerted drive within the Congress against the general left-wing Congress bloc consisting of radical nationalists, socialists, Stalinists, etc., and (4) Proposal of various concrete plans establishing a modus vivendi for joint rule (Delhi resolution of the Congress committee, suggestions of Gandhi, etc.) in exchange for full support to the war. Despite the adamant position of the ruling powers the Congress, by abandoning all its slogans of independence, convening of a constituent assembly, withdrawal of the "New Constitution" and even abandoning its historic objection to defense of the country from external attack by violent methods, has done everything in its power to arrive at an agreeable bargain. The fact that no agreement has yet been reached is hardly due to their unwillingness!

But the imperialist masters, understanding the people with whom they were dealing a good deal better than many Congress "left-wingers," would not yield a single inch. Therefore, in 1940, the Gandhian farce took a different form-a socalled overt action. The Congress high command organized a "limited civil disobedience" campaign in the course of which various Congress leaders, petty officials and professional satyagrahis offered themselves for arrest-a request which the British gladly fulfilled. It was made clear to the masses, of course, that they were forbidden to participate in this "campaign"; only the chosen of the Mahatma were worthy of occupying British cells! But today, after one year, even this ludicrous pretense at opposition to the war has been abandoned and the "martyrs" are slowly being released from the jails. The beginning of 1942 finds a return to the original policy of seeking a workable agreement with the British, based on deceptive promises. But Churchill's announcement that the "Atlantic Charter" and the "Four Freedoms" do not apply to Empire has given the new campaign an inauspicious start. The Congress executive body is, at the moment, preparing a new offer for submission to the Viceroy and the authorities.

#### **Destruction of the Congress Left Wing**

The most substantial victory-the only victory-scored by the Congress has been the almost complete rout and destruction of the various left-wing forces within the Nationalist ranks. The most die-hard imperialist could not have hoped for more! The "Forward" bloc of Subhas Bose has been annihilated and its leader has sold himself to the Axis totalitarians; the radical peasant unions within the Congress have lost their leadership; the Congress Socialist Party, as a first-hand report expresses it, has been "scattered to the winds and is a hollow shell of its former self." Naturally, the Stalinists have offered their services to the government. The "left-wing" is broken; politically and organizationally bankrupt; victim of its own subservience to Gandhian policy; refusal to grasp the backsliding and counter-revolutionary rôle of the native bourgeoisie and lack of faith in its own maturity and ability to present an independent program to the country. These are the hard facts—refusal to recognize them could only mean a continuation of the old dull game of "national front," whereas a drastic break with the last 20 years is required.

This, in general, is the situation in India after two years of the war. Admittedly not conducive to optimistic prospects, nevertheless it is vital for a realization of the difficult problems of the colonial revolution. In the balance of the colonial world-particularly those sections of Asia and the Near East that have been directly affected by the military struggleother optimistic expectations have not been lived up to. Instead, the colonial masses have remained passive pawns in the inter-imperialist struggle; refusing to support either imperialist camp, but thus far proving incapable of independent action against the imperialists. Unoccupied China has become a harassing and guerilla force at the service of the Anglo-American camp; the Malayan and Indonesian masses maintain a strict neutrality; in the Near Eastern areas the Egyptian, Arabian and North African colonials are similarly quiescent; the colonials of Indo-China, Thailand, Hong Kong, Syria, Iraq have accepted with indifference and passivity a change in the imperialist overlordship. Clearly what is here involved is an international phenomena, characteristic of the colonial world on a world scale.

#### The Basis of Nationalist Neutrality

In our opinion, there are three causes behind this policy of "unarmed neutrality." First, the colonial masses understand that the imperialist rivals now joined in the Second World War have not yet reached the military crest of their struggles-the crest beyond which lies increasing exhaustion, decline in military strength and internal demoralization. The imperialist grip is still powerful. Secondly, if the rôle of the national bourgeoisie in the last World War was capitulatory and reactionary, it is infinitely more so today. That is, capitalist decline has proceeded so rapidly, class relations in the colonies have become so tense that the field of operations of the colonial bourgeois class has narrowed down close to nonexistence. The native capitalists have little opportunity of independent growth; still less opportunity of gaining concessions; and a greater fear than ever of precipitating a struggle for the national democratic revolution. And finally, with the elimination of the Communist International from any progressive rôle in the colonial world, the problem of revolutionary leadership has had to be posed all over again.

These generalizations apply with special force to India. British imperialism has calculatingly organized an impressive mobilization in that country-native mercenary troops, English troops, soldiers of the white Dominions (New Zealand, South Africa, Australia, etc.). In addition, there remain as before the native princes, civil service bureaucracy, network of secret police and spies, etc. Most important has been the proven bankruptcy of the native bourgeoisie, represented by the Congress. To quote from the previously mentioned report: "It is impotent and lacks confidence. Faced with the question of power, it feels itself historically incapable of assuming any responsibility on its own. It is far too weak as a class and far too closely intertwined with pure British capital, especially with respect to the new war industries.\* It dreads the very thought of power because it knows the impossibility of any bourgeois solution to the agrarian, labor or international problems which would immediately arise." The war industry expansion that has taken place stems from British capital, *aided and supplemented* by native capital. Thus, its only progressive effect—and an important one—is to increase the specific weight of the Indian proletariat in the general population. It does not increase the nationalism or "will to resist" of the native capitalist class!

As for our third generalization, the Fourth International has only first begun its work on Indian soil—significantly, during the war—while the Stalinists have now completely sold themselves in the manner of their Malayan brothers to the British imperialists. The radical democrats of the "Forward" bloc have been eliminated from the scene, as well as the radical congressmen of M. N. Roy, who preceded the Stalinists in offering their services to the rulers. The left-wingers, in a word, have been cut loose from their traditional moorings.

The treacherous policy of the Congress has been accompanied by a symptomatic and rapid degeneration in the composition of its membership. "Congress influence has gone down considerably and its membership is more largely urban petty bourgeois than ever before. The growth of various reactionary communal, pro-Nazi and gangster groups further testifies to this decline in composition." The Congress has never permitted unions, parties or organizations of workers and peasants to affiliate with it, while maintaining their structural independence. Its isolation from and spurning of these movements is more apparent today than ever before.

#### **Conclusions and Proposals**

What is to be drawn out of the situation we have outlined?

(1) Congress history has proven the impossibility of organizing a genuine mass party of workers, peasants and radical-city petty bourgeois elements to achieve even the limited program of the democratic revolution.

(2) The native capitalist class of India-more so than its Russian counterpart-is incapable of advancing even on the first stages of the democratic revolution, except under the most violent mass pressure-in which case its weight as an independent class would fall close to zero.

(3) The leadership of India's revolutionary nationalism is and remains in the hands of the proletariat; particularly its newly-born war layers. Only the proletariat, allied with the peasant mass, can win even the most elementary demands of the democratic revolution. The proletariat of India must prepare to come to power on the basis of the national democratic revolution which it should lead.

(4) The Indian National Congress—having exhausted the *sole* progressive achievement granted to it by history; namely, the *posing* of the question of national liberation in its most abstract form—is a bankrupt organization, in capable of any additional progress and acting only as a reactionary brake in the hands of the foreign and colonial bourgeoisie.

Even the great Tata Iron & Steel Works, which has had a huge war expansion and which is supposedly a "native industry," is controlled by British banks and a British dominated board of directors. Even the agrarian question points directly to the British bankers, who hold the great landlords and producers of raw materials in their clutches.

(5) The Marxists of India must draw the only possible conclusions of the twenty years experience—the need for a drastic reorientation outside of Congress ranks; all effort to be concentrated on (a) organization of the industrial workers into the unions; (b) organization of the poor peasants into the peasant unions; (c) regrouping of all the revolutionary forces—drawn from the numerous sources that exist—into the new revolutionary workers' party that India is now forming.

And finally, to place the entire problem on its correct

internationalist basis, the words of Trotsky are decidely relevant. "If we take England and India as the opposite poles of capitalist types, we must state that the internationalism of the British and Indian proletariat does not at all rest on the *similarity* of conditions, tasks and methods, but on their inseparable *interdependence*. The successes of the liberation movement in India presuppose a revolutionary movement in England and the other way around."

HENRY JUDD.

## What Is Imperialism?

(Editor's Note: In the March, 1939, New INTERNATIONAL we began publication of an essay on "Wars-Defensive and Aggressive." It was from a larger volume by the late Gregory Zinoviev, The War and the Crisis in Socialism,, written in enforced exile in Switzerland during the First World War. In this issue, we print for the first time in English another section from the book. Older readers will recall how fresh and topical was the first essay, even though printed almost a quarter of a century after it was written. They will surely derive the same feeling from the essay which appears herewith. Zinoviev's book was undoubtedly written in political collaboration, at least, with Lenin, whose exile he then shared, as may easily be seen by comparing the writings of the two men during that period. The volume, taken as a whole, appeared subsequently in Russian, and, years after the Bolshevik Revolution, in German. It is a thoroughgoing, scholarly work of a brilliant Marxian publicist and its revolutionary passion often pierces through the restrained "Aesopian" language with which Russian Marxists in those days had to clothe their works in the hope of greater mercy at the hands of the czarist censor. The reader should therefore understand that the author's references to the "social democracy" are usually to the revolutionary Marxists; and that his polemics against the social-patriots in the labor movement, who supported the imperialist war then as they are doing now, had to be more veiled than direct.

(As is known, Zinoviev became the first chairman of the Communist International, a post he held from its foundation until his removal by the Stalin clique in 1925-26. His career during and after that period is too well known to require elaboration here. Just as well known are the facts of how he was finally framed up and brutally murdered by Stalin and his GPU gangsters. Our own differences with Zinoviev's course during the struggle inside the Soviet Union are also a matter of record. But they do not detract by a hair from the great contributions he made to the working class and revolutionary Marxist movements, of which the present article is one of the most typical and durable.)

BEFORE ANSWERING this question, we wish to deal briefly with the question: What Is Colonial Policy? For colonial policy constitutes one of the most important parts of modern imperialism. Imperialism and the latest forms of colonial policy, in the broader sense of the word, are often evenly equated.

The word colony is derived from the Latin colere, which means to cultivate, to build up. Different writers have stressed various features of the concept "colonial policy" as its criteria. Roscher is of the opinion that the age of the colonizing nation is decisive: it is always an older nation that does the colonizing, whereas a more or less new country is subjected to colonization. James Mill considers its essential feature to be that the colonists and the whole of the structure built up by them shall stand in a certain legal and political relationship to the metropolis or to the fatherland. Fallot assents that the higher stage of civilization is as essential a feature of the colonizing nation as is the backwardness of the territory subjected to colonization. Guirault, Reinsch and others hold similar views.

Wakefed writes:

By a colony I understand, not a country like India, but a country

which is either not at all or only partially inhabited and which emigrants from distant lands settle. This territory then becomes a colony of the country from which the emigrants come. The latter is therefore called the homeland. This process—and only this process—by means of which a colony is populated, I would call "colonization." The subordination of the colony to the metropolis is not an essential condition for colonization. The ancient independent colonies of Greece were genuine colonies and, in my opinion, the United States of America remain to this day colonies of England. Colonies may be divided into two categories: dependent and independent colonies.

Levis defines a colony as a territory which is governed directly by the metropolis or with the aid of a subordinate government.\* The English writers do *not* emphasize very strongly the direct political dependence of the colony upon the metropolis as the distinguishing feature. In a certain sense that corresponds with the practice of British colonial policy. The American politicians and writers, on the other hand, stress, first and foremost, the element of political dependence upon the metropolis on the part of the colony.

Reinsch, for example, holds this view. In an economic sense, he allows for a broader definition of colony. In this connection, he says that Canada, for instance, may in a certain sense be considered even today a French colony, or South America a Germany colony. But his political definition of colony is as follows:

A colony is a possession of some national state situated at a certain distance from it, which is ruled by a government subordinated to the metropolis. A colony may be inhabited by citizens of the metropolis or by their progeny, or its population may, in its preponderant numbers, belong to another race. But in any case, the government of the colony must in one way or another recognize its subordination to the metropolis.

Another American, Snow, dismisses the higher stage of civilization as a basic feature. Through him we hear the voice of the sober business man of the bourgeoisie.

Most modern French and German colonial writers insist upon the unconditional political subordination of the colony to the metropolis as the basic trait.

James Mill, Leon Say, Leroy-Beaulieu, as well as the German writers, Heeren, Dedel and Roscher, divide the colonies, economically speaking, into three groups: 1. trade colonies; 2. colonies that serve for the settling of emigrants, and 3. colonies that serve for the planting and cultivation of different crops. More recent literature on the subject seems to have reached agreement on a distinction between only two groups: 1. settlement colonies for emigrants, and 2. colonies for the purposes of exploitation.

Lately (1908), Leroy-Beaulieu has once again introduced the classification of three groups: 1. colonies of markets for

<sup>\*</sup>Compare with what is, in a certain sense, the classic work of the writer on colonial policy, Dr. Zoepfi, Kolonien und Kolonialpolitik, in the Handwörterbuch der Staatswissenschaften.

goods; 2. ordinary colonies of settlement; 3. colonies for plantation or exploitation. (Paul Leroy-Beaulieu, De la Colonisation chez les Peuples Modernes, Paris, 1908, Vol. I.)

Most of the quoted definitions of "colony" are dictated by conditions prevalent in the *old* epoch of colonial policy. That is why they are all less than satisfactory.

The present relationships are not embraced even by the definition which Marx gives in the first volume of *Capital*. Marx writes:

The cheapness of the articles produced by machinery, and the improved means of transport and communication furnish the weapons for conquering foreign markets. By ruining handicraft production in other countries, machinery forcibly converts them into fields for the supply of its raw material. In this way East India was compelled to produce cotton, wool, hemp, jute and indigo for Great Britain. By constantly making a part of the hands "super-numerary," modern industry, in all countries where it has taken root, gives a spur to emigration and to the colonization of foreign lands, which are thereby converted into settlements for the growing of the raw material of the mother country; just as Australia, for example, was converted into a colony for growing wool. A new and international division of labor, a division suited to the requirements of tthe chief centers of modern industry springs up and converts one part of the globe into a chiefly agricultural field of production, for supplying the other part, which remains a chiefly industrial field. This revolution hangs together with radical changes in agriculture. (Marx, Capital, Vol. I, Pt. IV, p. 453. London, 1901. Moore-Aveling trans.)

Today the picture has changed in many respects. It suffices to point out that the countries with a highly developed industry are precisely now *not* distinguished by extensive emigration. On the contrary, the greatest number of emigrants today comes from agrarian countries.

Much water has since flowed under the bridge. Even the old colonial policy was not especially noted for its humanitarianism, nor for the peaceful, cultural colonization work, of which the bourgeois gentlemen like to speak in such sublime tones. We shall see further on what cruelty characterizes the present epoch.

Wilhelm Liebknecht once remarked that human culture cannot altogether be divorced from colonization. He had in mind such great events in the history of humanity as the discovery and colonization of America, among others. Today the German social-imperialists (see, for example, Noske's Book on Colonial Policy) attempt to utilize these words as a justification of modern imperialist colonial policy. But this same Liebknecht often pointed out that the present colonial policy is inseparable from the policy of bloodshed, of rape, of pillage.

The well known German bourgeois scholar, Dr. O. Zoepfl, offers us a definition of modern colonial policy which is not half bad. He says:

Colonies are the foreign domains of a state administered by it for world economic and world political purposes.

#### And he continues:

When colonies are designated as foreign domains manipulated by a state for its world economic and world political aims, then that means that the world economic aims constitute the essential element, whereas the world political aims may, but need not necessarily, enter as a factor. (G. Zoepfl, Kolonien und Kolonialpolitik, in the Handwörterbuch der Staatswissenschaften, 3rd ed., Vol. 5, p. 930.

With the frankness of a business man, the author dismisses such features as "the higher level of a nation," the cultural mission, etc. The bourgeoisie considers the colonies as objects of commerce. Colonies are sold, exchanged, given away as gifts. Their economic value, their importance for the world market, their "economic" rôle—that's what the bourgeoisie is guided by. The economic dependence of the colony-that's what is essential for the bourgeoisie, for the imperialists of our time. Naturally, political dependence and direct possession by the given state is also desirable. But it is not absolutely necessary. Zoepfl is right when he speaks simply of domains lying outside the boundaries of a given country. This formulation embraces colonies which are in direct and absolute political dependence upon the metropolis (e.g., Kiaochaow in relation to the German Empire up to 1914), as well as those which enjoy a relatively substantial political independence (e.g., Canada in relation to England).

The definition which Zoepfl, the sober bourgeois, gives of the concept "colonial policy" leads us right up to the concept "imperialism." This word has its origin in the Latin imperium (empire). In its general meaning it is the expression employed for the aspiration to form a single, powerful empire encompassing the entire world; an aspiration which one state or another may realize by conquest, or by colonization, or by a "peaceful" political unification of existing sovereign entities, or by the simultaneous application of all these methods. In this sense, we speak of the Imperium Romanum, of the empire Julius Cæsar founded in 45 BC, when he extended his personal power to all Roman countries and entrenched this power by assuming the title Imperator. In a similar sense one may speak not only of the Roman Empire, but also of the Greek Empire of Alexander the Great and, later on, of Charlemagne's empire, etc.

However, when we speak of *modern* imperialism, we have in mind that imperialism which was raised on the soil of a *highly developed capitalism*, the imperialism of the capitalist bourgeoisie, that imperialism whose main prop is finance capital.

The characteristic feature of modern imperialism is the interconnection between financial and industrial capital. To evaluate correctly the historic rôle of capitalism, it is necessary to differentiate between the various types of capital. In the third volume of *Capital*, Marx for the first time undertook its subdivision into industrial capital, commercial capital and money capital. Kautsky, Hilferding, Bauer, Cunow\* and other Marxists established a new category in their further elaboration of Marx's discovery: that of *finance capital*.

The chief factor of the modern industrial epoch is the immense concentration of production, the centralization of capital by *monopolistic* combinations and enterprises (trusts, syndicates, etc.). At the same time a still greater centralization and concentration of banks is in process, so that they are now most intimately interlocked with industry, gaining continually in a growing importance over the economic life of the capitalist countries and dominating it more and more. The omnipotence of finance capital is also expressed in the subordination to itself of the state power in the monarchist, as well as the republican countries, and in the extension of its dictatorship over all strata of the possessing classes.

#### Hilferding writes:

Industry's dependence upon the banks is, therefore, the outgrowth of the property relations. An ever greater share of industrial capital ceases to belong to the industrialists who employ it. They are granted control over this capital only through the good graces of the bank, which in relation to them, represents the owner. On the other hand, the bank must invest an ever greater share of its capital assets in industry. Thus the bank becomes to an ever greater extent, an industrial capitalist. I call the bank capital, that is, capital in the form of money, which is in

\*We are speaking, of course, of the "old style" Kautsky, Bauer and Cunow, before their latest evolution to the right. this manner actually transformed into industrial capital-finance capital. In reality, the greatest part of this capital invested in banks is transformed into industrial, productive capital (means of production and labor power) and transfixed into the process of production. An ever greater share of the capital invested in industry is finance capital, capital controlled by the banks and operated by the industrialists.

Finance capital develops along with the development of the stock company and reaches its apex in the monopolization of industry. The industrial returns assume a more secure and more constant character. Thus possibilities for the investment of banking capital in industry are increasingly expanded. But the bank retains control over banking capital and the owners of the majority of the bank's stocks dominate the bank. It is clear that with the increasing concentration of property, the owners of the fictitious capital which is endowed with power over the banks and of that which is endowed with power over industry tend more and more to become one. All the more so since we have seen how the centralized bank is continually acquiring the power of control over this fictitious capital.

Although, as we have seen, industry becomes ever more dependent upon banking capital, it does not at all follow therefrom that the industrial magnates also become dependent upon the bank magnates. Moreover, just as capital itself, on its highest plane, becomes finance capital, so the magnate of capital, the finance capitalist, unifies his control over the entire national capital in the form of his domination over banking capital. Here too, personal union by intermarriages\* plays an important rôle.

Through combines and trustification, finance capital attains its highest degree of power, while commercial capital sinks into the lowest depths. Thus capitalism completes a cycle. In the beginning of capitalist development, money capital plays an important rôle in the accumulation of capital as well as in the transformation of handicraft production into capitalist production. Then we witness the resistance of the "productive," that is, of the profit-making capitalists (namely, the commercial and industtrial capitalists) to the money-lending capitalists.\*

The mobilization of capital and the ever greater expansion of credit gradually bring about a complete change in the position of the monetary capitalists. The power of the banks grows, they become the founders and finally the overlords of industry, whose profits they arrogate to themselves as finance capital, just as the old usurer did long ago with his "interest" in relation to the peasant's crop and the rent of the landlord.... Banking capital was the negation of usury capital; it is itself negated by finance capital. The latter is the synthesis of usury capital and banking capital, and appropriates the fruits of social production on an infinitely higher stage of economic development.

The development of commercial capital is, however, entirely different. The development of industry gradually unseats it from that dominant position in the productive process which it enjoyed in the period of manufacture. But this retreat remains permanent, for the development of finance capital reduces commerce absolutely and relatively and transforms the once proud merchant into a mere agent of an industry monopolized by finance capital. (*Finanzkapital*, pp. 283-285).

In all capitalist countries we observe a tremendous, irrepressible growth of the productive forces. Everywhere we see a strong tendency toward the *internationalization* of economic life. A thousand threads link one country with another. It would seem that every new mile of railroad, even ocean cable, every new telegraph line laid, must necessarily promote internationalization. However, we live under capitalism, in its imperialist phase, to be precise. And within the bowels of imperialism arise powerful counteracting tendencies. The bourgeoisie of every country strives to transform its "fatherland" into an independent economic organism, capable of satisfying all its wants within the framework of "national" labor and "national" production.

The system of protective tariffs developed in this latest epoch plays a very important rôle in this connection. The international division of labor formerly in force (division into industrial and agricultural countries) becomes extremely difficult. Every state is now intent upon developing itself simultaneously into an agrarian as well as an industrial (agrarianindustrial) state and upon satisfying by itself all its own economic wants. In order to promote its own national industry, every country—with the exception of England, which has held first rank in the industrial field—took recourse to tariffs, which at first were only "baby" tariffs, but later on became transformed into permanent tariffs. Thus the protective tariff arose.

In 1846 England abolished the corn laws. Soon thereafter the system of free trade triumphed decisively in England. But as we have seen, today free trade is being displaced by the protective tariff, even in England. Even the British colonies have introduced protective tariffs for the development of their industries, which close them to their own metropolis.

In the "Sixties" the system of *liberal* trade agreements triumphed temporarily on the European continent. But as early as the "Seventies" there already appeared—under the influence of the general crisis—a clearly predominant tendency toward protective tariffs. It happens in every country in its own particular way. Aside from economic causes, the singularities of the political life of each country are also important factors in this development.\*

In 1879, Germany shifts to the system of high tariffs and introduces simultaneously protective tariffs for both manufactured and farm products. Liberal trade policy goes on the rocks. In 1885 and 1887, the German tariffs are again raised. In 1902, new tariffs are elaborated, which are dictated by the landlords. This development proceeds under the sign of a most intimate alliance between the landlords and the kings of heavy industry.

In 1881, France introduces the high tariff. In 1885, these are supplemented by agrarian tariffs. In 1910, new tariffs are introduced, based on the protective system.

In the "Eighties," Russia and America, Italy and Austria-Hungary take the same path, and in 1910, even Holland joins them.

The tariffs rise, the growth of the internal market is retarded, the prices of the most essential necessities soar, the high cost of living develops into a veritable scourge of the working class, wages (even nominally) rise very slowly.

Tariff barriers circle the entire globe. Trade agreements become instruments for the enslavement of one country to the bourgeoisie of another country. Around these trade agreements, direct brawls take place between the capitalist cliques of the different countries—brawls which must be borne on the backs of the masses of the people.

Thus the tariff wars arise.

France carries on a ten-year-long tariff war against Italy (1887), Russia against Germany (1892-1894), France against Spain and Switzerland (1893-1895), Germany against Canada (1903-1910), Austria-Hungary against Serbia (1907-1911), Bulgaria against Turkey, Austria-Hungary against Rumania (1886-1890), Austria-Hungary against Montenegro (1908-1911), Germany against Spain (1894-1899), etc.

The capitalist cliques of every country try to coördinate the imposition of tariffs on imports with a forced growth in exports. The syndicates and trusts, which theoretically are supposed to "regulate" production, are in reality preoccupied with an entirely different task—that of squeezing out superprofits. Their greatest concern is over the increasing of exports. This results in a peculiar type of export, known as "dumping"—that is, the export of products at so-called cut

<sup>\*</sup>In actuality, the "usurer" was one of the main means for the accumulation of capital, that is, his partaking of the revenues of landed property. But industrial and commercial capital go more or less hand in hand with the landowners against this old-fashioned form of capital.—Marx. Theorien über den Mehrwert, Vol. I, p. 19.

On Germany, read the interesting material of Kautsky in his book, Handelspolitik und Sozialdemokratie. The reader will find the latest figures in the last two books by K. Renner.

prices, i.e., export at extremely low prices. "Dumping" is made possible for the trusts and cartels only because, on the domestic market in which they enjoy monopoly status—that is, *inside* of their "fatherland"—they are able to screw up prices so as to make up for their cost of production, thus naturally throwing the burden on the shoulders of the consumers of their own country. By means of tremendous development of their production, through its quantitative growth, the monopolists succeed in lowering their costs of production. That allows them to pillage all the more energetically, the consumer mass of their own country, that is, their "own" workers, their "own" peasants, their "own petty bourgeois."

All countries aim at a forced export. There arises a complete economic chaos. Anarchy and competition mount.

Even the *international* syndicates, the latest invention of economic policy, cannot preserve the capitalist world therefrom, for the motive force of these syndicates is likewise only profit.

The trusts and syndicates-under various titles and forms and with their altered functions-play an ever greater rôle in the life of the industrial countries. In the first rank, in so far as trustification is concerned-stands the United States. But close behind it stand England, Germany, France, Belgium and even Russia.

The domination of finance capital is characterized in the same measure by the growth of concentration and centralization, by the development of trusts and cartels, by the growing influence of the banks as well as by the displacement of free trade through the protective tariff.

The protective tariff increases the disadvantages of the smaller economic territory extraordinarily by restricting its export, thereby decreasing the possible size of its business enterprises, counteracting specialization and raising costs of production in this manner as well as by preventing a rational international division of labor... While the protective tariff is an obstacle to the development of the productive forces and thus of industry itself, for the capitalist class it means a direct increase in profits. Above all, free trade impedes trustification and deprives trustified industry of its monopoly on the domestic market. In this manner the extra profits which flow from a utilization of trust-protecting tariffs are lost to them. (See Hilferding, *Finanzkapital*, pp. 390 f. In a later chapter we will go further into the causes that impelled the imperialists to combat free trade.)

The protective tariff [Kautsky wrote as early as 1901 in his Handelspolitik] is only one link in the chain of this new industrial system which constitutes the latest and probably the final manifestation of the capitalist mode of production. But whoever recognizes this particular link is compelled of necessity, if he wants to be consistent, to recognize also the others with which it is joined by the force of its own logic.... In place of the spirit of free trade there arises a spirit of violence among the industrial bourgeoisie. Previously peace-loving, it had dreamed of etternal peace, condemned war as a barbaric remnant of the Middle Ages, which could serve only feudal and dynastic purposes; today it [the bourgeoise] is itself becoming constantly more infused with the spirit of violence, no matter how much some of its ideologists may lament over the fact.... The next step is the demand for the violent conquest of a market on which it enjoys a privileged position, that is, for a colonial and expansionist policy. This, in turn, leads to conflicts or the danger of conflicts with the competing industrial powers; the struggle with violent economic means threatens to become a struggle with powder and lead, with dynamite and lyddite.... The furtherance of the protective tariff today means a direct furtherance of that system which results in placing all the instruments of power in the nation at the disposal of a handful of capitalists, so that the latter may be in a position to crush violently or to starve every opponent inside as well as outside of the country. K. Kautsky, *Handelspolitik und Socialdemokratie*, pp. 41 f, Berlin, 1901.)

The protective tariffs impede the development of the productive forces. Yet, in spite of this, they are always and everywhere defended by the rulers of finance capital. England was for a long time the classic land of free trade. However, British imperialism of late has also begun to renounce this tradition and to turn to protectionism. It suffices merely to recall Chamberlain's aigtation in favor of a closer unification of the metropolis with the British colonies, into a "greater" British Empire. It suffices merely to recall his struggle for the introduction of differential tariffs in the British colonies—tariffs which favor goods originating in the British metropolis as against those of other countries and which in reality can only mean the incipient substitution of the protective system for the free trade system.

The idea of introducing the protective tariff in place of free trade is gaining a constantly growing following even in the camp of British Liberalism. A mass of evidence may be found to show that the protective system enjoys increasing popularity among the Liberals. "In our country it is not only possible but has become a burning necessity to gird ourselves with a strong self-defense mechanism [by means of tariffs] against foreign states"-we read in a manifesto of the English Liberals in favor of the system of protective tariffs, in 1903. This manifesto was signed by these well-known English Liberals: the Duke of Sutherland, L. S. Amery, S. Bourne, T. A. Brassey, J. C. Dobbie, A. F. Firth, Benjamin Kidd, H. J. Mac-Kinder, J. Saxon Mills, James Paxman, Charles Fennant, H. E. Vollmer and others (quoted in Bernhard Braude, Die Grundlagen, etc., p. 141). Since 1903 the idea of protective tariffs has made tremendous progress in England. Chamberlain's pamphlets, Three Years of Trade and Their Lessons for Us; Four Practical Problems; Cobden, Free Trade and the Cobden League, etc., as well as his speeches enjoyed great success. A series of conferences which he arranged in the name of the British government with representatives of the British colonies, became milestones in the struggle of the British capitalists for the introduction of protective tariffs in place of free trade. In 1895, Engels asked:

What will the consequences be when continental goods and especially American goods continue to flood the market in ever-increasing quantities, when the lion's share of the world's provisioning, which British factories still retain, begins to contract from year to year? Answer that, free trade, thou panaceal (F. Engels, in *The Commonwealth*, March 1, 1885, London. Also *Neue Zeit*, No. 6, 1885.)

Today we have the answer. It is: modern imperialism. GREGORY ZINOVIEV.

(To be continued)

More on this point in the comprehensive work of Bernhard Braude, Die Grundlagen und die Grenzen des Chamberlainismus, published by Dr. Heinrich Heckner, Zürich, 1905.

## An Outline of the War

N DECEMBER 7, 1941, Japan catapulted the United States into a declared and total war. In one day the United States moved from an undeclared and relatively modest shooting war to the greatest test of all-out war in its entire history.

The cataclysmic eruption in the Far East was predicted for years and was expected at any moment in the last few months. However, the recordings on the political seismograph which constantly registered the incessant rumblings in the Pacific areas were expected to continue to register in the same old way, from crisis to crisis. No one, it seems, was prepared for the sudden catastrophe.

In precipitating the United States into the war, the Japanese almost knocked out the American Pacific force quietly anchored in Pearl Harbor. Secretary Knox, returning from his investigations in Hawaii, admitted that the Army and Navy there were not on the alert. Whatever may be the findings of the special board of inquiry appointed to establish the responsibility for this condition, the root cause will be found not so much in the military sphere as in the political one.

Behind the military complacency and overconfidence was the much more serious political complacency and overconfidence. Certainly Washington did not expect that Japan would make any direct assault upon the United States at this time. The Japanese negotiators, Kurusu and Nomura, were not suspected of smokescreening the preparations for the Japanese attack. Rather, their so-called "peace efforts" were taken at their face value and Secretary Hull spent considerable time in outlining to them the American position in the Far East in the hope of arriving at some form of agreement, if only temporary.

In fact, at one time during the "negotiations" it seemed to the State Department that some partial agreement was possible. Pearson and Allen revealed in the New York Daily Mirror that, not more than two weeks before the attack on Hawaii, Washington was prepared to offer Japan some relaxation of the economic embargo in return for Japanese assurances that it would not increase its forces in Indo-China, or make any further attempts at expansion. The plan, it seems, fell through because of strenuous objections from Churchill and Chiang Kai-shek.

#### The Driving Forces for Japanese Action

Under pressure from Great Britain and China, the State Department's final terms to the Japanese government were a restatement of the American "principle" of the "open door" in the Far East. What Washington expected from Tokyo after this is hard to imagine but the last thing it was prepared for was a direct thrust at the American colossus itself.

From the Japanese point of view capitulation to America's "open door" was an obvious impossibility. The "open door" signified that Japan must surrender the Chinese market to her more powerful rivals. For Japan this meant her reduction to a second-rate power in the Pacific. Tokyo knows that she cannot compete there on equal terms with the United States and Great Britain. Japan has other ideas. By military and political control she intends to keep China for herself. As a corollary to this she plans to seize the rich territories of

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the southern and western Pacific-Indo-China, Thailand, the Dutch East Indies, Singapore, the Malay Peninsula, Borneo, the Philippines and even India and Australia.

This and more was the program outlined in detail for Japan about sixteen years ago by Baron Tanaka in his famous secret memorial. That program was drawn up as a protest against Japanese submission to the "open door" and the inferior Japanese naval ratio agreed to at the Washington Arms Conference of 1921-22, from which emerged the two ninepower treaties that were ratified in 1925 and in which these curbs on Japan were incorporated.

To understand the importance of the Tanaka document it must be remembered that the baron drew it up when he was Premier of Japan. It was in effect a repudiation of Japan's prior agreement to the policy of the "open door" and the agreement to limit Japan's navy as against the navies of Great Britain and the United States at the ratio of 3:5:5.

Thus, according to this program, which has been followed faithfully ever since, Japan's domination of the Far East depended not only upon her control of the Chinese market but also upon her seizures of those rich territories containing the essential raw materials and food from which she could develop into a great industrial power capable not only of exploiting the Chinese market, but the world market as well.

The Tanaka document outlined not only Japan's ambitions but the methods to achieve these. Of these methods, infiltration, colonization, economic penetration and conquest by stages have already been successfully carried through in the past ten years. Another method, "divide and conquer," has also been utilized successfully. Thus, for example, Japan made friends with England in order to play this rival against America and Russia.

By the time the Second World War broke out, Japanese conquests in the Far East were beginning to cause serious alarm to all her rivals. The war brought Japan new opportunities but also new dangers. The European powers fighting for their lives against the German onslaughts could pay only partial attention to their interests in the Far East. In view of this situation Japan felt that without external obstruction she could finally put an end to the Chinese war and at the same time move in on the Far Eastern possessions of the Allied European powers. The fall of France gave her Indo-China and she began also to eye the possessions of The Netherlands, the Dutch East Indies.

#### How World Relations Affect Japan's Conduct

But the World War did not eliminate outside interference. From the very beginning, American imperialism intensified its interest and activity in the Far East. She became the main barrier to the realization of Tokyo's ambitions. Her real alliance with Great Britain and her allies in the war promoted the same kind of a unity with these powers to frustrate Japan in the Pacific. Hence, the World War presented Japan not only with opportunities for expansion but also with a united front of her enemies.

Japan, however, did not intend to be denied her glorious opportunity. As against the unity of the ABCD powers, Japan countered by allying herself with Germany, a power without any *immediate* interests in the Far East. To many this seemed to be an alliance for prestige purposes only. " In what way," they asked, "can Germany, a land power thousands of miles removed from Japan, be of use to the latter?" But Japan staked everything upon this alliance.

She has staked everything upon it because it is an error to suppose that Germany cannot contribute to Japan's fight. If we have in mind merely a transfer of men and supplies from Germany to Japan, then undoubtedly there can be little contribution in this sense. But this by no means exhausts the rôle that Germany can play as an ally of Japan. In a much larger sense, from the point of view of the world strategical pattern, Germany is not only useful to Japan—she is absolutely essential. Actually the fate of Japan depends in the long run upon Germany's own fate in the war.

It is not only a question of dividing the enemy and of synchronizing their respective moves in the Far East and on the European front. Important as this is, what is even more important is that these blows must be successful. Only then can Japan and Germany break out of their present bounds which doom them to ultimate impotence in the materials with which modern wars are waged. Oil, rubber, minerals, food, the shipping lanes to Africa and Asia-these are the materials that can become available to them only through the conquest of Singapore and Suez, Gibraltar and the Philippines, the Caucasus and the Dutch East Indies, Malaya and the Middle East. The conquest of these areas will for the first time lay the basis for the self-sufficiency which they dream about. Moreover, in the wake of such victories, India and Australia are militarily endangered. Here indeed the Axis powers of the East and West can meet, forging that contact which can surely defy the Allies for years to come.

These are bold conceptions unparalleled in world history. But how could it be otherwise for the "have not" nations who set themselves no less a task than that of uprooting the hegemony of established world empires?

### The German-Russian War and the Japanese Attack

We can see now that this joint plan of Hitler and the Mikado had the best chance of succeeding prior to the former's decision to invade Russia. With the rest of Europe in his palm and Stalin friendly, the stage was neatly set for Hitler to strike, at the very height of his power, at the British Empire in Africa and Asia. Conjointly also, the Japanese war lords could have attacked with full fury in the Pacific. Hitler's invasion of Russia brought dismay and confusion into the Japanese camp. The latter had to be assured that the Russian campaign would be a short one, that the main strategical concept would be postponed only for a short time and in the end the Axis powers of the East and the West would share between them the additional Russian prize.

For the fulfillment of these promises Japan waited, passing from hope to anxiety as she watched the German performance on the battlefields of Russia. In the meantime, not only the German but the Japanese situation deteriorated. The Allied economic embargo threatened her with slow strangulation. The German decision to attack Russia turned out to be a political and military blunder of the first magnitude.

Costly indeed was Hitler's underestimation of Russia's capacity to resist. Stalin's collapse did not come about with the approach of winter. In five and a half months, against the most bitter resistance, the Wehrmacht drove onward for 550 miles along a 2,000 mile front to within sight of Moscow itself. Despite this achievement, the descent of the bitter Russian

cold froze the German blitzkrieg in its tracks. For the first time the tremendous German war machine found itself hopelessly bogged down. The lightning warfare that felled nation after nation proved inadequate for the conquest of a country whose spaces are those of a continent.

Hitler's troubles were not limited to Russia. The British in Lybia, supplied with an ever growing accumulation of American planes and tanks, staged their own kind of blitzkrieg against the inferior forces of General Rommell. No time seemed to be so unpropitious and inopportune for Japanese entrance into the war. The Allies, and especially the United States, imagined that, under these baleful circumstances, Tokyo would be more than willing if they accommodated her in what seemed to be a desire to stall. Though preparations increased on both sides, this seemed to be mutually agreeable. Even local actions, such as an attack on the Burma Road, were not anticipated with too much alarm. The "democracies" felt confident of meeting the situation with their own measures. The important thing was to gain time, the precious element that would sooner or later shape the Allied war machine to that preponderance which could finally take the measure of a better prepared opponent.

However, Washington failed to take into account three factors: Japan's desperation, her appreciation of the time element that was working against her and Germany, and the belief that her success was possible only on the basis of an Axis world plan of attack. Neither Germany nor Japan had any intention of being stalled while within Great Britain and the United States the great armies, air armadas and naval fleets were being forged for the knockout blow against them. Time not only permitted the building up of these weapons for the Allies. In the interim the precious reserves of oil and other valuable supplies of the Axis powers were being used up. Hence the first condition in the global strategy of the Axis dictated the release of considerable German forces from the mire of Russia. Upon fulfillment of this condition, Japan could attack.

#### The Axis World Strategy

This is what actually happened. The Japanese swoop on Hawaii was followed almost immediately by Hitler's announcement that he would abandon for the winter the German offensive against Moscow. Tokyo took the plunge in the Pacific in the confident belief that the German army would be able to stabilize the Russian front preliminary to a serious thrust against the main enemies, Britain and America. As an earnest of their common struggle, Hitler followed up the Mikado's declaration of war upon the United States and Great Britain with his own declaration against America and they mutually pledged themselves never to negotiate a separate peace with the Allies.

In the light of such a common, integral strategy on a world scale Japan's frontal attack upon the United States makes sense. The military advantage of an attempt at an initial knockout blow is obvious. For Japan, as for Germany, there was, of course, no other choice. The tactic of the military offensive has been forced upon them by the position they occupy relative to their potentially stronger enemies. Preliminary to their offensive they lived in the atmosphere of war preparations which they effected on a gigantic scale while their rich enemies carried on the profit-making "business as usual." The quality of their armanent was determined by their offensive strategy. It is this offensive, imperative for the poorer "have not" nations, that their richer rivals call "ag-

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gression." But aggression alone is not enough. Whatever chance of success there is for the "aggressor" nations must result from an "aggression" so bold and sweeping as will speedily overwhelm their more complacent enemies and allow them no chance for recovery.

What, after all, is the blitzkrieg if not this kind of bold aggression in which the strategy of a continuous offensive is carried to its highest point by the fullest utilization of those offensive weapons produced by our civilization? It is no accident at all that Germany made the world plane and tank conscious, while Japan demonstrated at Pearl Harbor and in the fighting now going on in the Pacific that the old rules regarding naval power need considerable revision in view of the extraordinary rôle of the airplane.

#### The Grand Sweep of the World War

The military advantage that Japan scored by its blitzkrieg in the Pacific revealed that the United States was not immune to the defensive "Maginot Line" mentality that was so characteristic of the Allies. Only in this case the "Maginot Line" happened to be in the middle of the Pacific, at Hawaii. As Hanson Baldwin pointed out in the New York Times, the complacency of the Army and Navy at Pearl Harbor had its counterpart in the political attitudes in Washington. The Japanese, of course, understood that their "invasion" would unify in support of the war the hitherto diverse elements on the American political scene. They could not help this any more than Hitler could not help depressing his own people by his declaration of war against the United States. It was the political price they paid for the promotion of their offensive war plans.

Thus the Japanese attack on Pearl Harbor again brought forth from the democracies the cry "aggression," which is the sole element in their moral arsenal. It is significant that this cloak, "defense against aggression," is an article worn only by the "democracies" and though they have worn it threadbare, they do not remove it, for nothing adorns them underneath. This does not prevent them from undertaking some aggressions of their own when necessary as in Iran, Dakar and Timors.

The war now rages on two great fronts, in the East and in the West, and the Axis strategy is to break through in these sectors to the sources of self-sufficiency and eventually to bring the two fronts together. For Japan this means not only the capture of Hong Kong and the Philippines, but above everything else the conquest of Singapore. Whoever has Singapore controls the gateway to the riches of the Dutch East Indies, Malaya, the territories of the China Sea and the Southwestern Pacific and possibly also those of the Indian Ocean.

For Germany the first task is to stabilize the Russian front. If the Russians permit the Germans to achieve this, the logic of the war map dictates to them that they move swiftly toward the Mediterranean, the Middle East and the Caucasus. If success crowns the efforts of both Japan and Germany then India is destined to be the meeting ground of the Eastern and Western wings of the Axis.

Once the decision was made to establish a winter defensive line, the German armies in Russia were obliged to draw back their vulnerable spearheads and retreat to strong defensive positions. Naturally the Russians are attempting to exploit this retreat to the maximum. How successful they will be in their attacks on the retreating Germans remains to be seen. However, there is no reason to believe, unless the Wehrmacht has deteriorated considerably, that the Russians will be overwhelmingly favored over the Germans in their winter operations.

The expectation is rather that the Germans will be able to hold the Russians. No German crack-up appears to be visible in the near future. The exhortations of Hitler and Goebbels to the German people for greater sacrifices, their appeals for winter clothing to the German soldiers in Russia, their warnings that this will be a long and hard war, their disclosures of German failure in Russia and even the taking over by Hitler of the supreme command of the army following the resignations of von Brauchitsch and other German generals should not be construed as the approaching end of the German war effort.

Germany is still far removed from those conditions, militarily and on the home front, which led to her surrender in the last World War. It is important to remember that before Germany collapsed in 1918, 65 per cent, or seven million of her eleven million soldiers were casualties and the German people were literally starving. Despite her present military losses and the undoubted suffering of her people, Germany today does not by any means approximate this state of affairs. On the contrary she is still in a very strong position to wage effective warfare against her enemies.

At any rate Stalin is certainly not convinced that the Germans, even in their retreat, are a considerably weakened enemy. They are not so weak that he can afford to risk a simultaneous war with Japan. The outbreak of war between the latter and Stalin's allies found Moscow warily on the sideline and only in spiritual solidarity with Great Britain and the United States. Evidently even at this stage, holding the Germans is a full-blown job and may yet require additional reinforcements from Siberia. Who knows when the German steamroller will turn around again?

#### The Unity of the Allies

That Germany and Japan, acting together on the basis of a world plan, represent a tremendous danger to the Allies is recognized by both Churchill and Roosevelt. Against such unity of action on a planetary scale the latter are compelled to devise their own united world plan. Churchill lost no time in coming to Washington in order to achieve this. The large retinue of experts that he brought along with him indicates that the Allied leaders consider this a serious and unpostponable task. Naturally the diverse elements that make up the democratic camp, and their different interests, will render impossible an ideal setup such as one supreme world commanding staff to which all are subordinated. In all likelihood what will emerge from the discussions between Roosevelt, Churchill and the representatives of Stalin and Chiang Kaishek is a working understanding of their world operations which will be based in part on the entire world war picture and in part on the national needs and desires of the respective partners. The military commands that will be set up necessarily will have to conform to the geographical areas of the fighting, and the leadership of these respective commands will be in the hands of those who have the main forces and interests in these areas.

Churchill's statements while in the United States are not without interest. In his speech to Congress he had to admit that perhaps until 1943 the Allies will have to remain on the defensive both in the East and in the West. It is only then that they will have built the air, land and sea forces that will be able to take the offensive over great distances against the military might of the Axis powers. Until then, he warned

that the Allies must be prepared to surrender further positions to the enemy.

Churchill's observations are certainly no over-estimation of his opponents. Whatever faith he has in the coming superiority of the Allies is based upon the undeniable fact of their economic superiority and the great military potential. This war is above all a war of machines. The relatively isolated Lybian theater demonstrated, as though in a laboratory, that victory or defeat was related to the degree in which the opposing and numerically equal armies were mechanized both on the land and in the air.

Fortunate it was for the Allies that those who possessed these weapons from the beginning found that they could quickly overrun nations but not continents. In that sense the blitzkrieg is a failure. Hitler has found this out in Russia and Japan will find this out in the Pacific. Even if the Axis powers should meet in India, they cannot win. Though it take years, the American colossus and what remains of the British Empire will seek them out even if they have to go across to Russia, China or to the depths of Africa to do it. Naturally, Churchill and Roosevelt hope that Japan and Germany will never meet in India and they will undoubtedly try to hold the key points in the Pacific against Japan while keeping Germany from breaking out of the bounds of Europe. The next great battles of the war will rage around these objectives.

#### **Revolt as an Offensive Weapon**

What about those internal forces that are gathering to uproot Hitler in the near future? This is one of the first questions that Churchill attempted to answer upon his arrival in Washington. It is in fact an illusion that he quickly punctured. To look to the occupied countries for forces strong and mature enough to overthrow Hitler is to overlook what is historically true: that the forces of revolt can be successful only when the repressive forces themselves are reeling. And this, Churchill explained, is to be accomplished primarily from without by the armed might of the Allies. We might add to this that Churchill certainly doesn't want any revolts, even against the enemy, without powerful Allied armies on the scene to make certain that these revolts are kept well within bourgeois limits. This is the plan, not only of Churchill and Roosevelt, but of Stalin too, who has offered his cooperation toward this miserable end and even more openly than the others.

Yes, Stalin's war aims are not only to keep himself in power. His agreement with Sikorski, the reactionary Polish leader, and with Churchill is intended to make him a participant in the common Allied scheme to set up again in Europe a new Versailles of pro-Allied capitalist nations such as Poland, Czechoslovakia and Yugoslavia which, together with Russia, are to guarantee the eternal subjection of a disarmed and helpless Germany in the interests of British and American imperialism. Stalin has even suggested an international army (of which he will be a part) of the victorious Allied nations to guarantee this capitalist relationship in Europe. The coming revolts in a world that will be war-exhausted may very well, in their flood, engulf the capitalist pattern worked out by Churchill and Stalin. But who is there that does not see that among the forces on the capitalist side will be Stalin's Comintern preaching and fighting, not for the program of socialism, but for the Four Freedoms.

When, therefore, the SWP advises Stalin that he should conduct the war by revolutionary means, they are bound to be disappointed. In this war, at any rate, the "workers' state" can employ nothing but Allied methods for conducting the war. They warn Stalin that without a revolutionary program he will lose the war, but he has more faith in his own methods and the aid of his Allies. When the Russians are losing, *The Militant* announces that it is because Stalin purged his military leaders and pursues the war by non-revolutionary methods. When, on the other hand, they are winning, these people proclaim that it is because Russia is a "workers' state."

Rather than speculate upon the vague and unreal possibility of the "democracies" eventually turning against Stalin and the fear that Stalin will lose the war, the SWP should ponder well the reactionary meaning of a victorious Stalin and his Comintern, promoting, together with the imperialists, the counter-revolutionary aims of world capitalism. This is the real danger that confronts the workers and colonial peoples of the world.

The danger of the Stalinist supported capitalist counterrevolution becomes all the more pronounced as the arena of the war widens to include the explosive area of the intensely exploited colonial peoples. New millions of victims are being added to the hosts of war sufferers. In the battle of continents, it is unthinkable that out of these unendurable fires that sweep over our planet there will not be forged those mighty forces that will push aside all who would keep them perpetually shackled in the chains of imperialist violence and misery. MAX STERLING.

#### Archives of the Revolution:

# **Crisis in the Right-Center Bloc**

(Editor's Note: This is one of the very last articles written by Leon Trotsky on the soil of the Soviet Union. Banished from Moscow to remote Alma-Ata after his expulsion from the Communist Party in 1927, Trotsky continued to subject the ruling régime to a merciless and unanswerable criticism. The Left Opposition had been expelled from the party by a leadership composed of Rightist elements, like Bukharin, Rykov and Tomsky, and Centrist bureaucrats, typified and led by Stalin. Once the Trotskyists were ousted, the bloc of the bureaucrats fell apart into two wings. Around the middle of 1928, Stalin suddenly launched a campaign against a Right wing which had no body or head or name—an anonymous campaign. It was the beginning of the drive which ended with the frame-up and physical extermination of Bukharin and all his

associates, and of the whole of the old Bolshevik Party. Trotsky's article on the crisis in the Right-Center bloc, which we publish for the first time in English, deals with the opening of this campaign against the Right. It is in several respects one of his most remarkable contributions to a study and understanding of the "Russian question." Granted that hindsight is easier and wiser than foresight, the article discloses not only the strong and unassailable elements in Trotsky's analysis but also what subsequent events have proved to be the weak and untenable elements in it. The forecast about the impending disintegration of the Stalinist gang did not materialize. Instead, the bureaucracy succeeded in consolidating and crowning its rule—not forever, to be sure!—at the cost of the complete destruction of the rule of the workers. We shall take the oppor-

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tunity of commenting on this aspect of Trotsky's analysis at the end of the article.

(A few short weeks after it was written, however, Stalin found Trotsky's presence anywhere on the soil of the Soviet Union unendurable. By decree, and under GPU escort, Trotsky was virtually smuggled out of the country and exiled to Turkey.)

**HE CAMPAIGN** against the Right constitutes in a certain sense the opening of a new chapter. This campaign is distinguished from others by a good deal of noise and extraordinary tumult-without containing any political certainty. Above all, it is literary camouflage for the organized work of the Stalinists behind the scenes; it is an attempt to justify this work before the party. Politically also the campaign cannot take on a concrete form since this would mean the enumeration of the sins committed in common by the Center and the Right. But at the same time the campaign is a symptom of the crisis (a serious crisis which is not yet one of collapse) that is passing through the ruling bloc. The backsliding up to now has prepared the transition of quantity into a new quality. The open social transformation of important groups and milieus of the party is evident everywhere. Centrism is frightened (particularly under the blows of the Opposition) at the sight of the "ripest" fruit of its work. But Centrism is bound hand and foot-by its acts of yesterday, by its "national-socialist" approach to problems, by its piecemeal policy, by its theoretical poverty. In attacking the Right it is particularly mindful not to wound itself. Thence the character of deep duplicity of the whole campaign: if from the practical point of view it may mean the elimination from the party of the most arrogant Ustrialovist elements and the retarding or abatement of the back-sliding and transformations, it means at the same time also a new disorganization of the mind of the party, by further weakening the Marxist method and by preparing anew even more confused and more dangerous stages in the development of the party.

Stalin and Molotov attempt to present the matter as though their line is the same irreconcilable struggle against the liquidators of the Right as against the "pessimists" of the Left.

The central idea of the present campaign, that Marxist policy consisted of a struggle against the Right and against the Left with the same irreconcilable spirit, is thoroughly absurd. To the Right of Marxist policy stands a mighty world imperialism with its still enormous agency of collaborationists. There is the enemy. To the Left of the Marxist line there can be only wrong tendencies within the proletariat itself, infantile diseases in the party, and so forth. The most extreme expression of this false "Leftism" is anarchism. But the strength and influence of the latter are all the smaller and less significant the more resolutely, the more determinedly, the more consistently the revolutionary party fights against opportunism. Precisely therein lies the special historical merit of Bolshevism. In its annals, the struggle against the Left always bore an episodic and subordinated character. The Stalinist formula of a struggle "with the same intransigence" against the Right and the Left is no Bolshevik formula but the traditional formula of petty-bourgeois radicalism. Its entire history has been nothing but a struggle against "reaction" on one hand and against the proletarian revolution on the other. The social democracy of today has taken over this tradition in all its nuances. The formula of struggle against the Right and Left as a guiding formula characterizes, generally speaking, every party that maneuvers between the main classes of modern society. Under our present conditions, this formula

is the political passport of Centrism. Otherwise it would be entirely impossible to solve the following question: How could the Stalin-Molotov faction constitute an indissoluble bloc with the Right faction of bourgeois restoration? And furthermore: How can it continue, in practice, to maintain this bloc to the present day? The answer is very simple: The ruling bloc was not an unnatural alliance of Bolshevism with bourgeois restoration but an alliance of backsliding Right-Centrism with Ustrialovism. There is nothing unnatural in such a union. A bloc of Centrists of various shades with open conciliators and even with real traitors for a sharp struggle against the Left is to be found at every step in the history of the whole working-class movement. When Stalin and Molotov today make a "furious" characterization of the Right wing, by copying partly from the platform of the Opposition, they best characterize themselves, their line and their group. Without at all realizing it they are exercizing a fatal "selfcriticism." But perhaps the situation has now radically changed after the declaration of the so-called implacable struggle against the Right deviation? For the moment it would be thoughtless, at the very least, to draw any conclusion. The Leninist wing has been sent behind the Urals and the Caucasus; the Right wing occupies the leading positions. That is what is decisive. One thing is clear: the period of carefree existence of the bloc between the Center and the Right is finished. The February shift of Centrism has its internal zig-zags: from February to July, from July to November, and so forth. Those comrades judged very hastily who thought that the July Plenum put an end to the fight of the Centrists and the Right and that the contradictions between them had lost all political significance. No, this is wrong. Nevertheless it would be still more erroneous to consider the rupture conclusive. Finally, only an absolutely thoughtless person could regard a return to Centrism to the road of the Right as impossible.

From this general characterization of the campaign with its thorough duplicity, arise the tasks of the Bolshevik-Leninists. On one hand, they will support every real, even if timid and insufficient, step toward the Left taken by Centrist leaders; on the other hand, they will oppose these militants to the Centrist leadership so as to expose the lack of principle and incompetence of the leadership. Both these tasks will be accomplished basically by the same method. Support for every move toward the Left will be expressed precisely by the Bolshevik-Leninists formulating clearly and distinctly the real aim of the struggle in every concrete case, by propagating genuine Bolshevik methods, by exposing the mediocrity and fakery of the Centrist leadership. There can be no other support. It is also the most effective.

The clarity of the general tasks does not relieve us of the duty to examine the new stage more closely and more concretely in the light of the general development of the party and the revolution.

#### II. Five Years of Social-Political Reaction on the Basis of the Proletarian Dictatorship

We must say clearly and distinctly: The five years after the death of Lenin were years of social and political reaction. The leadership of the party that followed Lenin was an unconscious, but for that an all the more effective, expression of this reaction; it was also its instrument.

Periods of reaction, as distinct from those of counter-revolution, arise without changing the rule of a class. Feudal absolutism knew periods of "liberal" reform and "anti-abolitionist" counter-reform. The rule of the bourgeoisie, beginning with the epoch of the great revolutions, knew alternating periods of stormy advances and periods of recession. This among other things, determines the succession of different parties in power during various periods of the domination of one and the same capitalist class.

Not only theory but also living experiences of the last eleven years show that even a proletarian régime can go through a period of social and political reaction as well as through a period of ascending movement. Naturally, it is not a matter of reaction "in general" but of reaction on the basis of the victorious proletarian revolution which stands opposed to the capitalist world. The alternation of these periods is determined by the course of the class struggle. The periods of reaction do not change the basis of class rule, that is, they do not signify the passage of power from one class to another (that would already mean the counter-revolution); but they signify that there is a change in the relation of class forces and a regrouping of elements within the class. With us, the period of reaction that followed the period of powerful revolutionary advance was called forth chiefly by the fact that the former possessing classes, defeated, repulsed or terrorized, were able, thanks to objective conditions and to the errors committed by the revolutionary leadership, to gather their forces and pass gradually to the offensive, using mainly the bureaucratic apparatus. On the other hand, the victorious class, the proletariat, not supported from without, encountered ever new obstacles and difficulties; it lost the strength and spirit of the first days; differentiation set in by the establishment above it of a bureaucracy acting more and more in its own interests and the recruitment of the tired or the completely hopeless elements. In contrast to the weakening of the spirit of the proletariat is the growing activity of the bourgeois classes, that is, above all of those strata of the petty bourgeoisie striving to advance by the old ways of exploitation.

It is unnecessary to demonstrate that all these processes of internal reaction could develop and gain in strength only under conditions of cruel defeats of the world proletariat and an ever stronger position of the imperialist bourgeoisie. In turn, the defeats of the world revolution in the last five or six years were decisively determined by the Centrist line of the leadership of the Communist International, a line that is especially dangerous in an ambience of great revolutionary crises.

One can retort: How can you call the period of the economic growth of the country of socialist construction, and so forth, the period of reaction? But this objection is not to the point. Economic construction is a contradictory process. The first stage of growth following the years of collapse and famine, the stage of restoration, were just the ones that created the conditions for the existence of social and political reaction. The famished working class was inclined to believe that everything would continue to go forward without hindrance. They were even persuaded of this from above. But in the meantime this growth showed its contradictions, accentuated by the blind and false policy of the leadership, causing a diminution of the special importance of the proletariat, weakening its feeling of self-confidence.. Of course, the fact that the progress of industry reassembled the proletariat in the shops and factories, renewed and supplemented its cadres, and created the social premises for a new revolutionary proletarian advance. But this already belongs to the next stage. Certain symptoms are at hand which permit the belief that this political revival has already begun and is one of the factors that drive the Centrists forward to "self-criticism," to the struggle against the Right, and so forth. It is needless to add that the steel column of the Opposition, which no surgeon in the world can remove from the body of the party, is also working in this direction. Both of these circumstances (the revival of the working masses and the vitality—so "unexpected" by those at the top—of the Opposition), open up, unless all signs fail us, a new period, and it is no accident that it coincides with the struggle of the Center against the Right. The preceding period, which developed on the ground of the reconstruction processes and all its illusions, was characterized by the fall in activity of the proletariat, by the revival of the bourgeois strata, the strangulation of workers' democracy and the systematic destruction of the Left Wing. In other words, it was a period of social and political reaction.

From the ideological point of view it was marked by the struggle against "Trotskyism." With this name the official press designates heterogeneous and often absolutely incompatible ideas, débris from the past, Bolshevik tasks of the present, counterfeit quotations, and so forth. But in general this name was given to everything which the backsliding official leadership was forced to repulse at every step. Social and political reaction, despite the complete empiricism of its leadership, is unthinkable without revising and refuting the clearest and most intransigent ideas and slogans of Marxism. The international character of the socialist revolution and the class character of the party: there are the two ideas whose pure bloom is insupportable to the politicians of the reactionary period who swim with the stream. The struggle against these two fundamental ideas was conducted, at first apprehensively and in a roundabout manner and then more and more arrogantly, under the pretext of a struggle against "Trotskyism." The results of this struggle were two miserable and contemptible ideas of the leadership which will remain forever the disgrace of the reaction against the October Revolution: the idea of socialism in one country, or national socialism, and the idea of dual composition workers' and peasants' parties, that is, a Chernoviad. The first of these ideas, which serve especially to conceal a policy of following at the tail of economic events, brought great dangers to the October Revolution. The second of these ideas inspired the theory and practice of the Kuomintang and strangled the Chinese revolution. Stalin is the author of both these "ideas." They are his sole theoretical assets.

As already stated herein, the difference between the period of reaction and that of counter-revolution is that the first develops under the rule of the class in power while counter-revolution means the change of class rule. But it is quite clear that while reaction is not the same thing as counter-revolution, it can prepare the necessary political conditions for the latter and can appear as an introduction to it. If we keep to this broad historical scale, that is, leave aside all secondary considerations, it can be said that the exhaustion of the ruling bloc, splitting into Centrists and Right Wingers, becomes openly manifest at a time when the methods of social and political reaction border directly upon the Thermidorian methods.

It is superfluous to explain that the present struggle of the Centrists against the Right not only does not contradict our analysis on the Thermidorian danger but, on the contrary, confirms it completely, in the most official manner, so to speak. The Opposition never thought that the gliding toward Thermidor would be uninterrupted, uniform and equal for the whole party. We predicted dozens and hundreds of time that this backsliding would mobilize the enemy classes, that the

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heavy social tail would hit the apparatus over the head; that this would provoke a division not only in the broad party ranks but also in the apparatus; and finally, that this division would create new and more favorable conditions for the work of the Bolshevik Leninists, an activity directed not only against the open conciliators but also against Centrism.

Thus the present campaign is a confirmation of the analysis of the Opposition in a particular case and is closely bound up with its general analysis of the Thermidorian danger.

#### III. The Bureaucratic Régime as an Instrument of Reactionary Tendencies and Forces

Like all other events in the party, the struggle of the Centrists and the Right must be considered not only from the broad angle of class tendencies and ideas but also from the narrow angle of the bureaucratic régime. It is no secret that the noisy and hollow struggle of "ideas" against the Right is only the accompaniment to the machinations being prepared by the apparatus against Bukharin, Rykov and Tomsky. This question is not without importance if one considers the positions that this trio occupy in the present system of the party and the Soviets. Rykov and Tomsky have always felt a "sympathy" for opportunism, "an almost unwholesome attraction." In the October days this was shown openly and clearly. But had the life of the party been healthy and its leadership correct, their opportunist penchant would be limited to themselves. The same must be said of Bukharin too, with his passing from ultra-Left to ultra-Right capers. If we consider this question from the personal standpoint (as Lenin did, for example, in his Testament) it must be said that Stalin's falling out with this trio was predetermined before even this trinity found themselves on a Right platform. This rupture, resulting from the tendency of the bureaucratic régime toward personal power, was predicted with perfect precision by the Opposition more than two years ago, in September, 1926, when there was no talk at all about any struggle against the Right. The document of the Opposition "On the Unity of the Party" said:

"The aim of these discussions and organizational measures is the complete destruction of the kernel which up to now has been called the Old Leninist Guard and its substitution by the personal leadership of Stalin supported by a group of comrades who always agree with him. Only a blockhead or a hopeless bureaucrat can seriously believe that the Stalinist struggle 'for the unity of the party' can really assure this unity, even at the cost of the destruction of the old leading group, and in general of the whole present Opposition. The closer Stalin seems to be to this aim, the further he is from it in reality. A leadership of the party based on a single individual, which Stalin and his intimate group call 'the unity of the party,' demands not only the destruction, the elimination and the decapitation of the present united Opposition, but also the gradual elimination from the leadership of the most authoritative and most influential representatives of the present ruling faction. It is quite clear that neither Tomsky, nor Bukharin, nor Rykov, because of their past, their moral authority, and so forth, are not and cannot be capable of playing the rôle under Stalin that is played by Uglanov, Kaganovitch, Petrovsky and company. To amputate the present Opposition would in fact inevitably mean the transformation into an opposition of the rest of the former group in the Central Committee. A new discussion would then be in order, in the course of which Kaganovitch would unmask Rykov, Uglanov would do the same for Tomsky, while the Slyepkovs,

Stalins and company would expose Bukharin. Only a hopeless blockhead can fail to see the inevitability of this perspective. In the meantime the openly opportunist elements in the party will begin to fight Stalin as one who is steeped in the prejudices of the 'Left' and who prevents the more rapid and more outspoken backsliding."

In verifying this prediction after more than two years only the allusion to Uglanov and Slyepkov has proved erroneous. But in the first place this is only a detail, and secondly, have patience; they will make good their "mistakes."

Let us hear now how our wise Tomsky is now obliged to recognize that he understands nothing, that he foresaw nothing, that his good faith was abused. Here is what a well-informed comrade writes on the matter:

"In talking with his friends, Tomsky complained: 'We thought that after we were finished with Trotsky we would be able to work peacefully; but now it appears (!!) that the same methods of struggle are to be applied against us."

Bukharin expresses himself in the same way, only more pitifully. Here is one of his declarations, absolutely authentic:

"Who is he?" (He is speaking of the Boss.) "An utterly unprincipled intriguer. He cares only to maintain power and he subordinates everything to this. He changes his theories brusquely according to the person he needs to wipe out in the given moment"... and so forth.

These unfortunate "leaders" who understand nothing and foresee nothing are naturally inclined to see the principal cause of their mishaps in the perfidy of their opponent. So they attribute to his personality such gigantic proportions as it does not really possess. The fact is that the backsliding from a class line leads inevitably to the omnipotence of the bureaucratic machine, seeking a representative who is "adequate" for it. The regroupings within and between the classes have created the conditions for the victory of Centrism. What was demanded from the apparatus-men who came forward under the old standards was above all else that they do not understand what is taking place and that they swim with the stream. For this, men of the empirical type were needed who make their "rules" for each occasion. The Stalins, the Molotovs and others, lacking entirely in theoretical horizon, appeared as those least immune from the influence of the invisible social processes. If we examine individually the political biographies of these elements who before, during and after the October, occupied second or third or tenth rate positions, and who have now come to the fore, it would not be difficult to demonstrate that in all important questions, when left to themselves, they leaned toward opportunism, Stalin included. The historical line of the party must not be confused with the political line followed by a part of its cadres that rose to the top with the wave of social and political reac-tion of the last five years. The former was realized in the course of a sharp struggle of tendencies within the party, by constantly overcoming internal contradictions. In this struggle the elements at present in the leadership played no determining rôle; for the most part they represented the yesterdays out of which the party was passing. That is just why they felt themselves lost in the decisive days of the October and had no independent rôle. Still more: at least half of the present leaders who call themselves the "Old Guard" were on the other side of the barricades in October; the majority of them had a patriotic or pink pacifist position during the imperialist war. There is no reason to believe that these elements, as the history of recent times has shown, constitute an independent force capable of resisting the reactionary tendencies

on a world scale. It is not for nothing that they have so easily assimilated the Martinovs, the Larins, the Rafeses, the Lyadovs, the Petrovskys, the Kerzhentsevs, the Gussevs, the Krzhizhanovsky and others. It is precisely this section which, in the opinion of Ustrialov, is most capable of gradually bringing the ruined country back to "order." Ustrialov takes the remote example of the troubled times (end of the sixteenth and beginning of the seventeenth centuries) and refers to Kliutchevsky, who said that "the Muscovite state emerged out of its frightful troubles without resorting to heroes it was saved from misfortune by excellent, but mediocre, people" (Kliutchevsky, 1923 Ed., Vol. 3, p. 72.) One can doubt the "excellence" of the present candidates for saviors from trouble (the "permanent" revolutions). But otherwise the quotation by Ustrialov is not without merit and hits the nail on the head. In the final analysis, the Boss, with his qualifications for intrigue and downright treachery, is nothing but the incarnation in a single personality of the apparatus that has no personalities. His triumphs are the victories of social and political reaction.. He has helped it in two ways: by his blindness to the deep-going historical processes and his tireless combinations behind the scenes, in a direction suggested to him by the regrouping of class forces against the proletariat.

The hopeless struggle of bureaucratic Centrism for a "monolithic" apparatus, that is, a struggle for exclusive power in reality, leads under the pressure of class forces to ever new splits. All this does not take place in a vacuum: the classes fasten themselves on to the splits produced in the leadership, they widen them, they fill the bureaucratic groupings with a certain social content. The struggle of the Stalin group in the Political Bureau against the trio, the struggle of Centrism against the Right, has become the local point of the pressure of the classes; if it grows, it can (and at a certain stage it must) be transformed into open class struggle. Be that as it may, Centrism will offer no resistance to this "transformation of growth."

#### **IV. What Is Centrism?**

The question of the social basis of the groupings in the Communist Party of the Soviet Union is quite naturally stirring the minds of the comrades who can reflect and learn, that is, above all the Bolshevik-Leninists. This question must not, however, be considered mechanically and schematically, with the intention of allotting each faction a well-defined social basis. We must remember that we have before us transitional forms, incomplete processes.

The main social reservoir of international opportunism, that is, of class-collaborationism, is the petty bourgeoisie, as a broad, amorphous class, or more correctly, a reservoir of numerous lower classes resulting from pre-capitalist production and those newly created which bind the proletariat with the capitalist bourgeoisie in various stages. In the period of ascendancy of bourgeois society this class was the protagonist of bourgeois democracy. Now this period is long passed, not only in the advanced capitalist countries of the West, but also in China, in India, and so forth. The complete decline of the petty bourgeoisie, the loss of its independent economic importance, deprived it forever of the possibility of working out an independent political representation that could lead the revolutionary movement of the working masses. In our epoch the petty bourgeoisie oscillates between the extreme poles of contemporary ideology: fascism and communism. Precisely these oscillations give the politics of the imperialist epoch the character of a malarial curve.

Collaboration in the workers' movement has a stable character just because the direct protagonists are not the "independent" parties of the petty bourgeois but rather the labor bureaucracy which sinks its roots into the working class by way of the labor aristocracy. The ideas of collaborationism, thanks to their origin and the sources from which they are fed, have experienced a historical change through the intervention of the labor bureaucracy; these ideas passed over from their old defenders to the new, assuming a socialist tinge; with the collapse and putrefaction of the old democratic parties they received a new vitality on a new class basis.

The labor bureaucracy, by its conditions of existence, stands closer to the petty bourgeoisie (officialdom, liberal professions, and so forth) than to the proletariat. Nevertheless it constitutes a specific product of the working class movement; it is recruited from its ranks. In their primitive aspect, collaborationist tendencies and moods are elaborated by the whole petty bourgeoisie; but their transformation, their adaptation to the peculiarities, to the needs and above all to the weaknesses of the working class, is the specific mission of the labor bureaucracy. Opportunism is its ideology, and it inoculates and imposes it upon the proletariat by utilizing the powerful pressure of the ideas and institutions of the bourgeoisie, by exploiting the weakness and immaturity of the working masses. The forms of opportunism to which the labor bureaucracy resorts-open collaborationism, Centrism or a combination of both-depends upon the political traditions of the countries, on the class relations of the given moment, on the offensive power of communism, and so forth and so on.

Just as under certain circumstances the struggle between bourgeois parties can assume a most violent and even sanguinary character, while remaining a struggle for the interests of property on both sides, so the struggle between open collaborationism and Centrism can assume an extremely violent and even desperate character at certain times, remaining within the limits of petty bourgeois tendencies adapted by the labor bureaucracy in *different ways* for the maintenance of their position of leadership in the working class.

Up to August 4, 1924, the German social democracy bore an essentially Centrist character. The right stood in opposition to the leadership, as did the Left radical wing which was not clearly formed. The war showed that Centrism was incapable of leading the party. The Right seized the helm without encountering any resistance. Centrism revived only later in the form of an opposition. The situation is the same at present in the Third International and in the Amsterdam International. The main strength of the international labor bureaucracy is its collaborationist wing. Centrism is only an auxiliary spring in its mechanism. The exceptions existing in certain parties, as in Austria for example, are essentially only of a potential character and only prove the rule.

It must be added that since the war the Right, together with the Center, are much closer to the bourgois state than were the Right in the period before the war (particularly in Germany). Thereby room was made for a Centrism that was more radical, less compromised, more "Left" than the socalled Left social democracy. The policy of post-war Left-Centrism appeared in large measure under the name of communism (in Germany, in Czechoslovakia, in England, and so forth). Great historical events will inevitably lay bare this situation and perhaps in a catastrophic manner.

Now, how do things stand under the workers' state, which obviously cannot be conceived of without a labor bureaucracy, and, at that, one that is more numerous, has greater ramifications and is infinitely more powerful than that of the capitalist countries? What about the line of the leadership of the Communist Party of the Soviet Union, which, in recent years, has glided from the class to the apparatus, that is, to the bureaucracy?

The simplest and easiest way of testing the policy of the Central Committee of the Communist Party of the Soviet Union is on the international field, for there the peculiarities of the situation of the ruling party in the country of the dictatorship of the proletariat are abolished, the new character of the situation cannot mask the class tendencies, the political line can be judged on the basis of well established Marxist criteria. The policy of the Central Committee in China was not Centrist, but Menshevist, rather Right-Menshevist, that is, it was closer to the Menshevism of 1917 than that of 1905 (direct submission to the leadership of the bourgeoisie plus open restraining of the revolutionary offensive of the masses). The policy of the Central Committee in England was of a Right-Centrist character in the decisive period of the struggle (support to the opportunists and traitors pus a half-hearted criticism at home). In Germany, in Czechoslovakia, in France, and so forth, the policy bore a Left-Centrist character, repeating under the new conditions the policy of the prewar social democracy. In Poland, during the coup d'état of Pilsudski, the line of the leadership was somewhere between the English and Chinese examples, that is, between Right-Centrism and Right Menshevism. In general it can be said that the Centrism of the leadership of the Communist Party of the Soviet Union sank more decisively into the Menshevist rut the more revolutionary was the situation, the more it required political perspicacity and audacity. It can adorn itself with "Leftism" only in the noise and bustle of political trivia. That makes possible the examination in the last place, irrevocably, of the whole line pursued by the leadership that succeeded Lenin.

However, enough experiences have been accumulated up to now in the country itself to be able to recognize and expose Centrism even without the international criteria.

The labor bureaucracy which has grown to such enormous proportions among us has elaborated a quite new theory in recent year with which to approach all essential questions and above all that of estimating its own value. The sense of this theory consists in considering that since we have the dictatorship of the proletariat, the proletarian character of all the social processes is guaranteed a priori and forever. If we have a workers' state, the peerless Molotov teaches us, how can we bring it closer to the workers? Since we have the dictatorship of the proletariat, then we also have a proletarian kulak who is growing into socialism. Since we have the socialist revolution, how can we be threatened by the danger of Thermidor, that is, of bourgeois restoration? Since we have the Soviet power, the uninterrupted growth of socialism is assured, irrespective of whether the situation of the working class in this period is improved or worsened. And finally, since we have a Leninist party, how can the "Leninist" Central Committee make mistakes? Is not all criticism directed against it condemned in advance to play the rôle of a Right or Left "deviation," according to which side the secretaiat of the Central Committee sees itself criticized from? Dialectical materialism, utilized to estimate two driving forces of the proletarian dictatorship, has been replaced at every point by an immanent idealism which has become the specific philosophy of the bureaucracy of the party and the Soviets in its struggle for the stability and irreplaceableness of their own

positions, for perfecting their power for independence from the control of the working masses. The fetichism of the apparatus and its functionaries whose existence has become an aim in itself, who cannot be removed by a decision of the party but only by a civil war (Stalin): there is the axis of the immanent philosophy that sanctifies the practical steps of usurpation and prepares the way for real Bonapartism.

The radical change in the bases of social appreciation attests the new social rôle of the labor bureaucracy and the Soviet bureaucracy in general toward the proletariat as well as toward the other classes. Parallel with its independence from the proletariat, this bureaucracy becomes more and more dependent upon the bourgeoisie. The inviolability of the workers' state "as such" is a mask for this dependence. Everything proceeds here according to law. Hence follows with iron logic the organic predilection of our bureaucracy for the petty bourgeois leaders, for the "solid" trade union bureaucrats of the whole world (China, England, Poland; the course of Tomsky, Kaganovitch and others toward Amsterdam, and so forth). This international affinity of the labor bureaucracy, created by their intrinsic qualities, can neither be suppressed nor eliminated even by the most ultra-Left zig-zags of Centrism.

Of course, the labor bureaucracy in the West develops its activity on the basis of capitalist property. With us the labor bureaucracy has grown up on the basis of the dictatorship of the proletariat. But from this deep contradiction one cannot conclude, as both theory and experience have shown, that there is an *immanent* contradiction, that is, one assured by an inner value, between our labor bureaucracy and that of the capitalist countries. The new social basis, which, considered by itself, is immature and has little power of resistance, does not guarantee the new character of the superstructure whose transformation, on the contrary, can become an important factor in the transformation of the basis itself. In these fundamental questions the scholasticism of Bukharin (yes-yes, no-no) only serves to cover up the processes of social transformation. The Jacobins also considered themselves the immanent antagonists of the monarchy and of monarchist Cæsarism. Nevertheless, Napoleon later recruited his best ministers, prefects and detectives among the old Jacobins, to whom he himself had, moreover, belonged in his youth.

The social and historical origin of our bureaucracy, without insuring them as we have said above against a transformation, nevertheless gives the ways and forms of this process an uncommon singularity; in the given situation it gives the Centrist elements an obvious and undeniable predominance over the right, lending to Centrism itself a special, extremely complicated character which reflects the various stages of backsliding, the various states of mind and the different methods of thought. That is why the speeches and articles of the leading Centrists remind one most often of a manuscript written in Russian, Latin and Arabic letters. This explains the frightful illiteracy, not only theoretical, but also literary, of most of the Centrist writers. It is enough to read Pravda these days. After the apostles of Centrism partake of the grace of the secretariat they immediately begin to speak a foreign tongue. This is surely a sign of the power of grace, even if it is almost impossible to understand them. It may be objected: If the present leading tendency in the Communist Party of the Soviet Union is Centrism, how can one explain the present sharp attitude against the Left social democracy which is itself nothing but centrism? This is no serious argument. Our Right also, which, according to the

opinion of the Centrists, is following the road to the restoration of capitalism, proclaims itself the irreconcilable enemy of the social democracy. Opportunism is always ready, when conditions demand it, to establish its reputation on a clamorous radicalism to be used in other countries. Naturally, this exportation of radicalism consists for the most part of words.

But the hostility of our Centrists and Right against the European social democracy is not entirely composed of words. We must not lose sight of the whole international situation and above all of the huge objective contradictions between the capitalist countries and the workers' states. The international social democracy supports the existing capitalist régime. Our internal opportunism, which grew up on the basis of the proletarian dictatorship, can only evolve on the side of capitalist relations. Despite the elements of dual power in the country and the Thermidorian tendencies in the Communist Party of the Soviet Union, the antagonism between the Soviet power and the bourgeois world remains a fact which can be denied or neglected only by "Left" sectarians, by anarchists and their like. The international social democracy, by its whole policy, is obliged to support the designs of their bourgeoisie against the Union of Soviet Socialist Republics. This alone creates the basis of a real, and not merely a verbal, hostility, despite the rapproachment of the political line.

Centrism is the official line of the apparatus. Its protagonist is the party official. But the officialdom is no class. It serves classes. Then which among them is represented by centrism? The reviving property-owners find their expression, timid though it is for the present, in the Right faction. The proletarian line is represented through the Opposition. By the method of elimination we get . . . the seredniak-middle peasant. And in reality Centrism with us has shed its skin of Bolshevism by clinging to the idea of winning the middle peasant. The Leninist slogan of the alliance of the ruling proletariat with the middle peasantry has been replaced by the fetish of the middle peasant as the highest criterion of proletarian policy. To this day the Centrists cannot be reconciled with M. N. Smirnov, who in the autumn of 1927 developed the correct thought that the alliance of the proletariat with the middle peasantry is predicated on the readiness of the party, in time of need, to sever the alliance in order to carry through a correct proletarian policy and thereby to create new conditions for a more durable and more lasting alliance with the middle peasants. For such an alliance is not possible on the basis of some sort of equable class line but only on the basis of the proletarian line. The partial concessions to the middle peasants can bear only an auxiliary character. Any other attempt only leads to turn the course ever more to the kulaks, to the bourgeoisie in general. The middle peasantry cannot have any independent party. An "independent" peasant party is always in reality a bourgeois-kulak party. Our Centrism, theoretically poverty-stricken, with its short memory, has not understood this. Thence its reactionary, caricature idea of the "dual-composition workers'-peasants' party" (Stalin). In reality, the dually composed party signifies the Kuomintang, that is, the political muzzling of the workers and the peasants by the bourgeoisie.

The Stalinist idea of the workers' and peasants' party is the most important inspiring idea of the Right wing. In broad bureaucratic circles, especially in the Ukraine, no little has been said recently of the party possessing a reserve: to go back from the proletarian dictatorship to the formula of 1905, that is, to the democratic dictatorship of the proletariat and the peasantry. The party, to which the Right wing belongs, has really become a dually-composed party. The retreat to the position of the dictatorship of the proletariat and peasantry can only mean the restoration of capitalism and nothing else.

Just as the middle peasantry has been raised as the highest criterion against the strategic proletarian line, so have the Rights quite consciously drawn from the independent principle of middle-peasant policy kulakist conclusions. To the extent that he stands opposed to the proletariat, there can be no other road for the middle peasant than the kulakist road. In the course of the last few years the Centrists have hidden their heads from these conclusions in the rubbish especially prepared for them by Yakovlev and company. This does not prevent this same Yakovlev today, in his masked polemic against Bukharin, from zealously cribbing arguments from the old volumes of the Opposition, by issuing these volumes for the Notes of the Workers' and Peasants' Inspection (see Pravda, No. 253, Y. Yakovlev, "On the Question of the Economic Tasks of the Next Year," from the Notes of the WPI). Even if Yakovlev occupies himself only with the "splinters" and "fragments" of the Opposition's platform, this alone proves sufficient to deal with the "Observations of an Economist." But the kulak has crawled forward out of the rubbish and into the grain collections. Today the Centrists vacillate between Article 107 and the raising of the grain prices. Simultaneously they erect as before the naked idea of the middle peasantry as the main principle that separates them from the Opposition. They only show thereby that they have no point of social support and no independent class policy. The line of Centrism is the zig-zag line of the bureaucracy between the proletariat and the bourgeoisie while the dissatisfaction of both classes grows irresistibly. The hybrid policy of Centrism slowly but surely prepares its liquidation which is possible in two directions, that is, by issuing forth along the proletarian or the bourgeois roads.

(To be continued)

+BOOKS-

#### Harold Laski Writes a Revolution

THE present war is a continuation of the war of 1914-1918 in more than one respect. I am interested in this article in the recognition and use of revolution as a force of military-strategical importance. Where the first example of this in the First World War-Wilson's 14-point appeal to the German people over the heads of their rulerscame in the last year of the conflict, and only after the Russian Revolution had *demonstrated* the intervention of the revolution into the determination of military events, this war began from the first with the recognition on the part of the war leaders of the independent rôle of the *peoples* in this war of governments. It picked up where the last war left off.

The British leaflet "bombings" of Germany and France, Churchill's appeal to Italians against Mussolini, the attempt to give the forces here appealed to a concrete expression in the so-called "V" movement in Hitler-dominated Europethese are phenomena which reflect, through the minds of the capitalist statesmen, the conviction that this is an era of wars and revolutions. Before the war, two quite diverse groups gave frequent utterance to the belief that another world conflict would inevitably engender world-wide revolution; one of these groups was the Marxist revolutionary movement itself, but the other was a number of the most responsible national leaders of the imperialist states and their publicists. Roosevelt and Chamberlain, to mention two, gave public expression to this prediction. Now that the war is on which they nevertheless could not avoid hurrying into, these phenomena represent their attempt to utilize the teeming revolutionary forces for their own military and political ends.

But such playing with revolution is a dangerous game for the capitalist statesmen. And it is clear that they realize that it is a two-edged sword in their hands—Churchill, for example. While his special broadcast to Italy called for revolution against Mussolini, his speech was explicitly directed not to the working class or the masses of people, but to the army heads and the Pope, without even referring to democracy. He was calling for a palace revolution within the fascist régime. When de Gaulle called for a demonstration, a political strike in France against the Nazi conquerors, he took care to appeal for its limitation to one hour.

This gingerly kind of appeal to revolutionary forces, even when it is a case of revolution against Hitler, is also the result of a conclusion from the last war. It is well known that the Allies had a hand in arousing the February, 1917, revolution in Russia, which they planned as a palace revolution in order to insure a more stable ally on the eastern front; but it led to more than they had bargained for. The German and Austrian post-war revolutions of 1918, which the Wilsonian program had purported to awaken a year before, similarly teetered on the brink of passing the boundary beyond which it would be acceptable to its would-be sponsors.

Churchill might like to turn the underground revolutionary streams to cleanse the Augean stables of Hitler-controlled Europe; but far more important to him is to refrain from releasing the flood of a revolution which he well knows could just as easily sweep away the whole capitalist-imperialist system and the British Empire with it. He has no wish to play the Sorcerer's Apprentice and wisely doubts his ability to ride whirlwinds.

This trepidation toward using the weapon of anti-fascist revolution for victory over Hitler is natural to the practicalminded war leaders who do not take too seriously their own talk of "everything against Hitler." It is also natural that the left wing of the pro-war democrats should seize upon this hope, or that it should be pointed to by those whose lack of official responsibility for the conduct of capitalist politics lends no restraint to their demagogy.

With relation to Churchill, these appear as advocates of a "radical" democratic program for the conduct of the imperialist war.

The fullest presentation of this point of view thus far has been made by the British Labor Party's professor, Harold J. Laski, in his book Where Do We Go from Here?\* Laski is sometimes spoken of as representing the "left wing" of the Labor Party, or even referred to as a Marxist; to steal a phrase, it is a kind of "Marxism-on-the-half-shell," a compromise between an intellectual understanding and an opportunist politics, which does not permit theoretical formulations to stand in the way of worldly prudencce.

\*Harold J. Laski: Where Do We Go from Here? A Proclamation of British Democracy, by a Labor Party Spokesman. New York, 1940, Viking.

#### "War by Revolution"

Now Laski's thesis goes further than the necessity of invoking the German revolution. He follows through to the corollary that such a revolution depends on the socialist transformation of England itself, right now, in order that the appeal to the Germans may be effective; and secondly, in order that the abolition of "privilege" at home (his regular synonym for "capitalism") might steel the resolution of the British people to prosecute the war to victory.

Insofar as his book is an argument for this proposition, it is a powerful exposition of the socialist answer to the question: how stop Hitler. It is especially effective because it is clear throughout that Laski is not merely seizing on the war situation as a pretext for once again making socialist propaganda; but that it is the result of a conviction forced upon him by analysis and fact that the victory over fascism requires accomplishing the socialist revolution *now* and not postponing it until after the war. He emphasizes that, in his view, the necessity for revolution now is an *unfortunate* fact, with undesirable accompaniments, but unavoidable nevertheless if victory is to be achieved. He repeats often that the immediate socialization of England is the "price of victory"—a phrase which would otherwise be somewhat peculiar on the lips of a socialist.

"It is certainly my own sober judgment that no war in modern history has aroused less of the martial spirit than this war," writes Laski, a conservative statement now fully borne out on this side of the Atlantic also. What accounts for this comparative apathy? The feeling of the masses that this is a war for the defense of capitalist privilege and that they will have no share in the fruits of victory. How can they help doubting the idealistic character of the war when they see the rich have sacrificed little while they have sacrificed everything?

Privilege still obtains preference in appointments. Privilege is still able to organize escape for the children of the comfortable. Even in internment questions, the cloak of privilege has been used to protect aristocratic enemy aliens while humbler but well-tested fighters against fascism whose nationality is, at the moment, formal, have been sent into internment camps. Immense powers have been taken by the government over persons and property, but so far those powers have been exercised rather over persons and their rights than over property. The trade unions cheerfully surrender, knowing full well the risks they run, the economic safegards they have built up after years of effort; we do not hear of any parallel surrender on the part of the employers. That high dividends continue to be paid, not seldom in the firms connected with the war effort, is evidence of the persistence of that rentier mentality which is of all foes of democracy the most insidious and pertinacious. The inevitable increase in the cost of living has already begun to affect the workers' standard of life; it cannot yet, at any rate, be seriously said that the increase in taxation has seriously affected the pleasant ways of life to which the rich in Great Britain are accustomed. The war has profoundly affected the quality and quantity of the education that is offered to the poor; it has but slightly affected that of the rich. (Pages 132-133.)

How can the masses be greatly inspired to sacrifice all for victory when even-

If the war ended with victory tomorrow, it would find virtually unchanged the relation of privilege to the masses. And this means that all the social problems we confronted on the eve of the war would remain unaltered, save that the economic balance-sheet of capitalist democracy would, if the experience of the last war is any guide, toughen and tighten the resistance of the privileged to continuance of a policy of social reform. . . . We should have emerged from the struggle with an unchanged dynamic and with the position of the masses in the strategy of economic power greatly worsened. That way, I believe, lies disaster, since it presages the certainty of a social conflict that will threaten the democratic structure for which we have been fighting. (Pages 134-135. My emphasis.)

Socialist revolution now, therefore, is essential to victory since "as this is accomplished, it at once steels the endurance and resolution of the masses and, as knowledge of it permeates the countries now under the fascist yoke, it will light flames there that no terrorism will be able to quench," because "we prove to the victims of fascist conquest what the implications of our victory mean for the masses amongst them."

Although Laski does not mention it, the converse of this is true now. Where the British masses are less than in any modern war fired with enthusiasm for the defense of the status quo, the conclusion drawn by the masses under Hitler from the same facts is that England offers them nothing worth revolting for. "The implications of our victory" now are, for them, another Versailles robbers' peace, national disgrace and obliteration, the imposition of crushing post-war burdens which would have to be borne by the workers, without even a democratization of the régime.

And, to cap the climax, Laski indicates several times (as we shall mention below) that British victory *without* revolution would very likely or even certainly mean . . . fascism in England itself! Such would be the fruits of victory for the working class!

All this is on Laski's positive side; and before proceeding to the Mr. Hyde aspect of his schizophrenic politics, we can add more. Dr. Jekyll-Laski not only admits but cogently proves that:

(1) Up to the outbreak of the war, the British government and a "long list" of British leaders not only applauded but deliberately aided Hitler. There is a word for the "shameful" pro-Hitler policy of the Bank of England (page 44). Chamberlain comes in here most frequently as the tackling dummy—his qualifications for that rôle lie in the fact that he has departed this life as well as office—but Laski is well aware of, although silent on, Churchill's pro-fascist attitude.

(2) England gave up Spain, Czechoslovakia and Austria as an offering to Hitler, but was "profuse in guarantees of protection to semi-fascist states like Poland and Greece and Rumania."

(3) These policies were followed not because the British leaders were "deceived" but because they "felt a common interest with fascism in its anti-democratic attitude, above all in the example it had given of the disciplining of the working-class institutions."

(4) They fought, in the end, only when Hitler began threatening their own vital interests. "At that point came the drift to war and, with it, the identification by that governing class of the protection of British interests with the preservation of democracy. But that was essentially a rationalization produced by the psychology of war, the discovery by the governing class of the necessary basis of national unity." (Pages 53-54.)

(5) They are not prosecuting the war as a war for democracy. This is shown by the talk in top circles of a "palace revolution" in Germany as a war aim, substituting "good" fascists for bad; by the lack of a revolutionary-democratic appeal to the German people; by the facts of class distinctions in England itself mentioned above; by the fact that the régime maintained in India "competes, in barbarism and squalor, with that of the outlaws (Nazis) of Europe," and so forth.

The man who writes all this is the same man who *acts* in England and writes in his book, as an enthusiastic supporter

of the war. Dr. JekyIl proves that it is not a war for democracy in its origin, motivating cause, or mode of prosecution; that (without revolution at home) its consequences will not be democratic but fascist for England itself. Mr. Hyde asserts that, notwithstanding, it is a war for democracy; he tells the working class to surrender their labor rights in the interests of victory; he exhorts them to support the Churchill government! All this, not only in the same man, but in the same book!

Two questions naturally arise: (1) How Laski reconciles these two lines of thought, in his own defense; and (2) why such a double-barrelled position arises in the first place.

#### Laski Thinks Up a New One

Laski puts forward two reasons why, in spite of all, this is a war for democracy. The first one is truly amazing and quite original. The argument goes as follows:

Examine the material basis of fascism and capitalist democracy. Germany and Italy turned fascist first because they were poorer in colonies and wealth and therefore lacked the material conditions for keeping their working classes sufficiently satisfied under a democratic system. Similarly, capitalist democracy still exists in England and America by grace of the fact that capitalism there is still wealthy enough to afford it. This is sound enough, so far, but the conclusion is:

It was clear that their [the Nazis'] ambitions were in fact unbounded and that they could not defeat the capitalist democracies without depriving them of those material conditions in which the basis of democracy could be maintained.

In this sense, the critics of Great Britain and France who have denied that . . . these powers were fighting for democracy were guilty of a half-truth. (Page 70.)

Because, forsooth, Germany's victory would take away the wealth of the British capitalists and make it necessary for them to institute fascism in England, therefore these gentlemen can be said to be fighting for democracy now! The cringing slave cries to his master: "I will work twice as hard for you, my Lord, in order that you may not find it necessary to whip me!"

Both Mr. Chamberlain and M. Daladier could honestly hold that they were fighting for democracy for two reasons. First, if either was defeated, his country would no longer be able to maintain a democratic system in the sense in which each of them understood that term; and, second, . . . in comparison with the fascist system, no serious observer could honestly deny the reality of the democracy in capitalist democracy. (Page 70-71.)

England *is* more democratic; therefore it can be said to be really fighting for democracy. There *is* racketeering in trade unions, as the Chamber of Commerce asserts; therefore the bosses are really fighting for honest unionism, as they claim. If England had joined in war against Russia, as some hoped, would Laski have still whooped up the war on the ground that, in comparison with the Stalinist system, "no serious observer could honestly deny the reality of the democracy in capitalist democracy"?

[Incidentally, Laski makes precisely such a denial on another page: "No class of men is free which has only its laborpower to sell. And this is to say that no state in which such a class of men exists can in any real sense be a democracy" (page 161). But this of course is only abstract theory and must not be allowed to interfere with politics...] ð 1

#### Victory—and Fascism

Laski's more serious argument is that British defeat means British fascism. We are glad to note that at least he does not put it as if a victorious Hitler would forcibly impose fascism on a desperately democratic British capitalist class; he frankly admits that the present rulers of England would in that case enthusiastically adopt fascism under their own steam. After all, his authority for that is none other than his white hope, Winston Churchill, who said less than a year before the outbreak of the war: "I have always said that if Great Britain were defeated in war I hoped we should find a Hitler to lead us back to our rightful position among the nations."

It is therefore doubly important to refer back to Dr. Jekyll-Laski's conviction that fascism is pretty certain in Britain in any case—if there is no revolution now. And he is quite categorical about it, in spots.

I only say that if we should will to do so [accomplish revolution at home] we have the power and that, without that will, a fate akin to France is certain to be ours. (Page 167.)

Even in the event of British victory-

... the labor leaders who are pledged to a socialist reconstruction of our society will find themselves fighting the very men with whom they are now in partnership as soon as fascism has been defeated. And at that stage the clear danger emerges that those in a capitalist democracy who fear for their privileges in the conflict will suppress the democracy rather than risk the privileges they enjoy under capitalism. I think that danger is very real. (Pages 124-125.)

I have already quoted Laski's prediction of the worsened position of the workers in a post-England torn by economic difficulties, whereas "privilege"—

... then emerges from the war with its own defenses unbroken, with concessions made that can easily be withdrawn, on the ground that the nation must cut its coat according to the cloth ... and with the workers deprived of those regulations by which in peace they are able to protect their standard of life. To argue that in such a situation the forces of democracy would meet those of privilege on equal terms is fantastic. (Page 145.)

Victory or not, after the long war effort far more exhausting than the last, England would find itself in the position that post-war Germany was in: a continuous class struggle under conditions of the deepest-going economic depletion and chronic crisis—precisely the setting in which in desperation the German capitalists called in Hitler. It is not to be wondered that Laski admits the danger of fascism as the result of victory is very real, since he has already spent a whole section of his book proving in detail that:

(1) Under such conditions, where democratic freedoms embarrass the functioning of capitalism or threaten its existence, the capitalist "democrats" have regularly turned fascist.

(2) The working class will have been weakened in its ability to fight back because of its concessions during the war, the weakening of its organizations, militancy and legal channels of action (all made in the interests of victory, we may note, at Laski's behest).

(3) In England itself, the forces making for fascism have been and are at work even now (page 149, and "the power of a plutocracy" rules there (page 33):

It is important, moreover, to remember that in all the capitalist democracies the vital positions of control were effectively barred from access to the masses. In Great Britain, for example, the off ers of the defense services, the higher civil service, the judicial bench, even the professoriate of the universities, were overwhelmingly staffed from the upper and middle classes.

When Laski argues then that this is a war for democracy

because defeat means fascism, it is only by dint of "forgetting" that the very thesis of his book is that victory, without revolution, entails a similar fate.

Pity a poor liberal professor tossed on the horns of a dilemma! For Laski, as he goes along, reveals still another formulation of opinion in this valiant struggle to make it out to be a war for democracy. Consider this gem:

Without that revolution both the war and the peace will be no more than a dispute about the character of a social order which has twice brought us to world conflict and will bring us to it again if we seek no more than its preservation. (Page 190.)

There is a longer passage to the same effect elsewhere. What does it mean?

The character of this war, democratic or imperialist, depends upon whether a revolution takes place or not. This is, so to speak, a war for democracy *in potentiality* only; if the British government does not go socialist, history will call it an imperialist war. In acting as a social-patriot now, I, Harold J. Laski, am supporting the potentiality only; I am merely acting now as if the revolution has already been made—in anticipation, in a manner of speaking. Pending the transformation of the imperialist war into a revolutionary war, I support the *actual* imperialist war going on now.

At this point we can begin to explain Laski. For this makes it obvious that in his thinking the line of demarcation between an *imperialist* Britain and a *socialist* Britain must be very thin indeed, since it has no bearing on his attitude toward a war by one or the other. And so the case is, indeed.

#### **Revolution by Consent**

For I have been holding something back in this discussion of Laski-something which, it is true, does not become clear until the last section of the book. As we have seen, Laski today has no inhibition against flinging about the term "revolution" (it must be popular in England!), but there is a joker in it all. The joker consists in (1) what he actually means by a "revolution" now; and (2) to whom he addresses his demand for it.

What Laski is advocating throughout is what he calls a "revolution by consent"—by the consent of the Churchill government and of the capitalist class itself! The ruling class is being politely requested and urged to lend an ear to the woes of the workers and graciously agree to abolish capitalism voluntarily! The whole book is simply, and overtly, an Open Letter to Churchill and the Capitalists; even to its use of the pronouns "we" and "they," the latter used regularly to refer to the workers, the former to Laski and his addressees. Shades of Robert Owen, Shaw's Socialism for Millionaires and the Oxford Movement!

What is he actually requesting? "Obviously enough," he says apologetically, "the pressure of the war effort must make it [the "revolution"] symbolical rather than conclusive, but we must not forget the degree to which men [he means professors] live by symbols." What symbols would satisfy him?

(1) Abolition of the 1927 Trade Union Act, imposed as a draconic penalty on the unions for the general strike of 1926.

(2) Educational reforms.

(3) "Three or four measures" toward nationalization of industry.

That's all. This is Laski's "revolution now"-this mouselike squeak after his pages of "revolutionary" roaring. But perhaps this is an injustice, for his peroration reverts once more to a demand to "begin now the "socialization" of British economy.

But if Laski is really serious about inaugurating the socialist revolution under the auspices of Churchill and Beaverbrook, one wonders why he took the trouble to expound at such great length the thesis, mentioned above, that the "democratic" capitalists have always hung on to their economic power by tooth and claw, if necessary by scrapping democracy, and that the British ruling class was pro-Hitler before 1939 because of its "common interest" in his straight-jacketing of the working class.

Or perhaps the key to his maundering is given by his quotation from Sir Neville Henderson, who tended to look benignly on Goering as a counterweight to Hitler: "Goering," said Henderson, "may be a blackguard, but he is not a dirty blackguard." These fine distinctions are attractive to professors; the English capitalists may be fascists at heart, like the rest, but they are Anglo-Saxon fascists and therefore rational English gentlemen, susceptible to reasoned and intelligent demonstration of the bankruptcy of their system, if it is carefully made without any Marxist jargon.

For Laski plows seriously ahead into the task of convincing his audience that he knows what's best for them. Here is his Intelligent Capitalist's Guide to Socialism:

(1) If you reject my modest proposal, that will prove this is not really a war for democracy, and that you are merely interested in imperialism. For shame! (Page 143.)

(2) If you don't swallow this peacefully, by consent, somebody else (not me!) is going to feed it to you by knocking you over the head, with some violence. (Page 166.)

(3 This way, you will have more time to adjust your habits to socialist society than if it all happened very suddenly. (Page 166.)

And a little more seriously perhaps: (4) Revolution at home is the only way to stop Hitler. You are therefore faced with the choice between fascism and socialism. And the latter will take away less from you than will the fascists: "what it exacts from the privileged is far less than the outlaws [lascists] would demand." In fact, Messrs. Capitalists, you are being offered socialism at bargain rates, specially priced for immediate sale and guaranteed not to hurt.

"It is therefore," pleads Laski, "as I conceive, the part of wisdom to satisfy them [the masses]; . . . to cooperate with the masses in beginning now the revolution that has become necessary, has immense advantages."

To the general reader, he has another word of explanation, demonstrating that the war emergency makes such a "revolution by consent" possible today. It would seem that the war has aroused a deep sense of unity, exuded an atmosphere of experimentalism, novelty-seeking and deroutinization, and brought about a general disposition to sacrifice, all of which has so softened the hearts of the fascist-minded British capitalists that a revolution by consent has now a basis in the "impulse of magnanimity!" This is the note on which the book ends.

#### The Dilemma of Revolutionary Defensism

This is enough attention to the comic spirit. Laski has been at least acute enough to see a certain distance, and further than any but the revolutionary Marxists: that only socialist revolution can stop fascism in the world today, on both sides of the trenches. But his dilemma is that he still remains a supporter of the war. Convinced of the necessity of a socialist transformation of England, shall he seek to arouse the spirit of *proletarian* revolution *against* the government, with the accompanying specter of possible civil conflict resulting? That was all right for Lenin (Laski even has a word of praise for it—as a pecularily Russian method!) but not for a reasonable Britisher.

He wishes both to support the present war and to urge a socialist revolution at the same time. That the two are incompatible is a grievous embarrassment. It can only be resolved by choosing one or the other: continue support to imperialism and help tie the working class up into knots, or to put socialism and the class struggle first. By choosing the former, as he does, he helps make a revolution from below impossible and must therefore have recourse to the soft-headed idea of a revolution by Order-in-Council. One of the by-product values of the book is that, in the course of his analysis, he makes crystal clear the insoluble dilemma of the would-be revolutionary-defensist in this imperialist war.

But there is another meaning to Laski. Without attempting to apply the well known "sincerometer" to him, it is perfectly true that he plays a rôle in British war propaganda which cannot be taken by Churchill, Beaverbrook or even the official Labor Party leaders. That is to supply a rationalization of the war for those workers who regard the official war propaganda with cynicism and who are unwilling to pigeon-hole their socialist aims for the duration of the war. The Labor Party leaders are handicapped, in the field of "socialist" pro-war demogogy, by their governmental responsibility. Laski is free to take up a position on the left flank of imperialism's line against the workers' anti-war movement.

Even as this is written, however, Churchill has given his answer to Laski's Open Letter, in his statement to the American press conference that "we do not expect a revolution against the Nazis." To Laski as to us this must mean: We do not intend to change our methods in order to provoke one; indeed, we do not *wish* to provoke a real revolution on the continent. How long will the honest British revolutionarydefensists wait before deciding that, if the imperialist war is to be transformed into a socialist revolutionary war, this must be accomplished by the independent class struggle movement of the working class itself and *against* the British ruling class and its government? Where do they go from here?

PAUL TEMPLE.