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## CONTENTS

	PAGE
The Fight Against Unemployment ... ..	1221
The Economic Crisis in the United States and the Tasks of the Communist Party. <i>William Weinstone</i> ... ..	1225
The World Economic Crisis in Imperialism and the Development of the Revolutionary Ferment in the Colonies. <i>G. Safarov</i> ... ..	1233

## The Fight Against Unemployment

**T**HE post-war period has pushed the problem of mass unemployment into great prominence: this does not mean that before the war there were not large masses of workers affected by unemployment. Before the war, in times of industrial crisis, the reserve army of labour grew by leaps and bounds in all countries; but since the war unemployment has become a permanent phenomenon, for even in the periods of prosperity, of "relative stabilisation," there were tremendous numbers of unemployed in all the important capitalist countries, which increased as the result of rationalisation. (Up to the present France has been an exception, owing to the peculiar circumstances of that country.) When industrial depression sets in, the number of the unemployed grows to gigantic dimensions, and the mere scope of unemployment is enough to shake the very foundations of the bourgeois state structure, already on an uncertain basis. How much more does the mass unemployment which exists to-day bring about a revolutionary culmination of the situation in

several capitalist countries. The present unemployment reveals the brittle nature of the relative stabilisation of capitalism and proves that the entire capitalist system has become rotten and is decaying.

**T**HE estimates of the total extent of unemployment vary considerably, for bourgeois statistics are used in the attempt to conceal the true situation of the bourgeois order of society. The bourgeoisie cannot openly admit that it is incapable of feeding its proletariat. The statistics which are published on the extent of unemployment are extremely inadequate. In many cases they are deliberately falsified. A short time ago the *Deutsche Bergwerkszeitung* wrote that the army of men affected by unemployment numbered six million. This figure does not, of course, include those many millions in China, India, Indonesia, and South America, who, for lack of employment, are literally dying of hunger. It is fairly safe to estimate the world army of unemployed (ex-

cluding those in India, China, and Indonesia) as numbering 15 to 17 millions. The following table gives some idea of how this total is arrived at. The number of unemployed in the following countries is given as (approximately) :—

U.S.A. ....	5,000,000
South America .....	1,000,000
Mexico .....	500,000
Germany .....	3,500,000
England .....	1,500,000
Poland .....	300,000
Austria .....	325,000
Italy .....	425,000
	(actually 800,000)
Spain .....	200,000
Czecho-Slovakia .....	300,000

There are several more hundred thousand unemployed in the smaller European countries.

These figures speak in no uncertain voice, but their full importance can only be realised if they are considered in conjunction with the whole working class of the country concerned. In the U.S.A. every fourth or fifth worker is without work, in Germany every fourth industrial worker, in Poland every third worker is out of a job, and, moreover, there is no sign that the growth of unemployment will cease. The world economic crisis, which had its origin in the United States, is only just beginning; economic depression will certainly increase, throwing still greater numbers of workers on to the streets. The colonial and semi-colonial countries, and those industries which export finished goods on the world markets, are particularly affected by the crisis. In the textile industry there are just as many millions working on short time as there are unemployed. The number of workers on short time amounts altogether to about one-half the total number unemployed. Since capitalism must meet these difficulties of its economic life by further rationalisation of industry and by dumping goods on the world market, we must expect in the forthcoming period, not a diminution in unemployment, but a further increase, because of the rationalisation measures and the increase in output per worker, an increase which is forced from him by rationalisation

and by the fear of joining the ranks of the permanently unemployed.

THE efforts of the capitalists are now directed towards cutting down the benefits to which the unemployed are entitled, hoping by this means to lighten — for themselves — the effects of the crisis. The *Bergwerkszeitung*, from which we have already quoted, wrote on January 22, 1930: "Thus a situation, affecting about 50 per cent. of the working population, and which is the result of our economic circumstances, can be settled without a single hair of anybody's head being hurt." This was written in an employers' organ because the workers were trying to maintain unemployment benefits for the unemployed, and to meet the rise in the cost of living by fighting for higher wages. The policy of reducing unemployment benefit and the rapid increase in unemployment have deeply shaken the capitalist system, as is witnessed by the demonstrations of workers in Italy, Spain, Poland, Germany, etc.

The general tension is growing more acute, productive capacity is not utilised, and the interest on invested capital increases relatively, while the number of workers creating values decreases. The capitalists are trying to make up for the sums spent in maintaining the unemployed, and in higher interest charges, by further rationalisation, and still more by direct wage reductions. They are therefore making an intense and ruthless attack on wages. The key industry of the United States — the steel industry—reduced the wages of its workers in January by 20 per cent. The Rhineland steel and iron industrialists refuse to conclude a new agreement unless it provides for a reduction of 30 to 35 per cent. in wages. The wages of the building workers particularly are being attacked. Real wages in Poland, and now in Spain, are considerably reduced by inflation. Baily, the French iron magnate, wrote in an article, which has been reproduced in the press controlled by German heavy industry, that the competitive capacity of the French iron and steel industry is based upon the fact that the wages of the French iron and steel workers

amount to only 60 per cent. of the corresponding wages in other countries. Another method now being employed by the capitalists in order to reduce wages is that of replacing men by women and young workers engaged at lower rates, and replacing skilled by unskilled workers; this greatly reduces the numbers of the "aristocracy of labour," corrupted by capitalism, and this at the same time aggravates the difficulties of the capitalist class.

**R**ECENTLY there has been more and more co-operation between the capitalist and the social-democratic trade union leaders in the matter of protective tariff legislation. In this case protection is given out to be, not so much protection for national industry, as a necessary step in protection against unemployment. All capitalist countries are turning increasingly to a policy of protection, and the reformist trade unions in America, England, Czecho-Slovakia, Germany, and Poland openly advocate protection. Protection, however, means a further increase in the cost of living, and therefore narrows the home market.

All these factors help to increase the pressure on the working class. The attempt of the social-fascists and the national fascists to explain to the workers that they must make sacrifices because of the gravity and difficulty of the situation no longer find any response among the unemployed and the employed workers. On the contrary, these attempts only stimulate them to strengthen their resistance to the attacks of the capitalist system. For many weeks past there have been spontaneous demonstrations and riots by the unemployed in all countries; there have been great mass demonstrations of the unemployed in America, Germany, Poland, Czecho-Slovakia, Italy, and Rumania. And, ever more and more, the machinery of capitalist power is used against them. The blood of workers has been flowing in the streets, workers have been jailed by the dozen, the Governments have declared a state of siege. But this has not crushed the spirit of the masses; on the contrary, the wave of demonstrations is increasing in extent and weight, the unemployed give the police blow for blow.

**I**N this situation the Communist Parties must clearly understand and acknowledge their tasks, must organise and develop a mass fight against unemployment, against the employers' offensive, against the entire capitalist system. The Communists alone represent the interests of the workers, both those who are already unemployed and those who are threatened more and more with unemployment. The Communists alone can expose to the workers the real meaning of the phrases and actions of the national and social-fascists. The demands put forward by the Communists unite the interests of the worker in the labour exchange with the worker in the factory, making the fight against unemployment a powerful factor in the revolutionary mass struggle.

Inside the factories the Communists must strengthen and forward the fight against mass dismissals, even going so far as direct action and stopping work after seven hours, organising strikes for the seven-hour day and equalisation of wages. They must fight against all overtime and for equal pay for equal work. In the parliaments and municipal bodies the Communists must fight persistently and untiringly on behalf of the unemployed demands for full support throughout the whole period of unemployment or for work at trade union rates.

The methods of alleviating the unemployment crisis recommended by the social-fascists, such as the dismissal of women whose husbands are employed, of young and unmarried workers instead of married men, of the father of a few children instead of the father with many, of the agricultural workers who own a small bit of land or a cow, must be energetically opposed. This method will not in any way help to solve the problem of getting rid of mass unemployment; it will only bring about a split among the different sections of the workers, by endangering the unity of the working-class fight against the capitalist system. This, however, is just what the social-fascists want.

**I**N the struggle against unemployment it is particularly important to indicate how, in practice, the problem of unemployment is being solved in the U.S.S.R.; how this cursed

heritage of capitalism is being overcome; how, in the triumphant building up of Socialism, unemployment becomes continually less and less. We should compare the different conditions from which unemployment arises, and the difference in the measures adopted to meet the problem in capitalist countries and in the Union of Soviet Socialist Republics.

In capitalist countries there is a decrease in the total number of workers employed, because factories, mills, and mines are being closed down as a result of the market crisis; hundreds of thousands of workers are dismissed, including highly-skilled men, and they have no hope of getting another job; the movement of the unemployed is forcibly and brutally suppressed.

In the U.S.S.R. agricultural over-population is the primary source of unemployment, but the problem is being met by the irresistible growth of the working class due to the development of industry, the seven and the six hour working day, the five-day week and the immense building works. Now there are practically no highly-skilled workers out of work; moreover, the collectivisation of village economy, and the wide prospects of still further development will gradually eliminate entirely the problem of unemployment from the Soviet Union.

Such a comparison will give to the masses a clear picture of these two utterly contradictory systems, and will help to mobilise them around the slogans of struggle for the defence of the U.S.S.R. against the attacks which are being prepared by the imperialists, and for the world dictatorship of the proletariat.

**T**HE Communists must see to it that unemployed demonstrations can no longer be driven from the streets. They must prevent the employers and the trade union bureaucrats from erecting a wall between em-

ployed and unemployed workers. They must not let themselves be checked by any parliamentary decrees or gagging laws, in their fight for the demands of the unemployed. Wherever there are unemployed they must be organised into committees which should, in the closest possible contact with the revolutionary factory committees and shop stewards, organise the common struggle of all workers. That is, they must together organise and carry out street demonstrations and strikes inside the factories. The employed workers should take part in the unemployed demonstrations, just as the unemployed must support the strikers against blacklegs and strike-breaking. All factory papers must deal thoroughly with the unemployment problem, while leaflets and special unemployed papers should be used in the work of organising and educating the unemployed. Communist members of Parliament and of municipal authorities should report regularly to the employed and unemployed workers and help the Party to establish close connections with all the working masses, employed or unemployed.

The demonstrations in different localities should be arranged, as far as possible, to take place at the same time. Such unity of demonstration strengthens the whole movement, gives it weight and power. Moreover, the scattering of hostile forces by the simultaneous appearance of workers in different places is the best method of penetrating the armed bodies of the bourgeois state and of getting some of them to fraternise with the workers.

We must organise a national and international day of unemployed demonstrations, in order to give the unemployed movement an irresistible weight. The mobilisation of the working masses for the fight against unemployment is the best preparatory work for the fight to overthrow capitalism and to establish the proletarian dictatorship.

# The Economic Crisis in the United States and the Tasks of the Communist Party

William Weinstone

I  
“JUST on the eve of a crash,” wrote Marx, “business appears almost too sound.” Business men, bank directors and capitalist experts and politicians were congratulating one another on the prosperity and soundness of business—until the collapse suddenly overtook them. Immediately upon his election, Hoover announced that he would establish a fund of \$3 billion to “abolish poverty.” Everywhere the apologists of capitalism were singing the praises of American technique and were assuring the world of the eternity of American prosperity. This was the condition just preceding the crash on the stock exchange. Even the fall in production which commenced in July failed to serve as a warning of the impending collapse. To-day “prosperity” has given way to a deep-rooted economic crisis.

The Central Committee of the Communist Party at its Plenum held in the first week of October, 1929, correctly estimated the situation when, on the basis of the crisis in a number of industries, the beginning of a decline in production and the raging speculation on the stock exchange, it declared: “The present situation in the United States also shows the clear features of an economic crisis. . . The present economic situation in the United States is that we are before a break in the curve of ‘hochkunjunktur’\* in the beginning of a pre-crisis situation.”

THE crisis has not yet matured fully. But already the depth of the crisis is visible. The decline in production has been moving downward with accelerating force. During the month of November the fall was the greatest in any month in a period of half a century, with the exception of the severe crisis years 1893 and 1907 which followed sharp stock exchange crashes.

The business index which stood at 103.5 in

\* The trade boom.

October fell to 94.8. Particularly great are the declines in the automobile and building industries, which have been two of the strong points of the recent prosperity boom. Automobile production, which had the index of 150.5 in June, fell to 115.5 in October and to 81.8 in November. The month of December showed further rapid fall in production. Automobile production swung downward, a fall of 37½ per cent. standing at the index figure of 51.5 (case and trunk production fell from 215,822 in November to 125,000 in December), the lowest in many years. Building production in December was the lowest since 1924, while steel ingot production receded from 89.1 to 78.4, which induces the capitalist and business journal “Annalist” to say that: “This sharp fall in ingot production will have a considerable effect in the direction of carrying downward the (“Annalist”) index of business activity.” This same journal was forced to admit about pig iron production that it showed “a heavier decline than had been expected. Twenty blast furnaces were put out in the last two months, the largest since April and May, 1924.”

Export trade fell in November, 1929 about 20 per cent. as against November, 1928, a sum over one hundred million dollars.

The economic crisis has not as yet expressed itself as a crisis of the money credit system. But, at the same time, it must be noted that credit has tightened—short time credit (brokers’ loan) has fallen from \$5,500 million on October 30, immediately after the exchange crash to \$3,352 million on January 8. The outflow of gold to European countries, in particular France, is causing much alarm in the bourgeois press.

Wholesale commodity prices have fallen from 149.1 in June, 1929, to 140.2 in January, 1930. The bankruptcy in business continues to mount. During the first week of January the number was 618 as against 407 the week before.

The crisis, according to all signs, will not be of short duration. The "Annalist" speaks of a six months or longer duration. The "Journal of Commerce" predicts even a greater period. The aspects of the crisis are already those which characterised the big collapse of 1920-21 and which lasted for a period of over eighteen months before upward recovery began. The span, however, of the crisis, its depth and the duration of the depression which follows, cannot be measured solely by the previous crises in the United States. Occurring in the post-war period of capitalist decline, and particularly in the Third Period of the general crisis of capitalism, the American crisis will, from the very outset, acquire very sharp forms. The crisis likewise is affected by the chronic and deepening agrarian crisis in the United States and all over the world. The agrarian crisis causes a further shrinkage of the internal market.

**T**HE sharp crisis in the United States gives the lie to the bombastic assertions by bourgeois social-fascist economists and repeated by Lovestone and Gitlow that American capitalism had overcome the contradiction inherent in the system of capitalism. The efforts of President Hoover have not, and could not, prevent the downward movement. The establishment of an Economic Council of the big bankers, industrial lords and labour bureaucrats has brought no fruits in checking the advance of the crisis. The council of the plutocrats of finance capital has other purposes.

The programme is one of full mobilisation for a new wave of rationalisation, of wage slashing and most bitter exploitation of the workers. It is the concentration of the resources of American capitalism to launch out into a ferocious offensive to capture new markets. The shrinking home market, the sharp competition from Europe demands the most concerted and well organised attack to win new markets, to redivide the world.

The aggressive methods employed by Hoover in conducting this task, the mobilisation of all phases of industrial production recalls a mobilisation for war. In fact for some time the Government has divided the country and industry into military zones and has as-

signed tasks for the coming war and the onslaught of the workers to the labour bureaucrats given as their task of strike breaking and keeping the wheels of industry turning so that the burden of the crisis may be shifted on to the shoulders of the toilers. Markets and the maintenance and increase of profits must and will be fought for with measures of war, both at home and abroad.

"No issue is of more vital importance than the stimulation of our commerce abroad," writes James A. Farrell, President of the United States Steel Corporation in the "North American Review," and Charles E. Mitchell, president of the National City Bank, stated in October before the collapse of the Wall Street Exchange "that competition with European capital is bound to increase and the only limit to what American manufacturers are prepared to export is the amount the market can take." To secure these new markets the capitalist class seeks by all means to reduce the cost of production and will initiate a sharp attack upon the living standards of the workers.

American capitalism must seek an outlet for its overproduced capital in a world market which has more and more lagged behind the advancing world production. The crisis at the same time is further narrowing the world market as a result of the fact that the crisis is spreading to other countries. The antagonism between the imperialist States is growing more acute, and Anglo-American rivalry is becoming more intense. The London Armament Conference is clearly an expression of the condition of a spreading world crisis under which it meets. The crisis brings nearer the danger of an imperialist conflict. American development has shown that crises come suddenly and when everything seems sound and prosperous. Thus also with war—the sharpening of the contradictions leaves no way out but for the bourgeoisie to try to overcome them by means of war. The greater the peace talk—the more plentiful and frequent the so-called peace conferences, the more likely the suddenness of the outbreak of war. The capitalist class of America by the growth of its imperialism and the sharpening of its contradictions has been driven more and more to take up the lead in the united front against

the Soviet Union. The chasm between world capitalism with its mighty imperialist sector, the United States, in the grip of a crisis, and the Soviet Union striding forward in socialist reconstruction intensifies the danger of another intervention in the Soviet Union. The danger of a sudden outbreak of world war was already shown by the provocative attacks of the Chinese hirelings on the Soviet Union. The crisis makes the question of imperialist world war more acute than ever. The fight for the defence of the Soviet Union becomes more actual than before.

American capitalism will press down upon its colonies and spheres of influence and place upon them further heavy imperialist burdens. The crisis, however, is not localised to the United States. The Latin-American countries are in a deep crisis. In making a drive for the Latin-American market against its foremost competitor (Great Britain) United States capital will only give a great impulse to the revolutionary struggle of the colonial and semi-colonial peoples for independence.

## II

**T**HE first great effect of the crisis upon the working class is the mass discharges, the rapid increases of the army of the unemployed. Five million workers are already thrown upon the streets excluding the permanently unemployed, which, during the period of the high peak of production equalled nearly three million.

The New York State Commissioner of Labour reports that unemployment to-day is the greatest since 1920. Already during the months before the crisis deepened, the bureaucrats of the A.F. of L. spoke of only 40 per cent. of building trades workers being employed in Chicago. Mass discharges have been sudden and considerable. In addition to full unemployment, hundreds of thousands of workers have been working only part time.

During the crises of 1920-1921, the estimated unemployment figures of conservative bourgeois politicians was 5,000,000. During the short depression of 1927, the Tamony Hall Senator Wagner, of New York, gave the figure of unemployed as 7,000,000. The

maturing crisis will reach the actual figure of 8-10,000,000. Unemployment in the United States, as well as in the other capitalist countries, is a revolutionary force sharpening the class struggle and shaking the foundations of capitalism. In the United States the workers thrown upon the streets face absolute starvation. The meagre hunger dole of European capitalist States is denied the workers of America. The menacing shadow of unemployment faces the majority of working class families to-day. How unemployment affects the workers is shown by two recent studies. In examining the results of the discharge of 800 skilled workers in three industries the Senate Commission on Unemployment, 1929, reported that 50 per cent. of these workers are still out of employment after a period of one year, and the remaining group had been out of work from three to six months, finding employment only at reduced wages and at unskilled trades. In a study of the average city in the United States which the author calls "Middletown" the results of an inquiry of 122 families told that 83 suffered from unemployment in the preceding months, 68 were compelled to make changes in living standards, 47 cut down on clothes, 43 cut down on food supplies, 27 wives went to work, 14 allowed their insurance policies to lapse, etc. Full employment is becoming a quality of the privileged worker.

A bitter offensive against the wages and hours of the working class has already begun. The Steel Trust has cut the wages of the Youngstown steel workers by 20 per cent. In the automobile plants wages are being cut from 20 to 40 per cent. This will be carried over to other industries. The terror campaign against the militant unions and the Communist Party is being intensified. During the past two years the International Labour Defence had no less than five thousand cases to defend. The terror against the workers has been unexampled in the United States. The number of arrests, the raids upon foreign born workers, the attempt at lynching the organisers of the revolutionary unions, the shooting of strikers, the raids upon the Communist Party headquarters, the direct attempt to outlaw the Party as a whole will be severely intensified by the present crisis.

THE workers are confronted in this offensive against their wages and living conditions by the alliance of the employers' State and the social-fascists. The capitalist State has been steadily becoming ever more fascised. The power of government is being concentrated more and more into the hands of the President, in the Cabinet Ministers and in specially appointed commissions. Only recently Hoover wrote about the efficiency of "Government by specially appointed commissions." A few days ago the Law Enforcement Commission appointed by the Government, with the arch-reactionary Wickersham at its head, brought in a proposal for the establishment of 10,000 additional prohibition agents and for putting the colossal prohibition machinery into the hands of the Department of Justice. The Commission likewise proposed the abolition of trial by jury for petty offences and, in violation of Federal Laws, their trial instead by federal appointed commissioners. The Baumes Commissions on a city and State scale have already carried through a huge concentration of power into the hands of appointed judges and the establishment of life imprisonment for fourth time offenders. The American Federation of Labour and the Socialist Party are in the van of this fascisation of the State. During the last election campaign in New York City, the "socialist" candidate for Mayor, Norman Thomas, ran upon a platform demanding the raising of the efficiency of the police "for a police system freed from the control of politics." In the Illinois strike of the coal miners, which is now taking place, the local Sheriff members of the United Mineworkers are carrying through the arrest and intimidation of the militant miners. How will the workers react to the offensive of the bourgeoisie?

During the period of "prosperity" the workers have shown increased spirit of struggle. Faced by a united front of the employers, the State and the social-fascists, the workers have put up a bitter and sustained resistance to the attacks of these enemies. The Gastonia and New Orleans fights, the struggles of the miners and needle trades have shown with what militancy and heroism the workers en-

gage in a struggle. The highly political character of the economic struggles has created the tendency amongst the masses to develop these struggles into general struggles. During the New Orleans strike, the workers called for a general walkout. During the strike of the oil drivers of New York City against the Standard Oil Company, the rank-and-file workers likewise called for a strike of all transport workers. Only the sabotage and strike-breaking policies of the trade union officials and the weak contacts of the Communist Party prevented the success of these efforts. The offensive mood of the workers has been growing. During the present crisis the workers will aggressively carry forward the counter-offensive against unemployment, wage cuts, speed up, the increased cost of living resulting from the new tariff bills, against the terror of the bourgeoisie which will result in extraordinary acute battles.

THE perspective of tremendous struggles has already been foreshadowed by the battles of Gastonia and New Orleans, the fight of the miners, the militancy and fighting spirit of the masses on International Red Day and the movement for organisation among the unorganised in the basic industries as demonstrated by the composition and fighting tone of the conference which organised the Trade Union Unity League on September 1st. The present crisis occurs in the midst of a growing world offensive of the working class (the rising revolutionary tide of struggle of the German, Polish, and French proletariat, etc., the advance of the colonial revolutionary movement) and particularly of the tremendous progress of socialist construction in the Soviet Union. Gigantic battles of the workers in the basic industries added to the struggle by the agricultural workers are on the order of the day. To lead these struggles, to broaden and unite the front of battles, to direct the struggle against the social-fascists and against the growing fascist State power, is the task of the Communist Party. The Communist Party of the United States has its central task, to become the leader of the mass struggles of the workers.

## III.

**T**HE present crisis must mark a real turning point in the development of the Party from a small organisation of propaganda to a real leader of the masses. This requires, above all, that the Party sees the tremendous significance, the depth and the extent of the crisis, and that the entire Party be mobilised for the struggle called forth by the sharpening economic crisis. This has not yet occurred. The "Daily Worker" in the first period of the crisis did not ring out with the rallying calls for action. During the first days of the Stock Exchange crash the great masses were aroused by the catastrophic character of the crash, but the "Daily Worker" was silent.

The rôle of the Trade Union Unity League and the new revolutionary unions must likewise be clear to the Party membership. The main task of the new revolutionary trade union centre is to lead the economic struggles of the working class. Here it is necessary to get rid of the idea prevalent among many comrades that the T.U.U.L. is a propaganda organisation, an opposition "within the main stream of the Labour movement"—the A.F. of L. This conception is a barrier to the fundamental need of the Party for the establishment of independent leadership of the struggles of the workers and results only in a disastrous policy of tailism. The A.F. of L. and socialist bureaucracy cannot and will not organise the masses for struggle against the capitalists. It is a strike breaking force. The Muste movement is an attempt of the American Cooks and Maxtons to screen the downright fascist character of the A.F. of L. Already at the time of the Passaic strike, the rôle of the A.F. of L. as strike breaker was demonstrated. The fear of the Communists to maintain independent leadership led to a surrender of the workers to the A.F. of L. bureaucracy, with the consequent dispersal of the trade union organisation that was formed and the abandonment of the fight against the employers. The masses were in advance of the Party when they understood instinctively that affiliation to the A.F. of L. meant objectively the betrayal of the struggle. It is true that the Communist Party was motivated by a policy of getting closer to the masses—

the false "main stream of the labour movement theory"—when it proposed affiliation, but it is clear to-day that already at that time the means of establishing contact with the masses must be through the independent leadership of the Communists in the organisation of the unorganised outside of the American Federation of Labour. While the Party leadership has learned this lesson it is not the case with many of our leading comrades in the trade union work. The building up of the Trade Union Unity League and the new unions into mass organisations is the most essential task of the present situation. While increasing our work within the A.F. of L. to win away the best elements the main centre of our work is the organisation of the unorganised masses particularly in the basic industries into new unions and into the T.U.U.L. The trade union work, the development of the Trade Union Unity League, the building of new unions is the means by which the Party will convert itself into a mass Communist Party.

**T**HIS task requires that the old methods of work be abandoned. The organisation of the workers in the factories, the formation of new unions, the organisation of the unemployed, requires new methods, new tactics, greater militancy, the skilful combination of economic and political weapons under the leadership of the Communist Party. Above all, it means that the leading rôle of the Party must be understood and, consequently, the need for the entire Party organisation to be mobilised for these economic struggles. The past division of the work of the Party into economic and political tasks and the consequent separation of the trade union work from Party work and vice versa, which at all times is an eclectic opportunist policy, is in the present situation, in which there are no economic struggles which are not political, a disastrous practice for the Party.

In the present situation the Labour Party slogan must be dropped. This slogan is a weapon in the hands of the most dangerous enemies—the left social-fascists, the Musteites. The crisis affords the Party the opportunity of more direct contact with the masses

—through the new unions, T.U.U.L., the formation of factory committees, etc.

To mobilise the masses, to arouse their fighting spirit, a programme of action for the present situation is necessary. In the foreground of this programme which must be popularised to millions of workers, must be the struggle against unemployment, for the seven-hour five-day week, the fight against wage cuts, for increased wages for the most exploited sections, the struggle against the speed-up system. It is not enough to have such a general programme, it is necessary that this be adapted by the local organisations to the conditions in the districts and to the concrete conditions in the factories, particularly in the big factories. These demands must be combined with the fight against the A.F. of L. and "socialist" party and Muste groups and against the capitalist government for the Revolutionary Workers' Government

#### IV

**T**HE political character of the present struggle is not yet clear to many of our functionaries and particularly those in the trade unions. There is therefore an insufficient linking up of the economic demands with political demands and where this is done, these political demands are only feebly agitated among the masses. There is hesitation among many of our trade union leaders to "injecting political issues" into strike struggles. This is the reason for the very weak demonstrations that have occurred in past strikes against police terror, use of gangsters against the injunctions and injunction judges and the strike breaking city officials. We must remember some very bad incidents in which the contrary policies were adopted—for example the sending of a delegation to Washington in the Passaic strike, to demand an investigation (!) by the United States Senate of the conditions in the textile industry. The terror of the government and the social-fascists are an inevitable part of every struggle. The fight against the employers is a fight against the government and the social-fascists. It is one front of battle. The slogan of the mass political strike must be increasingly agitated in the present struggle. The slogan of the strike on International Red

Day met with resistance of large sections of the Party. It was applied only in New York City and even here with insufficient vigour. The political strike was put forward in the Gastonia struggle at the time of the shooting of Ella Wiggins, but met with no response from the workers, chiefly because of insufficient preliminary agitation, lack of organisation in the factories and weak Party organisation. The Party has correctly put forward the slogan of political strikes in the recent severe battle against fascist terror, but it is necessary to learn the experiences in the use of this weapon internationally as well as in our own struggle, to make these known to the Party in order to achieve a greater application and success of this powerful weapon.

**T**HE necessity for carrying through demonstrations and strikes under conditions of terror by the police, raises the question of the formation of proletarian self-defence organs and of utilising strategy in the organisation of our demonstrations as an urgent and immediate task. The demonstrations against the government authorities have mainly been limited to Communists. Non-Party masses have not been sufficiently drawn into these demonstrations. The organisation of these demonstrations, mass picketing, etc., require systematic preparation, widespread and systematic propaganda and the organisation of defence corps to carry through these mass actions despite the prohibition by the police.

The strike of 5,000 agricultural workers in Imperial Valley, California, shows that we can no longer afford to allow the agrarian work to remain at the present low level. The chronic agrarian crisis, the rationalisation efforts of the Hoover government to agriculture, the pauperisation of large strata of the poor farmers, the unbearable exploitation of the Southern Negro farmers calls for an aggressive push forward in our agrarian work, the establishment of a programme which concentrates upon the organisation of the agricultural masses and the lowest strata of the farmers which bear the heavy weight of finance capital.

The Negro work, the organisation of the Negro workers through the T.U.U.L., the

penetration of the South and the organisation of the Negro toilers combined with the most intense struggle against white chauvinism, particularly in our own ranks, is a question of the most decisive moment for our Party. The slogan of the right of self-determination of the Negroes has not at all been taken up by the Party. There is opportunistic resistance to this slogan as well as a lack of clarity, both of which must be quickly overcome.

**T**HE building of the Young Communist League into a mass organisation is a task into which the Party must throw its full support. The orientation of the League to mass work, which was emphasised by the recent Plenum of the Y.C.I., must not be left to the efforts of the League alone to achieve. The social-democratic neglect of the youth which has characterised the Party attitude in the past is particularly harmful in the present time since the crisis will lead to more intense exploitation of the young workers and swing them in the direction of the Communist Party and Young Communist League. Likewise the greater wage cuts of the wages of women workers. Rationalisation calls for the strengthening of the workers' apparatus and the organisation of the women in the T.U.U.L. and in the class struggle generally.

The revolt in Haiti against American imperialism, the growing revolutionary situation in Latin-America, presents an urgent task to the Party to give direct and practical assistance in the organisation of these oppressed masses, to establish one front of battle of the American workers with the colonial and semi-colonial masses against American imperialism. The militant demonstrations against the terror of American imperialism in alliance with the counter-revolutionary bourgeoisie of Mexico against the Mexican workers and peasants show that the Party is beginning to undertake this task. But far more must yet be done to draw in the mass of the proletariat in the fight against imperialism.

**T**HE leadership of the struggles of the workers must have as its main end the building up of the Communist Party into a mass Party. The resolution of the Central Committee on the first

results of the Illinois strike correctly points out that this task is not understood by the Party. During the big struggles which the Party led in the past, the miners' struggle, the Passaic textile strike, the needle trades strike, the Party has not been sufficiently in the foreground of the struggles, nor have we by any means built up Party organisation commensurate with our influence. Even in the Gastonia struggle this task was neglected. During the miners' struggle in Pennsylvania, Ohio, there was a conception among some of our leading comrades that the building up of Party units and of the recruiting of Party members might divert from the "main fight." The struggles of the workers cannot be led without firm and strong Party organisation. The building up of auxiliary organisations is no substitute to the building of the Party. The Communist Party must be made known to the masses. The bourgeoisie is helping to popularise the Party in raising the "Red scare" in every strike struggle, but Party members who evade the "Red issue" and who answer attacks of the government that it does not matter what the political colour of the trade union leader is, as was done in reply to the attacks by the fascist agent, Woods, against the leadership of the Shoe Workers' Union is only confusing the masses and injuring the prestige of the Party. Every Party member must join the T.U.U.L. and as far as possible the new unions. But the Communists in the new unions, in the T.U.U.L. must work to build up the Party, to win new members, to secure new readers for our press, to build factory cells, to propagate the aims of the Party among the masses. The idea of political neutrality which affects the work of our leading fractions in the mass organisations must be completely exposed. That the masses are ready to join the Party and follow Communist leadership is shown by the present recruiting drive in which 1,800 new members have been secured in the first month of the campaign. Building the Party, however, means rooting it in the big factories. The chief weakness of our "Daily Worker" to-day is the fact that it has no organised support in the factories. The building of the Party, as the major task of every Party member, means to overcome

the passivity and casual character of the daily work which has characterised the situation in the past. To build the Party it is necessary to prepare for conditions of illegality. For that reason we must penetrate deeply into the factories.

### V

**T**HE crisis has fully exposed the opportunist theories of the right renegades, Lovestone and Co. and the opportunist Trotskyists. Lovestone aimed to cover up the bankruptcy of his theories, with the beginning of the crisis by declaring "that the panic on Wall Street did not come as a result of the decline of American capitalist economy." A comparison of this view with the expressions of Hoover and Mellon—of the soundness of capitalism—will show how deep the bourgeois theories have penetrated the ranks of these renegades.

The Trotskyist opportunists have taken an identically similar view of the crisis. The organ of the Trotskyist Cannon repeats the stupid explanations of the capitalist press when it says "Many employers devoted more time to stock exchange gambling than to business before the crash. Now they are being forced to the wall."

The Lovestone group and Cannon group are preparing the ground for an organisational merger. Mutual amnesty is being declared in regard to the past struggle. Lovestone declares in his counter-revolutionary organ: In the fight against Trotskyism non-Leninist methods were often employed, particularly in the recent phases (against Cannon) while Cannon makes his bid with the remark "that the rank and file of the Lovestone group belong to the 'Leninist opposition.'"

The efforts of the opportunists to win the Party away from the line of the Communist International has been defeated. The Lovestone and Cannon groups make up a small insignificant handful with no influence upon the working class. The struggle against the ideology which they represent cannot however, be lessened. Opportunist ideology has still strong roots in the ranks of the Party and constant exposure of the programme and deeds of these opportunists is a necessary means of educating the Party membership and

strengthening the effectiveness of the Party struggle to win the masses.

**T**HE fight against the right danger—opportunism in practice—is to-day more urgent than ever. This opportunism in practice has shown itself in the present Illinois miners' strike, in the gap between the correct policy adopted by the Central Committee and its execution by some of the local trade union leaders. The old methods of work, unwillingness due to bureaucracy or inability due to a failure to understand the character of the economic struggle are a barrier to the mobilisation of the masses and stand in the way of carrying through the independent leadership of the struggles. Pessimism and scepticism born of craft outlook and from a tendency to surrender to difficulties have no place in the Party. If the Party is to build the new unions, to increase the work in the old unions, to establish the new revolutionary centre and measure up to the tasks of the sharpening class struggle, then it must carry through a renovation of the framework of the mass organisations, the drawing in of new forces who show militancy and revolutionary energy in the fulfilment of the requirements of leadership of the growing struggles.

The Party is carrying on this struggle against opportunism in practice. The crisis demands an increase in the tempo of this fight. It demands a broader and deeper exposure of the weakness and shortcomings through the policy of self-criticism which must draw in the Party members and the widest rank and file masses.

The Address of the Communist International came at a very serious moment. Had the factional struggle, which raged for six years, continued at the present time, the Party would have been unable to achieve its rôle of leader of the impending revolutionary struggles.

The Party is moving forward. The fighting group is growing. A real earnestness and genuineness in joining in the struggles and leading the revolutionary fight is seizing hold of the membership. There is yet much to be done in all directions. But the Party is in the Leninist path. With the maturing of

the crisis and the complete ridding of the opportunist ideology of American exceptionalism, its steps will be bolder and firmer and its advance accelerated toward the winning of the majority of the workers for the revolutionary struggle for power.

# The World Economic Crisis in Imperialism and the Development of the Revolutionary Ferment in the Colonies

G. Safarov

*"Capitalism has developed into a universal system of colonial oppression and the financial strangling by a handful of advanced countries of the gigantic majority of the people of the earth."* (Lenin.)

I

IT is absolutely necessary to apply this truth to the definite situation which is now arising on the ground of the incipient world economic crisis. Without such an application it is impossible to understand the peculiarity of the overproduction of commodities under monopolistic capitalism! it is impossible to understand the dynamics, the conditions of development of the world crisis; it is impossible to estimate aright the revolutionary consequences arising from this. If we allow ourselves to be distracted from this development of capitalism into a universal system of imperialist spoliation, it may appear that the international influence of the American crisis is restricted merely to influence over prices, the discount rate, and foreign trade. Such a "free-trader" viewpoint — and certain Communists have come to that position in considering the American crisis — is clearly incompatible with the present-day situation, and is appropriate only to the lips of the social-democrats, the faithful advocates of bourgeois hegemony. This "viewpoint," if we may call it so, which "forgets" the imperialist nature of capitalism, reveals its sycophantic mongrel character, especially when it is applied to the American crisis. Who does not know that the whole stabilisation philosophy

of social-fascism is entirely based on the exaltation of the magical historical power of the dollar, which "without any effort" is subduing world economy to its "wise" authority? When the Hilferdings and Bauers "forget" the American financial oligarchy it is because they are an ideological detail of that oligarchy. But it would be idiotic to allow such views in the Communist camp. For years now capitalism has been passing through its historic crisis, a crisis continually growing and intensifying owing to the victories of socialism in the U.S.S.R and the unrestrainable revolutionary development of the working class, the peasant masses and the colonial peoples of the whole world. Within the bounds of this slipping down of capitalism into non-existence, "normal" economic crises occur, regularly repeated — crises of overproduction, of unemployment, of falls in prices, of bankruptcies, of ruin to petty bourgeois strata. None the less, the "normal" character of these crises is quite conditional. It is true the normalcy is manifested in the overproduction of commodities, but this very overproduction has grown out of the concentration of capital in the last stage of capitalism. This overproduction is the product of the disparity between purchasing power and production, which is conditioned by the contradictions of the imperialist stage, which in turn include the antagonism between labour and capital, and the antagonism between colonies and the metropolises. The disparity between purchasing power and production of commodities

during the imperialist epoch rests upon specific relations of capitalism, on the hunger level of existence of whole countries, on the inequality of development which has become the dominating feature on a world scale. The extollers of "organised capitalism" have omitted this "detail" from their reckonings. But the matter does not end with the simple pre-conditions of economic crises under imperialism. Those pre-conditions are simultaneously the motive forces of crises, they determine their period, their emergence and disappearance. Modern capitalism carries a permanent crisis in its womb. Its characteristic feature is a hidden chronic overproduction of commodities. Consequently, even the overcoming of a specific economic crisis leads in much less degree than formerly, in the "classic" period, to an elimination of the contradictions which directly engender the crisis. Moreover, as it passes from crisis to crisis capitalism goes from fall to fall, progressively losing the ability to achieve even a temporary reconciliation of all the elements of socialised production. Just because capitalism has developed into a universal system of colonial oppression and exploitation, the world economic crisis raging before our eyes is inevitably transformed into a crisis of imperialism's colonial régime, into a crisis of the imperialist hegemony in the colonies. The hegemony of finance capital in the "leading" countries is based on the cheap colonial raw materials, on the drawing of super-profits from the colonies and semi-colonies by the combination and unification of market action with "extra-economic" pressure. The overproduction of commodities in the "ruling" countries inevitably brings with it an overproduction and depreciation in the price of colonial raw materials, a new expropriation and a new enslavement, by the hands of the landowner, the usurer and the compradore, of the local colonial and semi-colonial peasantry; a swift increase of village over-population, plantation "rationalisation" and a raging unemployment in the few local industrial enterprises, a ruthless "regulation" of local economy in the interests of imperialism, and an intensification of the imperialist pressure on the colonies.

IMPERIALISM will seek its way out of the economic crisis first and foremost along the line of least resistance, i.e., at the cost of the colonies and semi-colonies. This is already occurring in the form of a particularly precipitous fall in the prices of colonial raw materials. But here imperialism is waylaid by its fatal contradiction; it must turn to the colonial bases of its hegemony in order to transfer the consequences of the crisis to the shoulders of the colonial slaves; on the other hand, it is bound to call the colonies to its aid in their capacity as markets for disposal of its goods. With one hand it cuts down the purchasing power of the colonies, with the other it hastens to scatter its unsold commodities over the colonial markets, where competition becomes particularly hard. But the chain of misfortunes does not end there. In times of crisis imperialism struggles with special ardour to conquer the colonial markets. It flees from the catastrophic fall of prices in the metropolises. Nevertheless, in the colonies it becomes necessary, willy nilly, to adapt prices to the indigent pockets of the colonial slaves. Thus the tendency towards a fall in prices is not overcome, but, on the contrary, is strengthened. Hence inevitably arises the struggle on the part of capital to drive the conditions of labour of the workers in the "leading" countries down to the level prevailing in the colonies. Hence the "tendency towards a general lockout of the European proletariat," as once, in his better days, Otto Bauer put it.\*

This cunning mechanism of the world crisis must be understood by the workers of America, Britain, Japan, France, and Germany. It must be understood by the proletariat of all the "leading" countries, in order that they should not overlook the developing revolutionary possibilities, in order that they should not miss the new development of the colonial problem along revolutionary lines. It is already more than a matter of a simple rapprochement between the proletarian

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\* Of course, the "National Problem and Social-Democracy" was the production of a reformist. But many grains of truth were to be found in it, for at that time the Bauers had not taken the fascist annihilation of Marxism and the workers' movement as their task.

struggle and the revolutionary struggle for the liberation of the colonies and semi-colonies. It is a question of fusing the proletarian struggle in the leading countries with the struggle against imperialism in the colonies. Naturally there cannot be any talk of dissolving the proletarian tasks into "all-national" tasks. The workers' and revolutionary movements of the colonies and semi-colonies have already, in general and on the whole, moved so far forward that they are developing under the sign of proletarian hegemony. The proletarian hegemony in the colonial movements will serve as the direct unifying contact between them and the struggle for the proletarian revolution and dictatorship in capitalist countries. In view of the weakness of the colonial and semi-colonial ranks of the proletariat, this direct contact could not develop if the world did not have a country of victorious socialism in the U.S.S.R. The Leninist resolution of the Comintern Second Congress, which boldly developed the revolutionary prospect of a historical struggle on a world scale, fixed attention on the following most important point: "The world political situation has now put the dictatorship of the proletariat on the agenda, and all the events of world policy are now inevitably concentrated around the one central point, namely, the struggle of the world bourgeoisie against the Soviet Russian Republic, which groups around itself inevitably the Soviet movements of the foremost workers of all countries on the one hand, and on the other all the national emancipation movements of the colonies and the oppressed nationalities, who are convinced by bitter experience that there is no salvation for them except through the victory of the Soviet régime over world imperialism."

**T**HE Soviet régime has shown the colonies its new, non-capitalist road of development. It has raised the whole struggle of the masses on to a new historical level, it has given the whole struggle new historical dimensions. This was bound to accelerate and to intensify the process of class disintegration and the process of bringing forward the proletarian organisers of colonial revolution to an enormous extent; whilst at the same time the indubitable victory

of socialist construction in the U.S.S.R., and especially in the National Soviet Republics, was bound gigantically to increase the urge towards our positive achievements.

When individual right-wing opportunists, such as those in the Communist Party of South Africa, talk a great deal about "defending" the Soviet Republic, but do not know how to, nor even want to, link up that defence with the struggle for the emancipation of the slaves of Africa from the oppression of the white slaveowners, they show that they have remained intrinsically alien to the great Leninist teaching.

The world crisis is a general test of all our divisions, all our fighters, from the point of view of their ability to realise the revolutionary organising rôle of the proletariat, from the point of view of their ability to link up and unite under proletarian guidance the struggle in the mines of Illinois and the struggle in Haiti, the struggle in Lancashire and in Bombay, the rising of the peasants in China and the revolutionary struggle against fascism in Europe and America. The world economic crisis is a general test of all the parties on the front of the colonial struggle.

## II.

**W**HEN history drags along at the speed of a handcart, as Lenin liked to put it, then the facts which we read in the columns of our newspapers are not distinguished by any great variety. They would appear to hold one back from broad revolutionary generalisation, and a keen Marxist mind is required to break the spell of the superficial facts.

But now the facts are screaming of the crisis of capitalist stabilisation, and they are not fortuitous, scattered facts, but whole chains of facts, which pour out in a flood against the legend of a crisis-less "organised capitalism." Loudest of all scream the facts of the colonial chronicle. The capitalists simply cannot keep them quiet.

The smash of the motor "prosperity" in America has first and foremost been a blow to rubber. The production of rubber had grown in adaptation to the prosperity. The export from the British Malayan settlements in 1928 was 408,693 tons, in 1929 it reached 577,202

tons. The result was a fickle favourable situation. In order to keep up prices in rubber the British in 1925 introduced restricted production. But as a result the native peasant production grew. Since the interests of the American and British capitalists were in conflict, Britain had to yield so far as rubber was concerned. The present crisis is, of course, hitting first and foremost, not the planter monopolists, but the petty commodity producers, and even the native kulaks in Sumatra. The "China Express and Telegraph" for January 9th profoundly reckons: "It is doubtful whether the native producers are receiving threepence for a pound of unwashed rubber at the present time. . . . As their existence depends mainly on rubber, they are endeavouring to produce as much as possible, and in future there may be an increase of export from the Dutch East Indies." Thus the crisis in the sale of motor tyres is leading directly to a depreciation of the price of the native production of rubber, both in the British and in the Dutch possessions. In Java, where plantation husbandry flourishes, the contraction of rubber production must lead to catastrophic consequences, as thus the local population loses its right to its portion of the price obtained in exchange for forced labour. On the London market at the end of 1927 rubber was 20d. per pound, at the end of December it was 8d., and now it is 7d. It is proposed to reduce production by 10 to 20 per cent. The same Malayan settlements mine tin, about half the world output. British large scale entrepreneurs and Chinese immigrant artisans, who frequently work over the mines abandoned by the capitalists, are engaged in this industry. Nineteen enterprises for tin mining have already been closed down, in accordance with the decision of the "Association of Tin Producers" to restrict production. The reduction of production by one-seventh has been enforced on the Chinese small men also by the monopolists. But that means absolute starvation for them. There is nothing to be done! In 1929 there was an output of 7,000 tons more than in 1928! Let the Indian workers work at the mechanical drags and the Chinese small men starve!

None the less, starvation arises not only from the shortage of Eastern rice, but from its

surplus also. In 1926, 1,597,310 tons of rice, to a value of 2,628,544,193 francs, were exported from Indo-China. In 1927 there was a larger export, of 1,665,355 tons, but less was paid for it: 1,900,754,150 francs. In 1928 the price of rice fell by a further 10 per cent., and the export of rice increased at a record rate. 1929-30 sees a world agricultural crisis, and . . . need one say more? \*Indo-China illustrates how the simplest act of sale-purchase in the colonies is transformed into the expropriation of the petty commodity producer, who is deprived of the possibility of reproduction, and usually also of his land. The export of foodstuffs from the colonies by no means signifies that they are suffering from a surplus of that produce. India is an eloquent example, for in 1928-29 over half a million tons of wheat were imported, as well as 125,000 tons of rice, at the same time as rice from Burma could not find a market owing to the competition of Indo-China and India.\*\*

"The overproduction of the lower qualities of tea has reduced prices to the lowest level for a number of years. At the same time the tea stocks have reached enormous dimensions. In order to get out of the depression endeavours are being made to take measures to restrict production in the coming year."† That constitutes a further loss of the means of subsistence of hundreds of thousands of workers in the plantations in Burma and Ceylon, where the workers are preponderantly contracted labourers from the impoverished south of India.

OF course, "King-Cotton" should rightly occupy the first place in our review. It is in the first place the raw material of one of the basic, key branches of world capitalistic industry, with a chronic crisis which has become part of its existence. Secondly, it is the raw material of those colonial and semi-colonial manufactures of Bombay, Shanghai, and other Eastern industrial centres, which enter into harsh competition

\* "L'Asie Française" for January 10th, 1930. The Indo-Chinese piaster has fallen from 10.30 on December 14th to 9.90 on January 5th 1930.

\*\* "Capital," December 19th, 1929.

† "China Express," January 8th, 1930.

with Lancashire and with Japan. Thirdly, it is a peasant colonial raw material—its production is very closely connected with the feudal and merchant-usurious exploitation of the peasant masses. At the end of 1927 the American average cotton was 11.06 pence per pound, at the end of 1929 it was 9.42 pence. But the peasants never receive the real prices. Seventy per cent. of the cotton-producing peasants of India become indebted to the usurer and landowner in order to sow cotton. The same situation obtains in Egypt. The world crisis is inflicting ruthless blows on cotton. In Egypt the exchange has suffered a very real crash. From 1923 to 1928, according to the "Times of India," the Bombay cotton manufacturers were working at a loss, to the extent of 8,625,000 pounds sterling. Their number was reduced from 81 to 73. Japan, working with Indian raw cotton, is competing with the local industry. During 1929 Japan doubled the import of its cotton goods into India. Consequently, the crisis in cotton becomes an agrarian crisis, interwoven with a crisis in the whole agrarian system of India, Egypt, China, and so on. Together with this, the crisis in the cotton industry is spurring on its "rationalisation" on a barbarous usurious basis, with workers' wages at 20 rupees per month.

**J**APAN is playing a special rôle in the economy of the colonial East. The cheapness of its factory production, based on the impoverished level of the working-class existence, is resolutely thrusting out the young industry of the colonies, evoking intensified pressure on the part of the Bombay, Shanghai, and other manufacturers on the workers. By the hands of its enslaved peasants imperialist Japan is producing up to 65 per cent. of the world production of raw silk. That is a special form of feudal tribute to the "needs" of capitalism, the Japanese serf-owners' "contribution" to the capitalistic turnover of Japan. Thirty-seven per cent. of the total peasant economy of Japan—2,060,000 undertakings — are occupied in silk production. Out of the value of the raw silk from a quarter to a third goes to payment of rent. Silk production is 40 to 45 per cent. of

Japanese export.\* Japanese capitalism has for long begun to feel the approach of a crisis. The crisis in the U.S.A., in a country preponderantly purchasing Japanese silk, has led to a general "lack of demand," passing into a crisis. The crisis in raw silk is one of the component parts of the crisis in Japanese imperialism. And that crisis incites Japan into a new attack on the colonial markets and the colonies. Japanese competition is all the more dangerous to the colonies and semi-colonies, since it is the competition not of expensive factory manufactures, but of cheap goods adjusted to the colonial demand.

Rubber, tin, rice, tea, cotton, jute, raw silk . . . The list of sick colonial "cream industries" could be greatly extended. But it is not our intention to play with columns of figures, to divert ourselves with statistical compilations. Let the Haikwang tael speak. It has fallen lower than it has been at any time for more than a hundred years. "The first results of the continuing fall in silver are evident. All the foreign loans and contribution payments have hitherto been completely covered by receipts from the Chinese ocean tariffs, but, owing to the unfavourable turn of events, these payments have exceeded receipts by 7,947,000 Haikwang taels by comparison with 1928. In Shanghai, where enormous reserves of silver have accumulated, the sharp fall in the currency exchange rate has led to a so-called tael crisis, and the banks resorted to preventive measures and refused to sell foreign currencies for silver unless each operation was separately fully covered." In a word, the famous Chinese silver money, which has served world imperialism for so long, assisting in the monstrous plucking of the masses of people, is sick unto death. In this connection the Chiang-Kai-Shek's Minister for Speculation, Sung-Fo, has talked of great plans for railroads, for the construction of 10,000 miles of track, at a cost of 1,214,000 dollars. But his invitations have already received the cold shoulder from the Morgan bank, through Thomas Lamont. "If China," he has stated, "really intends to unite, to become a strong and powerful nation, grown from a brilliant race, surely there must be a

\* The U.S.S.R. Trade Representation in Japan. "Economic Survey," No. 5, May, 1929.

great development of road construction, and possibly of railway construction?" To make it quite clear, Lamont added: "At the present time all friends of China must realise that China's international credit is at a very low level, and so long as the Chinese Government does not take the necessary measures for its restoration it will not be able to conclude any loans for the alleviation of the situation, either on the New York market or, I hope, on the markets of Europe."\*

Let the tael pay for the "unexpected" crash of the "invincible" dollar!

**T**URKEY, which won national independence owing to the determination of the Anatolian peasants, also quite recently was forced to realise how unstable is the economic foundation of that independence, when any intervention of the exchange can make the speculators complete masters of the situation. "The Turkish Nation," wrote "L'Economiste d'Orient" for December 25th last, "has during these days lived through one of the most anxious weeks of its economic life." For every English pound sterling 1,070 piasters had to be paid. "People with ten lira savings turned them into foreign securities," Ismet-Pasha explained. "This tendency took possession of houseowners, landowners, the small traders; in a word, all the classes of the population." But whence arose this disaster? It arose owing to the circumstance that the conquests of the national revolution were being treated by the representatives of the Turkish bourgeoisie as sources of capitalist pressure and speculation. It arose because the governing Kemalists had done everything they could to suppress the independent movement of the workers and peasantry, in order to leave inviolate the power of the landowners, etc., in a number of important areas. The Kemalist bourgeoisie counted on consolidating the national Turkish State by a series of zigzags from rapprochement with the Soviet Union to a "fusion" with the system of imperialist States. This policy has suffered the most obvious bankruptcy, but so far only the Turkish workers and peasants are paying for it, and not those

"houseowners and landowners" who wanted to speculate with foreign currencies at others' expense. The shadow of the Chinese tael has fallen over the Turkish lira! It is a lesson and a warning.

### III

**T**HE world economic crisis is passing into a crisis of colonial economy. Not only is a world industrial crisis developing, but also a world agricultural crisis, conditioned by the new and decisive victories of the capitalist tractor and combine reaper, the "capitalist exploitation of the soil," over the petty agricultural production. It is not sufficient to say that the colonies and countries with great vestiges of feudalism have ceased to be world suppliers of grain, meat, and so on. We have further to estimate the consequences of this from the aspect of the world division of labour and the capitalist development of productive forces. Exclusion from the world grain market must hinder the development of agriculture in those countries, must impose a partial degradation. This degradation finds a social-economic expression in the retention of all possible vestiges of feudal-serfdom dependence and in a hypertrophied development of usury. The colonial and semi-colonial countries are being more and more included in the world capitalist economy through rubber, cotton, jute, etc., through various forms of technical raw materials, first and foremost, and then through the exotic products of local production, climatically standardised. In order to ensure a development of grain economy on the basis of a higher technique it is necessary first to have a local internal market, which shall stimulate development by its demand, secondly, a corresponding development of local industry and transport, thirdly, that agriculture should not dominate production, that "agriculture should cease to express a relationship of domination over production, and, consequently, over society." (Marx. "Theories of Surplus Value," vol. 3, p. 311 —no English ed.) In the colonies the adaptation of agriculture to land economy, the "cleansing of the land" in application to capitalist needs, goes on only in the interests of "great power" capitalism, in the interests of imperialism. This is the course taken in

\* "Japan Times," December 22nd, 1929.

the inculcation and development of the "leading" commercial agricultural cultures. "The root of land conflicts," says McPhee in his book, "The Economic Revolution in British West Africa" (1926, pp. 140-141) "lies in the clash of advanced civilisation with comparatively inexperienced peoples, which, as in India, are subjected to the danger of losing their land with the penetration of commercial and currency economy owing to the machinations of the concessionaries and usurers." And immediately after McPhee reveals who it is that stands behind these spoliators. "In Northern Nigeria the Government alienates the land from the natives, compensating them by equivalent (!) parcelations, and hands it over to merchants on suitable conditions, including the rent among its ordinary receipts. In Southern Nigeria the government takes the necessary lands from the natives, acting as middleman, and hands them over on suitable terms, paying the rent to the native elders, who distribute it arbitrarily. In Ashantee the land afterwards rented out comes in the category of crown lands, and is declared to be annexed" (ibid). The descendants of David Ricardo, who rejected the monopoly of landed property in the interests of capitalism, not only regard it as their inalienable right to expropriate the land. Even where they want to give this expropriation a bourgeois-legal ground, they assume that there can be no differential rent, based on the source of income, for the natives! When British capitalists demand a large quantity of cocoa, copra, or palm oil, their word is law. The Negroes have to go short in the name of the great speculating interests. In Kenya "at the present time," Buell observes, "the average European farmer occupies 500 acres, whilst the average native farmer has eight acres. He justifies this inequality by the argument that he, the European, exploits his land, whereas the native does not. But the statistics show that only 9 per cent. of the land occupied by Europeans is under cultivation at the present time in Kenya. The colonists and a number of representatives of the administration assume that if the native does not exploit his land as he ought it should be

taken from him and handed over to the whites. But with the over-population of the reserved lands, and communal land ownership, it is very difficult for the native to introduce agricultural improvements, owing to the strip system and the absence of fences against his neighbour's cattle." ("The Native Problem in Africa," N.Y., 1928, p. 327.) In order to to guarantee their position as monopolists of the affection of the King of Britain the European colonisers have finished the job by prohibiting natives to engage in the production of coffee. But British Africa is not in any exceptional position. "For the Arabs the characteristic feature of the present situation," stated the French sub-prefect of Orleansville, "consists in the unbroken decline of the once solvent classes to the very lowest level, and finally to the level of the proletariat. In Algeria the finest lands are situated in the valleys, and they are all occupied by Europeans. The natives are left only the deserts and mountains." (Ch. Rivière et H. Lug, "Cultures du Midi, de l'Algérie, de la Tunisie et du Maroc," Paris, 1924, p. 64.) The land robbery in Indo-China, in which the socialist governor, Varennes, has succeeded in distinguishing himself, has become a byword. The transition from patriarchal natural economy to commercial agriculture in the colonies and semi-colonies is going on on the basis of their imperialistic exploitation and with the aid of the colonial régime. In relation to Indian agricultural economy British industry plays the rôle of leading element only in an antagonistic sense: the growth of the "commercial" cultures is balanced by a monstrous pauperisation, by a growth of usury and the retention of the most incredible forms of personal dependence, which are economically long out of date. The "leading" cultures are increasingly ingrafted in the form of the plantation system, with contract semi-compulsory labour. Such, for instance, is the production of palm oil over 100,000 acres in Sumatra. Not only are the palms for the production of the oil transplanted there, but contracted labour is also imported from distant regions. (See Ormsby-Gore's report on his journey, issued in 1928.)

**A**T the recent international cotton congress at Barcelona, a textile director from Manchester, one William Howarth, strongly insisted that the already hunger ration of the Egyptian fellahin must be further reduced. "Labour costs in Egypt are no lower than in competing countries, but owing to fertility and to the arduous work of the Egyptian farmer they are lower in Egypt than in the U.S.A. Provided the Egyptian producer decides at least not only to maintain his position, but to increase his production, other costs can be reduced together with labour costs. . . . The opening of Upper Egypt (to cotton cultivation) in those sections which recently seemed unsuitable for cotton, must cheapen production." ("Japan Times" for December 22nd last.) Howarth gave it to be understood that the peasant of Egypt was by no means "irreplacable," that if necessary he can be transformed into a contracted worker.

The work we have already cited by McPhee quite simply explains in which cases the "civilisers" work through the native machinery of exploitation, and in which cases they drive the natives directly off the land, preferring the plantation system: "In Eastern Africa the plantation system, worked by native hired labourers under the supervision of Europeans, was adopted from the very beginning and worked well. In West Africa at first a similar policy was followed, but it swiftly failed owing to local conditions. In contradistinction to East Africa, there are no free lands which could be legally (!) handed over to the British Cotton Association; nor were there natives ready to work for wages (they were not yet despoiled); finally, the costs for European overseers in West Africa are very high owing to climatic conditions, and the need for frequent vacations, which are necessary to keep the staffs in a fit condition to work. The Association gave up the plantation policy in West Africa and adopted a programme of complete co-operation with the native cotton growers." (Ibid, p. 46.)

McPhee cites the example of the success of cocoa production with especial enthusiasm. "Although only recently taken up, this sphere has developed phenomenally. What is

worthy of astonishment is that cocoa is a recent introduction into West Africa, and nevertheless the ultra-conservative native has abandoned his century-old cultivations as though there was nothing else left for him to do. A second astonishing peculiarity is that this is a purely commercial cultivation, there is no internal demand for cocoa, the producer of cocoa more vitally depends on the world market than the Lancashire weaver." (Ibid, p. 41.)

None the less this dependence on the world market situation has its own consequences—revolutionary consequences. Prosperity had hardly succeeded in exhausting itself when a real rising of women broke out in South-East Nigeria. "The root cause of the revolt," in the words of the "British Weekly," the "West Africa," "is the poll tax extracted by the Government from all men over fifteen years, and the low market prices for produce at the present time." The outburst occurred because the local elders extended the tax to women also. Ten thousand women organised a remarkable march to the district centre, Aba, and there effected the breakup of all the Governmental institutions, set free the prisoners, etc. When the European colonists endeavoured to subdue them the men joined in. "West Africa" ruefully recalls that in this African backwoods the negroes were quiet for ten years on end. (See "West Africa" for January 11th last.)

Altogether Africa is more and more becoming an insurgent continent. In South Africa, where the Boer farmers and the British capitalists jointly govern the outlawed negroes, the movement of the black slaves is progressively growing, and it will grow still more at a vigorous rate in the periods immediately ahead, inasmuch as the South African slave-owners will save themselves from an industrial and agricultural crisis by a still more frenzied expropriation of the lands of the native population, by a still more barbarous fastening of the labour power of the negroes to the white farms and the mines of the white capitalists.

The crisis in imperialist hegemony in black Africa is a newly-opening page in the historical progress of the colonial revolution.

THE introduction of the market division of labour and the development of commercial cultivation in the colonies and semi-colonies is indissolubly bound up with their imperialist enslavement. In its exploitation of the backwardness of the colonies and semi-colonies for its own interests imperialism maintains and supports the pre-capitalist forms of exploitation, uniting and interconnecting them with its own extra-economic pressure, with land spoliation, the plantation system, enforced labour and so on. The introduction of the market division of labour into agriculture inevitably brings with it a severance of the worker-producer from the means of production. The monopoly of land ownership dams and deforms that process, hindering the adaptation of land ownership to land economy, and stimulating the development of land usury and usury generally. Imperialism's colonial monopoly "fastens" the colonial and semi-colonial peasantry to the instruments of their exploitation, to the means of working up the technical and "exotic" raw materials, (1) either by their direct expropriation and transformation into semi-compulsory labourers on the plantations, or by subjugating them to the power of the market with the aid of the landowner, the usurer, and taxation. Even on the plantations the local peasant does not become a wage worker, for here also "landownership," taking the form of a monopolisation of property in land by imperialism, dominates production. The negro worker in Africa has no freedom of movement in even the most literal sense of the words! The undoubted advocate of British imperialism, Saprez, shows that Indian agriculture "struggles to become one of the forms of capitalist activity on the lines of industry, with emphasis on the reduction of the costs of production and maximum profit. This "industrialisation" of cultivation (2) is only in the incipient stage, although the production of tea and coffee has already been placed on business bases. None the less, whilst on the one hand the increase of export and the extension of the internal market lead to a "commercialisation" of cultivation, (3)

(1) More rarely to production of wheat, rice, etc.; (2) the production of raw materials on a capitalist basis in India; (3) production for the market; (4) "Economics of Agricultural Pro-

and in rare instances to their industrialisation, on the other hand the indispensable progress in this direction is held up by the pressure of the population on the land, which is a direct consequence of the stagnation in the local spheres of industry. This pressure gives extreme form to all the negative sides of the sub-division and break-up of the land holdings and the indebtedness of the land workers." (4) One very interesting feature of the decolonisation theory is that it has completely overlooked the character of the colonial agrarian revolution. In India a series of strata of parasites sit on the backs of the peasantry: not only the landowner, but the man who rents in order to rent out, and even the sub-renter.

THE parcellisation, and even the disintegration of land exploitation, is the consequence of the growing lack of correspondence between the growth of commercial agriculture and the specific conditions of the colonial régime. The confiscation of all lands, which serve an instrument of parasitic exploitation of the local population by the landowners, usurers, imperialist bureaucrats, and entrepreneurs; the redistribution of the land by the revolutionary masses; the nationalisation of the land and waterways by the revolutionary authority of the colonial workers and peasants, these are slogans which are now becoming an integral part of the present situation. The consequence of the world industrial and agricultural crisis, the struggle for land, is becoming a highly important next phase in the colonial revolution. The breaking of the colonial régime demands the ruthless breaking of the colonial agrarian system. Just because of this "commercialisation" an "industrialisation" of agriculture\* in colonial and semi-colonial countries, the colonial revolution, in direct connection with the lessons of the Chinese revolution and the revolutionary movement in India†, is growing, and can only grow in the struggle against the local landowner, the gentry, the usurer, the imperialist planter, the tax collector, and the extra-territorial despoiler generally. The sheep only

gress," 1926, page 24.

\* In Sapres' sense, and not in the sense of mechanisation.

† Of the alliance between the Indian National Congress and the landowners.

figuratively ate the peasants in Britain, ate them as a class. Rubber, cotton, the South African prize cattle, the cocoa of Western Africa, tea, jute, etc., are almost literally eating the colonial and semi-colonial peasantry, fastening on them chains which frequently deprive them of the elementary possibility of existence.

## IV

THE advocates of the theory of decolonisation have tried to show that the export of capital is "industrialising" the colonies and rendering the imperialist hegemony superfluous. They did not stop to consider why capital is exported to the colonies and semi-colonies.

But meantime the statistics for the emission of capital in Britain explain the elementary basis of the export of capital.\*

In Million Pounds Sterling.

	Total	Brit. gov- ernment	Foreign & co- lonial govts.	Brit. colonial and foreign corporations.	Foreign railways	Mines, finan- ces & explora- tion work	Rubber & Oil	Balance (mainly home industry).
1923	271.4	77.7	95.8	4.8	5.4	15.5	7.7	64.5
1924	209.3	13.7	90.6	18.8	1.	12.7	2.3	70.2
1925	232.2	45.6	30.7	25.3	3.8	18.	19.1	89.7
1926	230.7	4.7	54.6	49.2	8.2	26.9	6.2	80.9
1927	355.1	66.	67.5	37.9	5.4	33.2	11.	134.1
1928	309.	83.8	56.1	26.4	3.1	49.7	8.7	141.2
1929	285.2	65.4	30.	12.1	7.8	41.5	6.4	122

\* "Economist," December 28th, 1929.

The above table shows that the lion's share belongs to Government loans. Usury is the most important object of the export of capital. Without it they cannot lay their hands on the semi-colonial Government machinery. It more than anything else guarantees the monopoly. Then come railways, mines, rubber and oil. The raw material "deviation" of this type of capital export is not open to the least doubt. The same table reveals the increasing impotence of British imperialism. Colonial loans placed in London have progressively decreased of recent years, falling below the pre-war level. In 1913 they amounted to 76.1 million pounds; in 1927 to 99.8 millions; 1928 to 63.2 millions; 1929 to 61 millions.

THE contemptible social-democratic theory of decolonisation, which had its worthy exponent in the renegade Roy, represents a rejection of the Leninist teaching on imperi-

alism from the aspect of the fundamental definition of imperialism. Imperialism allows the development of productive forces of the colonies and semi-colonies, and itself develops those productive forces, only to the extent that it strives to assure its monopolistic possession of the corresponding sources of raw materials and their exploitation in accordance with the demands and conditions of the market.\* Such, for instance, is the connection between cotton and the laying down of railways in Africa. In the absence of waterways it is inconvenient to transport cotton except over railways. The defence of its monopolistic position in the obtaining of colonial raw materials and the extraction of super-profit presupposes military and strategical defence, the safeguarding of communication lines, key positions, ports, etc. On the other hand the development of the productive forces of the colonies and semi-colonies finds loop-holes through the competition of the imperialists among themselves, a competition which at times undermines the monopoly, giving changing inter-relations of forces and a changing market situation. It was essentially the preoccupation of world imperialism with the world slaughter that first allowed any considerable industrial development in the majority of the colonies and semi-colonies, and particularly in textile industry. Bombay, the chief proletarian centre of India, got on to its feet owing to the war. It is not an exception, but a rule that the colonies and semi-colonies "break through" into an "independent"† industrial development only where and when some circumstance or other breaks down the monopoly. For instance, the 1928 situation in the Chinese textile industry, accepted by certain comrades as a "stabilisation" of capitalist China. "The movement towards the anti-Japanese boycott, following on the Shanghai incident of May 3rd, 1928, had deep and considerable influence on the conditions of sale of cotton yarn in Shanghai," writes the "Chinese Economic Journal." Since May 21st the Chinese merchants have bought very little Japanese cotton if they have purchased any at all, and the Chinese manufacturers have had the market completely at their disposition.

\* Which presupposes a definite level of technical progress also.

† Shortlived.

THE disappearance of Japanese cotton from the market, together with the low prices for raw cotton\* has created a highly favourable situation for Chinese textile factories, which during the past twelve months (probably all without exception) have made great profits. It is expected that profits have risen to ten to thirty taels per bale. The sudden demand for Chinese cotton set up by the boycott movement has forced many Chinese enterprises to undertake the task of extending production. Out of the total of 1,865,000 spindles only 800,000 belong to Chinese enterprises—a number quite inadequate to deal with the demand. There being no possibility of their setting up new spindles within any brief period, many enterprises have resorted to renting the enterprises at a standstill in the country with a view to increasing production. Certain larger firms, such as Wing On and Cheng-Sing have even bought foreign mills. It is doubtful whether Chinese textile industry has ever received a bigger impetus to development than that given by the boycott movement of last year. Chinese cotton was further protected by a 20 per cent. tax in favour of the “patriotic fund,” which the boycott organisations levied on the Chinese merchants who had already bought Japanese cotton. . . . Chinese cotton suddenly jumped from 20.7 taels to 24.5 taels per bale, whilst the price of raw cotton remained at the same level, and even fell somewhat, as for example in Shensi, owing to Japanese firms ceasing to buy cotton.”† The Chinese bourgeois-landowner counter-revolution has exploited the transient success on the anti-Japanese front against the peasantry. Even the mutilated industrial development created by the favourable confluence of market circumstances brings with it the clear imprint of specific colonial conditions: the exploitation of the supplier of raw materials with the aid of feudal usury methods and imperialist privileges. But why be surprised at the Chinese capitalists, when the Indian capitalists, who have not yet drunk the blood of the workers and peasantry, complain of British imperialism because they, the Bombay manufactur-

ers, ‘ have been unable (!) to exploit the cheapness of cotton on the market, and the cheap cotton has gone to Japan and Italy.’ (“Capital,” 28.11.29.) The colonial and semi-colonial bourgeoisie—not only the professional comprador but the industrial groups also—are bound up with the landlord-usurer exploitation of the peasant masses and also with imperialism by a number of threads.

THIS connection grows and is revealed the more as the class struggle takes on a more acute form—the class struggle in the textile mills of Bombay and Shanghai, the class struggle between the proletariat and the bourgeoisie for the hegemony in the movement of the people and peasant masses, and first and foremost in the struggle against imperialism and all its pre-capitalist and capitalist buttresses in the colonial world. The colonial and semi-colonial industry is the product of the inequality in the development of capitalism to a much greater extent than is the industry of any capitalistically developed countries. Up to a point it can be said that it has developed in the pores, the chinks and clefts of imperialism. We know that in China in 1909-13 20. . . per cent. of the total quantity of cotton went to factory manufacture and 79.8 per cent. into domestic production. In 1926 the relationships had changed: 83 per cent. went to the factories, and 17 per cent. to domestic industry. (Wirtschaftsdienst, 19th April, 1929.) The factories have beaten domestic industry, but we have already seen that not even half of the spindles in Shanghai belong to Chinese capital. Through its semi-colonial situation it is in a worse condition than Indian capital in Bombay. But the problem of the internal market both in Shanghai and in Bombay is equally fatal to the national bourgeoisie. The same town of Bombay is suffering not only from the competition of Lancashire and Japan, but also from the rivalry of its own home “rear.” The following table shows this:

	Production of Cotton Material in Yards During April and May.*		
	1927.	1928.	1929.
Bombay .....	309,773,359	178,930,026	246,889,012
Madras .....	10,538,992	10,246,626	9,808,580
Bengal .....	5,415,518	5,628,972	9,559,623
United Provinces ....	13,952,334	14,920,142	17,318,719

\* Here is manifested the part played by the victory of the landowners and bourgeoisie over the peasant revolution.

† March, 1929.

	1927.	1928.	1929.
Ajmer .....	2,063,008	1,883,908	2,360,885
Punjab .....	1,000,722	543,710	736,440
Delhi .....	4,617,370	6,366,748	8,746,273
Central Provinces and Berar .....	10,645,737	10,809,784	13,311,830
Independent States .....	33,093,292	37,591,737	47,754,016

\* "Indian Textile Journal," October, 1929.

The Indian textile industry was at one time successfully competing on the Chinese market, thus, it is to the point to note, being opposed to Chinese industrial development. But during the last decade it has been driven out of China, through preponderantly Japanese competition.

IT is interesting to note the growth of the textile production in the "Independent States." These bases of a more "untouched" feudal serfdom and lawlessness are resorted to by textile capital in its flight from the "Girni Kamgar" strikes and. . . Japanese competition. But it is not greatly troubled by the new movements even within the bounds of British India: The average child mortality in Bombay during 1918-22 was 572 per thousand births; in the more "patriarchal" Punjab the number of accidents rose from 701 in 1927 to 1919 in 1929. The import of Japanese piece goods into India in January to August, 1928, was 176,650,840 yards; in the same period of 1929 it reached the figure of 334,595,433 yards. "In face of such facts" the Indian "Capital"\* wrings its hands (Supplement, 19th Dec., 1929) "It is simply impossible to understand the position of those so-called workers' leaders who all the past year have resisted the introduction of quite expedient measures in the Bombay factories in the interests of raising the productivity and of lowering the costs of production. The chief argument which they attempted to adduce against raising productivity was that it would lead to unemployment.† However, it would be pertinent to observe that the further penetration of Japanese goods into India to the same extent as that obtaining at present will lead to greater unemployment in consequence of transferring to short time and the closing of factories."

\* The journal of Indian capital, with a very adequate name.

† According to official admission, 10,000 are on the streets, not including those who have returned to the villages.

The national bourgeoisie is endeavouring to rationalise its "native" industry within the framework of the colonial régime at the cost of a still more bestial exploitation of labour power with the old beggarly colonial payment of labour, forcing the worker, together with the peasant, to become the usurer's debtor, with no hope of ever paying him. The Bombay strikes of 1928-29 which heralded the historical birth of a revolutionary proletariat in India, were evoked by the rationalising pressure of national capital. The Indian capitalists are making no secret of their policy. The Indian Bombay Chamber of Commerce declared in a memorandum to the Whitley commission that they would not withdraw from the position of a ten-hour day and unrestricted overtime. "India at the present time cannot allow herself the luxury of reduced hours." ("Bombay Chronicle," 3rd Dec., 1929.) These same kindly gentlemen, for whom the Indian National Congress plays a marionette show, have set themselves the task of employing a larger part of the woman proletariat. They want to follow the example of Japan, where 50 per cent. of the workers in the finishing industries are women, not one of whom receives more than 23½ yen. The Association of Bombay shareholders has supplemented the demands of the Chamber of Commerce by asking MacDonald's ambassador Whitley to introduce the strictest prohibition of worker pickets.

It is to the highest degree indicative that the young Nehru when speaking at the All-Indian T.U. Congress endeavoured to contrast the heroic strike of the Bombay textile workers with that in Golmura directed against British employers. Young Nehru emphasised that "Even the National Congress, despite all its traditions, supported it." Thus he endeavoured to draw the benevolent conclusion that "Labour must try to win the Nationalists to the acceptance of a wider ideal." ("Liberty," 1st Dec., 1929.)

No wonder that the grimaces and caperings of this Indian follower of Kerensky evoked an indignant response even from the petty bourgeois student youth: "Isn't the Lahore Congress proposing that we should make use of Swadeshi, Sassoon, and Birl?" ("Young Liberator," Nov., 1929.)

The influence of capital over the Indian National Congress is so evident that it is no longer possible to fool the masses with the Tolstoyan treachery of Mahatma Gandhi, or even by the mouthings of the "left-wing" Pundit Javakharlal Nehru, with his overtures to Communism, and phillippics against the "labour imperialism" of the Second International.

**T**HE Swadeshi of 1919—the hand-woven goods campaign — could be a banner of struggle—or rather a petty bourgeois illusion in the course of a struggle, ten years ago, when the class struggle in India was still at its youthful stage. During these ten years it has been removed from practical politics by the course of economic development and the class struggle. The Swadeshi of Indian capital, the Swadeshi of the manufacturers, Sassoon and Birl, is a factory production, and, furthermore, on the ground of the struggle for the capitalist rationalisation of colonial bases it has come into close co-operation with British imperialism. A national-democratic revolution is the next step in India, but that is a revolution of our epoch. Its very development is impressed with the indelible stamp of the struggle between proletariat and bourgeoisie. The bourgeoisie is striving to "rationalise" the conditions of the colonial régime, to find its place in the imperialist "division of labour." The proletariat is striving to throw off the colonial oppression and to clear a place for its class struggle, to lay down a road for its revolutionary hegemony.

The development of industrial conflicts in India presents an extremely instructive picture : \*

	No. of conflicts.	No. of workers involved.	Working days lost.
1928.			
November .....	23	37,414	156,855
December .....	44	73,681	364,875
1929.			
January .....	16	20,890	134,018
February... ..	6	4,335	39,780
March .....	10	29,728	363,690
April .....	12	126,570	595,742
May .....	11	130,222	2,342,100
June .....	9	127,892	1,768,382
July .....	12	127,181	1,532,363
August .....	7	125,218	1,092,729
September .....	7	125,777	4,311,900
October .....	7	349,100	1,666,500

\* "Labour Gazette," November, 1929.

These figures unmask the lies of the capitalists in regard to the breaking of the Bombay strike owing to the disorganised state of the masses. Nehru tried to speculate on this lie even at the Trade Union Congress. Secondly, they show that the workers are carrying on a struggle against capital along a solid mass front. Thirdly, they witness to the self-sacrificing rôle of the Bombay workers, as pioneers and organisers of the revolutionary rise. The dynamics of growth of the trade unions in the Bombay Presidency show that the revolutionary rise is going step by step with the growth in activity of the working class. In March, 1923, the total membership of all the trade unions was 48,669; in March, 1926, it was 59,544; in March, 1927, it was 75,602; in March, 1928, 95,321; In December, 1928, 198,072; In March, 1929 (before the strike), 200,325; in June, 190,186; in September, 193,335. (Ibid.) The movement is going ahead with flying leaps, although, of course, organisation in trade unions is not an exact indicator on revolutionary progress.

**S**UCH a strike movement in face of such an intensification of competition on the market was bound inevitably to lead to an opposition of the proletarian methods of struggle and mobilisation of the masses to the bourgeois methods of half-open bloc with imperialism for damming the rise of the revolutionary wave, for averting the revolutionary "danger" threatening the "united national front." The revolutionary rise is threatening to ruin the competitive power of the Indian bourgeoisie and in particular the rationalisation of the national industry. It will become still more dangerous from the aspect of the interests of the national bourgeoisie in the conditions of a growing world economic crisis. The British imperialists see clearly this economic source of the peaceable proclivities of Gandhi, old and young Nehru, etc., in regard to the British rule in India. This explains the inspired remarks on Gandhi in the "Economist." "Naturally the viceroy flattered himself with the hope that Mr. Gandhi would use his great influence in order to help India along the road of peaceful progress and political self-development. Mr. Gandhi's refusal to play that rôle may make the task more diffi-

cult and protracted; but there is compensation in the fact that his presence among the irreconcilables may save India from the more serious disturbances which would occur if the fate of the opposition movement were to be in other hands." (4th Jan., 1930.) During 1928-29 alone the British share in Indian imports fell by three per cent., of which two per cent. went to Australia and one per cent. to Java. ("Economist," 18th Jan., 1930.) Of course this provides no justification for "decolonisation" conclusions; on the contrary, in these very circumstances British imperialism can least of all show any desire to give up its privileges inherited from the East Indian Company. But this will stimulate an even more sensitive attitude towards the counter-revolutionary tendencies of the Indian bourgeoisie. "The united national front" of Indian labour and capital against Japanese competition is to the British highly preferable to a proletarian hegemony in a revolutionary struggle for the emancipation of India. The colonial East is arriving at a new revolutionary rise after passing through a phase of capitalist stabilisation, through the Chinese revolution, through American prosperity and its smash.

**T**HE coming of a national bourgeois Wafdist government to power in Egypt, and the first steps of that government, are also an important indication and may render service in the determination of the direction of development of the colonial and semi-colonial bourgeoisie. The "Near East," a police-literary emissary of British imperialism, satisfiedly reports to headquarters that the Wafdists no longer depend on the hot-heads, on the higher school and university students. One prominent member of the Wafd in Paris has announced that the immediate task is a friendly agreement with Britain. (16th January, 1930.) The Egyptian bourgeoisie are trying to find their own snug little corner in the imperialist division of labour, they are seeking their loophole and are by no means steering a course for the agitation of the masses under the influence of the economic crisis. It is impossible to sever their existence from Egyptian landlordism, and they are occupied with taking their part in the "rationalisation" of the fel-

lahs called for by the textile spinners of Lancashire.

"The imperialist epoch," wrote Lenin, "abolishes neither the tendency towards political independence, nor the possibility of realising these tendencies within the limits of the world imperialist relationships." The modern course of the colonial and semi-colonial bourgeoisie is in the overwhelming majority of countries more and more clearly and unequivocally tending towards seeking for itself an "independent" place within the limits of the world imperialist relationships. Inasmuch as within those limits the only "independence" possible is at the cost of the working class and the peasantry and in struggle against them, the colonial and semi-colonial bourgeoisie is more and more openly and directly beginning to make pretensions to the rôle of counter-revolutionary buffer between imperialism and the colonial revolution. The Kuomintang, the Indian national bourgeoisie, the Wafdists, the national-bourgeois leaders in Indonesia, all confirm this diagnosis.

**T**HE first successes of colonial industrial capitalism, in association with capitalist stabilisation in the "advanced" countries, have extraordinarily intensified the competition on the colonial markets, and have stimulated the development of the class struggle at a terrific speed in the colonies and semi-colonies. Both the one and the other factor was bound to drive the colonial and semi-colonial bourgeoisie into stronger attempts to enter into partnership with the imperialism of various Powers: in the colonies into attempts to co-operate with "its own" imperialism, and in the semi-colonies in dependence on the situation and local conditions. This process has advanced particularly fast wherever the proletariat has acted in the capacity of leader of the revolutionary struggle.

Recognising this fact, we also determine the true historical roots of the decolonisation theory. This theory is tantamount to liquidationism in regard to the colonial revolution on the grounds that the colonial bourgeoisie has "forsaken its revolutionary post." Roy, one of the authors of the decolonisation theory, never understood the rôle of the peasantry in the colonial revolution. He revealed

himself as a counter-revolutionary liberal when he began to seek the explanation of the Anglophile peace-loving tendencies of the Indian bourgeoisie and the unification of the interests of the British and Indian capitalists on the basis of industrial progress. Like all Liberals, he failed to understand that the development of productive forces on the basis of imperialism and within its limits cannot avert the antagonisms arising thence and engendering an inevitable struggle of classes. However, even in this regard he proved to be at the tail of the Indian Liberals, for they also think that the reward for their counter-revolutionary "services" will be the "State independence of India."

## V

"**S**UCH is the conception, confirmed by the historical experience of all the European countries, that during the epoch of bourgeois transformation (or rather of the bourgeois revolution) the bourgeois democracy of each country takes one or another formulation, takes one or another shape, educates itself in one or other tradition, admits one or another minimum of democracy, in dependence on the extent to which the hegemony at decisive moments of national history passes not to the bourgeoisie, but to the "lower orders," to the "plebians" of the 18th century, to the proletariat of the 19th and 20th centuries. That conception is foreign to Mr. V. Levitzky. That conception of hegemony constitutes one of the fundamental assumptions of Marxism!" So Lenin wrote in 1911.

In analysing the conditions in which the new revolutionary rise is developing in the colonial East we must not forget these notable words. The next stage of the colonial revolution is bourgeois-democratic, not because the bourgeoisie of the colonies and semi-colonies have not exhausted their revolutionary possibilities, but because in its elementary stage the colonial revolution is an anti-imperialistic, national-democratic, and agrarian revolution. Its slogans are the complete abolition of imperialist oppression, the dictatorship of the revolutionary classes, overthrowing imperialism and forming a new national State, the confiscation of all landed property, the possessions

of the usurers and gentry, the revolutionary transference of the land to the peasantry, the revolutionary nationalisation of the land (and waters in the districts of artificial irrigation). The new colonial revolutionary rise is maturing in the struggle with the counter-revolutionary bourgeoisie (counter-revolutionary in the majority of cases, although in various degrees) under the leading participation of the proletariat, with a considerable shaking of the great masses of petty bourgeoisie in the towns, and an incipient activity among the peasant masses. The battle-ground and the definite historical degree of counter-revolutionary activity shown by the national bourgeoisie will be determined wholly and entirely by the different degrees of transition from complete colonial outlawry to a formal political "independence." Comrade Lenin emphasised that "once it is a question of the colonial policy of the epoch of capitalistic imperialism, one must note that finance capital and its corresponding international policy, which is tantamount to the struggle of the great powers for the economic and political partitioning of the world, create a whole series of transitional forms of State dependence. The typical feature of the epoch is not merely two basic groups of countries: colony possessors and colonies, but the heterogeneous forms of dependent countries, politically formally independent, but in fact tied down by networks of financial and diplomatic dependence."

**T**HE transitional forms of dependence allow Chiang-Kai-Shek and the Kuomintang, and not only they but the Wafdists in Egypt, to reveal their true selves far more than can the Indian bourgeoisie, who are forced to manoeuvre more in the name of their "alliance" with the peasantry and the urban petty bourgeoisie. None the less, these differences in the degree of counter-revolutionary nature do not change the general tendencies of development, on the contrary they operate by these tendencies. By force of this very factor the fate of the new colonial revolutionary rise is in direct dependence on the extent to which the proletariat succeeds in the next period in taking over the task of organiser of the struggle, on the extent to which it succeeds in organising itself into an independent class

force and in organising under its leadership the peasant masses and the revolutionary strata of the urban petty bourgeoisie (in the form of its semi-proletarian, lower elements, the student elements in India, etc.) The leading Indian workers have already succeeded in inscribing the slogan of the general strike on the banners of the revolutionary struggle. But the speech made by the "left-wing" Ruikara at the T.U. Congress shows that the class and the definitely revolutionary sense of this highly important slogan have not yet been digested. It is impossible otherwise to explain the unprincipled bowing and scraping to the representative of the counter-revolutionary bourgeoisie, Javakharlal Nehru. It is impossible otherwise to explain the silence on the fact that the strength of the general strike—in its direct connection with the armed rising of the masses for "minimum democracy," for open revolutionary struggle, with the dimensions of the masses' movement and the degree of the consolidation of those masses around the proletariat, and together with this, in its connection with the conditions of development of the bourgeois-democratic revolution into a socialistic revolution (through a number of intermediate stages)—is determined in each country separately in dependence on the revolutionary dimensions of the proletarian struggle and the ferment in the peasant masses, and on the degree of alliance between the two. In 1930 soviets in the colonial East are to an incomparably greater extent than in 1920 the historically indispensable form of the revolutionary democratic dictatorship, directed against imperialism, against the landowner, the usurer, the compradore and the gentry, against the counter-revolutionary treachery and machinations of the "national" bourgeoisie. The experience of China is an eloquent testimony to this. And the results of the political evolution in the other decisive country of the East—India—also sum up to this. Of course, this does not mean that the slogan of Soviets can be used as an all-weather raincoat. The course of development since 1920 has firmly bound up the possibility of achieving a revolutionary dictatorship in the soviet form with the definite conditions of the class stratification and the struggle of classes. The decisive factor

is the proletarian leadership. In the course of the struggle and as the direct revolutionary situation approaches the proletarian leadership must grow into a process of preparation for that situation. The maturing and developing world economic crisis will not announce itself by similar and simultaneous signals in all countries. Here also the inequality of development of capitalism has its influence. But there can be no doubt that its first and especially swift and harsh blow will be against the colonial proletariat. The proletariat must meet it in full armour, as a class-organised and conscious force. It must at once and feverishly catch up with all that has so far been allowed to slide in the sphere of new trade unions, of work in the hostile unions (the Kuomintang unions for instance), it must extend, formulate and strengthen the party organisation of its advanced guard in all respects, surrounding it with new rows of trenches in the form of auxiliary organisations. On the other hand, it must not for a minute allow itself to be forced into the position of narrow economism and tailism; not for a minute must it forget its rôle as class leader, which is the first to apply revolutionary methods and which applies them for the mobilisation of the semi-proletarian and proletarian strata of the toilers. The proletariat can move forward to the revolutionary battles only after alinging itself towards the villages. Following in the footsteps of the imperialists, the "national" capitalists in the colonies and semi-colonies—in India as in China—are "rationalising" the labour staff of the industrial enterprises, replacing men by women and children. Hence it is clear what importance the organisation of the women and youth acquires in the conditions of the developing crisis.

**T**HE colonial and semi-colonial bourgeoisie are striving to adapt themselves to the increasing activity of the proletariat, and to render it innocuous to themselves. The fact that the national reformists with Bose at their head supported the class unions at the Indian congress against the trade union servants of imperialism, Joshi and Chaman-Lal, is no accident. It is a policy. The bourgeoisie are ready to mingle in the ranks of the struggling

working class in order to smash that struggle. The activities of the Kuomintang unions and the reformist travails of the reorganisers are phenomena of the same order.

On the other hand, the economic crisis must give a yet greater impetus to the counter-revolutionary imperialist activity of the Second International, which with MacDonald's coming to power has already managed to distinguish itself in Palestine, in South Africa and in India. In Indonesia the Dutch social-fascists are acting as intermediaries between Dutch imperialism and the national bourgeois upper groups. They justify their practice of supporting the Dutch terror by the theory of decolonisation. The resolution of their Congress held on January 12th, 1930, reads: "The introduction from outside of more productive methods will assist the natives to master those economic and social forces the absence of which make the maintenance of a foreign authority possible." The Stockwists even put forward the sudden "recognition" of Indonesia's independence as a new decoy—a new manoeuvre on the lines of MacDonald's in India.

**T**HE development of class antagonisms and the violent course of the class struggle are overtaking the tortoise-like course of economic development. The development of the class struggle will compensate for the industrial backwardness of the colonial and semi-colonial countries. There is not a grain of subjectivism in this declaration. The comparatively numerically small proletariat in the colonies and semi-colonies, gathers, as it were, this enormous mass discontent in itself, a discontent which is growing unrestrainedly, seeking expression, and which more and more finds that expression in the proletarian class struggle, which raises to a higher historical stage the struggle of all the semi-proletarian and non-proletarian elements of the toilers, all the struggle against imperialist hegemony. There is nothing remarkable in this; in the conditions of capitalist development the proletariat concentrates in itself all the contradic-

tions of that development, and for this reason it can and it will become the organiser of the struggle of all the oppressed. The Bombay strikers have had to turn to work on the land in order to maintain their struggle against "national" capital. There they have seen another enemy of theirs—the landowner. The usurer does not abandon them even at the loom; they have to borrow money from him in order to "manage" on their miserable earnings. In town and village the Bombay striker has seen that behind the backs of his "native" exploiters stands British imperialism. The Bombay striker has realised that the first word in unmasking the enemy, the common enemy of the workers and peasants, belongs to him. Underestimation of the rôle of the proletariat as the organiser and leader of the revolutionary struggle in the colonial world is the most dangerous form of right-wing opportunism, which tries to effect a rapprochement between Bolshevism and Menshevism, i.e., of Bolshevism with the social-fascism of our day. Underestimation of the rôle of the proletarian leadership naturally entails an underestimation of the international revolutionary rôle of the U.S.S.R.

The brilliant question of the renegade Chang-Du-Su: "Can the Chinese proletariat be mobilised solely by the slogan of support to the U.S.S.R.?" was bound to be born from a liquidationist estimate of the situation in China. Trotsky opens his arms to Chang-Du-Su because right-wing and left-wing renegadism has a common subsoil in the rejection of the idea of proletarian hegemony. Not for nothing does Trotsky throw mud at the Chinese Communist Party, calling its revolutionary demonstrations "adventurism."

Palestine and South Africa, Nigeria and Gambia, India and China, Haiti, all the countries of the colonial world are signalling the approach of a new revolutionary wave. The clock of history has once more been wound up by the incipient new economic crisis. The crisis of capitalist stabilisation in the colonies has arrived.





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