

August, 1941

# THE NEW INTERNATIONAL

*A Monthly Organ of Revolutionary Marxism*

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*The War in Its Third Year*

*Stalin in Iran*

*Trotsky--Revolutionary Optimist*

By MAX SHACHTMAN

*The Auto Workers Meet*

By DAVID COOLIDGE

*Gloom in Wall Street*

By FRANK DEMBY

*A Discussion of the Russian Question*

By

ERNEST LUND

W. KENT

MILTON ALVIN

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## The Editor's Comment

**In Spite of the "Blitzkrieg" Technique, the Second World War Is Already Two Years Old and Shows No Sign of Coming to an Early End—Berlin as the Boss of the Axis Camp and Washington as the Boss of the Democracies—Grandeur and Headaches of American Imperialism in Mobilizing an Effective War Machine—Danger Faces Workers**

THE SECOND WORLD WAR is about to enter its third year. It has already lasted half as long as the First World War, yet, in spite of the lightning speed at which it was launched and, within brief periods, carried on (*Blitzkrieg*), no decisive victory is in sight for either of the belligerent camps, not even for the thus far successful Axis. Reviewing the past two years of the war, the following conclusions are clearly evident:

### Three Conclusions About the War

a) The *Blitzkrieg* technique introduced into the war by Germany as a fundamental change from the method of warfare pursued between 1914-1918, calculated to avert a long drawn-out conflict and to achieve an early and conclusive victory, has thus far at least failed of its principal objective. The tempo of *Blitzkrieg* cannot be sustained for long periods of time. After each hectic offensive drive, an interval must be allowed for the re-accumulation and re-grouping of human and material forces for the intensive campaign that must follow. These forces are not inexhaustible; rather, the reservoirs of them tend to diminish in availability and in effectiveness. Moreover, the intervals between drives have tended to become longer, in the degree that Germany is compelled to face enemies of greater military-material resources than those she had to fight at the beginning of the war and in the degree that these enemies organize their resources and institutions after the Hitlerite pattern, including an intenser totalitarian control over economic and political life of the country.

b) The very depth of the crisis of German capitalism which brought fascism to power is what dictates to the leadership of the Axis the tremendous scope of its aims and ambitions in the present war and the desperateness of its determination to realize them lest in perish altogether. That is why small morsels could not appease it; that is why a peace now, even were that possible, could only mark a brief truce before the war was resumed on an even more violent scale. However, it is precisely the vastness and insatiability of German imperialist pretensions and the intransigence with which it must fight to satisfy them, that engenders no less desperate a determination on the part of its imperialist rivals in the war (as well as, up to a certain point, the fear of its allies and quasi-allies) to resist its expansion to the bitter end and to crush it to earth even more brutally than at the end of the First World War. It is not so much that world imperialism

does not want peace as that it cannot have it! That is why Hitler now appeals in vain to be allowed to play the rôle of "super-Wrangel" for which his present adversaries in the war groomed him before and after he came to power in 1933. That is why his offer to stop the war with Anglo-American imperialism and confine himself to carving up the Soviet Union among all the big powers of the earth, has fallen upon deaf ears, so far as the decisive sections of the Anglo-American bourgeoisie are now concerned.

c) The prospects of the development of the war are thus indicated. As we pointed out on a previous occasion, there is no important sign of the war being brought to an early conclusion, with a strong victory for either imperialist side and the consolidation of reaction that would likely ensue. On the contrary, all signs point to the prolongation of the war, and even to its further degeneration into a terribly exhausting war of attrition. The fronts of the war do not decrease in number, but they do increase. The "islands of peace" of yesterday are the arenas of war of today or of tomorrow. One after another, every country of the globe is being sucked into the bloody maelstrom. Yesterday Yugoslavia and Greece, today Russia and Iran, tomorrow the United States and all the other remaining "non-belligerents." Even subdued France will not be able to escape renewed belligerency any more than Japan will be able to confine her military activities to the "private war" in China. All over the world the people will have to pay with rivers of blood, with misery and devastation, for the crimes of the traditional leadership of the labor movement, the Second and Third Internationals, which had it in their power years ago to destroy the poisonous monster of world imperialism, along with its offspring, war.

### Prospects of Revolution

These conclusions are of great importance in appraising the international perspectives of the social revolution. The notion that wherever Hitler sets foot the very possibility of popular movements, much less revolutions, is automatically wiped out, has nothing in common with our thinking, but is typical of the political mythology of the democratic intelligentsia and the turncoats from radicalism who turn to stone at the mere picture of a *Panzer* division.

The fact is that nowhere has Hitlerism been able to establish a régime in the countries it has conquered which has even the outward solidity of the régime in Germany. None of the

Quisling or semi-Quisling governments set up by Germany enjoys the slightest mass popularity, and even such "old" and "established" régimes as Mussolini's have had to be given military and police support at home by Hitler. In other words, all the indications available to us show that Germany has been and will continue to be unable to consolidate its victories in the conquered territories on even a remotely peaceful and "normal" basis, but rather that it will have to keep maintaining a rigid, intolerably burdensome and exhaustive police régime wherever it raises its flag.

The growing restlessness and even guerrilla warfare in the occupied countries, particularly in Poland, Serbia, Norway and France, contain the promise of mass popular and even revolutionary movements in the visible future, and no matter how bloodily Hitlerism may seek to suppress them in their initial stages or in their first open attempts, it is out of these irrepressible movements that will arise the forces that will sound the death-knell of all the imperialist warmongers and oppressors.

Considering the circumstances in which these movements are arising and developing, it would be a fatal mistake on the part of the revolutionary internationalists to ignore them or fail to influence them. These movements are deeply rooted in the conditions and thoughts of the masses, almost all of whom detest their foreign oppressor and some of whom are even shedding or have already shed the prevailing illusions about their pretended "liberators" in the camp of Anglo-American imperialism, that is, the "liberators" who continue to exploit and oppress the colonial peoples of the world as they have done for decades.

It is inevitable, particularly in light of the state of the labor movement today, that these elementary popular movements of discontentment and rebellion should take petty-bourgeois and patriotic forms in the first stages of their development. It is not surprising that the imperious exigencies of war should even impel Anglo-American imperialism to encourage and even initiate such movements (as by the "V" campaign); or that these movements should tend at the outset to come largely under the influence of imperialism. But because of the very nature and the inherent possibilities of these heroic and popular movements, this is only added reason why the Marxists in every country must not only pay the most detailed attention to their progress but seek, if possible in the very midst of them, to influence them and direct them along proletarian and internationalist lines, to free them from the reactionary grip of the imperialists who seek to dominate them, and to link them with the labor and revolutionary movements in the countries where the latter are still able to operate more freely.

This task, which is inseparably connected with the victory of the Third Camp in the war, cannot be accomplished by a disdainful or doctrinaire ignoring of these movements because of the primitive political state in which they are now to be found, any more than it can be accomplished by our abandoning the independent class line of the revolutionary proletariat and uniting with the impotent and perfidious bourgeois democrats in exile who pretended to be the chosen representatives of the suffering peoples and who, at any rate, try to keep the conspiratorial movements within imperialist, pro-war channels. Quite the contrary. It is only by keeping intact our independent class program and organization, the Workers Party and the Fourth International, that we can hope to influence these movements and help guide them to a struggle for true freedom and peace.

## The Two Imperialist Camps

The war, meanwhile, is taking increasingly the form of a life and death struggle between the titans of German and American imperialism, in which the allies of each, no matter how strong, no matter how much they strive for an independent position in the alliance, are more and more compelled to play the rôle of auxiliary or satellite of their respective leader. Italy is already less than a second-rate element in the configuration of the Axis. The fortunes of Japanese imperialism are increasingly dependent upon the fortunes and military strategy of Berlin. As the war grows literally and truly into a world war, even China is threatened by submergence beneath the conflict of the big powers, and by becoming an integral part of the Anglo-American camp, having her democratic war of independence converted into a subordinate sector of the imperialist war.

What holds for the overwhelmingly dominant position of Berlin among the Axis powers holds for the dictatorial position of Washington in the rival camp. Among the latter, the continuation of resistance to Axis expansion for even a single day is now entirely dependent upon the decisions of American imperialism. This is substantially true even for Russia. Immediately upon being drawn into the war with Germany, the Stalinist bureaucracy, having lost any allies among the international working class, concluded a full-fledged military and political alliance with British imperialism, and in effect also with American imperialism. Although desirous of keeping as much independence as possible in the alliance (like Italy, in the other camp, but to a much greater degree and on a larger scale), the Stalinist régime is obliged in the course of the war to come under the dominance of Washington-London, not only in the form of dependence upon great volumes of war material, and even of direct military intervention and collaboration (in the Far East, in the Near East—Iran—and in the North) but politically and in the elaboration of a joint military strategy calculated to eliminate all distinctions between the Stalinist army and the armies of democratic imperialism. It is more evident every day of the war that where the shibboleth of "defense of the Soviet Union" is not equivalent to direct and conscious support of Anglo-American imperialism, it has the same objective effect.

The British Empire too is gradually passing under the tutelage of American imperialism and the desperate position of England, confronted by her immediate enemy, prevents her from doing much more than slow down somewhat the inexorable process of disintegration at the hands of her overwhelming ally. The agitation of the American "isolationists" against the United States "fighting England's battle" is at once demagogical and preposterous. American imperialism is doing no such thing and has no desire or intention of doing so. It is entering the war in order to prevent German-Japanese imperialism from becoming its successful world rival, and at the same time to reduce England to a very much subordinated power in world economic and political life. Weaning Canada from London and to New York and Washington is reaching the culmination of a process that has been going on for years. When the American press reports that Sydney, Hong Kong and even Bombay "are looking more to Washington than to London for their defense," it is only describing the systematic replacement of Britain's imperial power by America's. The North and Central Atlantic footholds of British imperialism have been turned over to the United States, not without some muted opposition from the former.

Even in Latin America, domination of which is one of

the richest prizes of the war, the increasingly successful joint campaign of Anglo-American imperialism to drive out German, Japanese and Italian imperialism, is being accompanied by a drive to substitute North American control wherever Britain, too, has established its economic and political influence. Indeed, London is reduced to appealing to the mercies of the merciless American bourgeoisie which is working to replace England altogether in Latin America, with the really baseless argument that "the American government understands that it is not in the interests of the war effort to deprive England of her economic power." However, the remorseless crowding out of England by the United States is going on steadily and in spite of mutual efforts to conceal it, it breaks out from time to time in public "scandals." The fraudulence of all claims that this is a war for democracy, the reality of the thoroughly imperialist character of the war, could hardly be given more cynical emphasis than this sordid conflict between the noble "allies."

### Problems of American Imperialism

If the United States has thus been able to establish its decisive and dominant position in the war without directly entering it, it is not difficult to imagine the position it will occupy or seek to occupy when it is able to throw the full weight of its industrial, financial and human resources into direct war participation. However, before this point can be reached, American imperialism has a multitude of complicated problems to solve which are of tremendous importance also to the working class movement. These problems belong to the order, first, of effective mobilization of the American industrial machine for war, and secondly, what is related to but not identical with it, the mobilization of popular morale, both inside and outside the army. In neither field, especially not in the second, has the Roosevelt régime recorded any sensational successes.

Victory in this most totalitarian of all wars is possible, all other factors being more or less equal (natural resources, industrial plant, man power, *etc.*), only for the camp that is able to establish "total" economic and political controls on the widest scale. At bottom, our confidence in the ability of the working class to triumph over fascism not only at home but even in any international war, is based upon the ability of this class to take over full control of the means of production, organize them planfully, and establish such a democratic régime as would, in the first place, give the masses of the people a real stake in the country and thereby engender a fighting enthusiasm which the governments of monopoly capitalism cannot arouse, and in the second place, make possible the utmost utilization of the economic resources of the country, unhampered by private-property interests, for the defense not only of the popular interests at home but throughout the world. It is the ownership of the means of production and exchange by the state of the workers, and *their* control of all social life that would establish a régime a thousand times more democratic than any known before. Fascism, on the other hand, mobilizes the masses for war at the point of a gun and with the threat of the concentration camp; at the same time, however, it subordinates the selfish interests of capitalist individuals or groups, especially of the small capitalists, to the general interests of capitalist expansion, especially to the interests of the monopoly capitalists. For a time, therefore, it overcomes with bureaucratic brutality the resistance of the masses as well as conflicting capitalist interests and ambitions. By a

bureaucratic super-concentration of power, it submits all wills to the wills of capitalist monopoly and is thus able to prosecute modern war.

Basically, the comparative slowness of the American war mobilization thus far, and therefore the delay in America's direct entry into the war, is traceable to the inability of the American bourgeoisie to establish totalitarian, fascist controls. This inability is in turn due to other factors which have contributed up to now to the slowing down of the tempo of totalitarianizing the United States: the unwillingness of sections of the bourgeoisie to submit to such controls; the absence of the same economic and political compulsions to which German imperialism was subject, or their absence in the same degree; the conflict in the ranks of the bourgeoisie over imperialist policy ("appeasement," that is, leaving Europe for the time being to Germany and concentrating American expansion in Latin America and the Orient, versus the predominant policy of integral world expansion); the need of maintaining to some degree the ideological fiction of a "war for democracy"; and above all, the existence of a powerful, vigorous, growing, undemoralized and unbeaten labor movement.

But, against all these factors operates the insistent need of carrying the war to a successful conclusion for American imperialism, and this can be accomplished only by molding the "American Way" so that it takes on more and more of the characteristics of the "Hitler Way"—that is, of fascism. As pointed out by us before, the slowing down of the pace at which totalitarian controls are being instituted in the country has not done away with the basic tendency which is at work; it is precisely because the pace has thus far been slow that it may have to give way suddenly to a more frenzied pace.

To a certain extent, this is already happening. The increasing magnitude of the task of defeating German imperialism (the U.S. has already become the "arsenal and larder" not only of England but of more than half the world!) dictates a speeding up of the tempo of totalitarianism. After years of contemptuously ridiculing the Göring war-cry, American capitalism is compelling the people here, too, to substitute guns for butter. Germany's collecting of pots and pans has already been imitated; tomorrow, the iron fences will go the same way.

The cost of living mounts steadily. The control of prices "except for wages" is being shifted over, under the pressure of the bourgeoisie and its war needs, to the control of prices including the "price of wages," during all which time profits not only remain intact but reach new highs. The production of consumers' goods is systematically reduced for the benefit of the production of means of destruction. Even where the war boom has increased the nominal purchasing power of the masses, or sections of them, the government intervenes, as in Germany, to cut down or prohibit the purchase of consumers' goods (restrictions on installment buying, *etc.*) and to enforce compulsory "savings," that is, to reduce effectively the standard of living of the masses by turning over part of their earnings to meet the astronomical war budgets of the government. The frantic attempts by this and other means to prevent inflation may postpone inflation, but will lead in the end to an inflation of monstrously onerous proportions. New taxes go lightly on the big bourgeoisie and bear down heavily on the middle classes and the working people.

To top it all, in the spheres of government there is an acceleration of the tendency to shift the legislative powers from the traditional representative institutions (Houses of Congress) to government by decree and by accomplished fact. The process of "submitting the will of all to the will of one"

in the war is being carried through in the U.S. in the worst bourgeois tradition, that is, in a reactionary bureaucratic manner, to the advantage of the big-monopolist handful and at the expense of the economic and political position of the masses.

### The Basis of War Opposition

However, the mighty labor movement, its remaining democratic rights, and the almost universal opposition among the people to entering the war, all these are a bone in the throat which cannot be plucked out by decrees alone. Neither the eloquence of Roosevelt nor the sinister activities of his labor lieutenants has succeeded in crushing the popular resistance to the war or in making labor the docile captive of the war machine. It cannot be denied, to be sure, that the imperialist war propaganda and the spirit of class-collaborationism is seeping wider and deeper into the ranks of the labor movement, particularly since there exists no strong center of conscious proletarian opposition to the war. Yet, it has failed to curb the organizing power of the labor movement or even its militancy. The pressure of the government, the servility of the labor bureaucracy, and now the frenzied chauvinistic turn of the Stalinists who are collaborating with the pro-war, anti-labor machine—all these notwithstanding, the economic conditions engendered by the war preparations continue to produce militant strikes (no longer “communist-instigated”) and to swell the ranks, and therefore the power, of the unions, especially of the CIO unions.

It is these organizations and their struggles that constitute the only possible basis of resistance to the drive toward war and totalitarianism. The defense of the organized labor movement and its rights is therefore the key to the struggle against the imperialist war and social and political reaction. The establishment of this fundamental truth underscores, in passing, the criminal stupidity of the Norman Thomas alliance with the fascist, semi-fascist and reactionary “isolationist” forces whose “opposition” to war is connected with a thousand threads to a real opposition to the organized labor movement and to any form of democracy.

While the fascist and “isolationist” demagogues have made no appreciable progress among the workers, especially the organized workers, despite the latter’s opposition to the war, they are acquiring an increasing following among the armed forces, where opposition to conscription, to the lengthening of the service term and to entry into the war is widespread and deepseated. It is in reality this opposition to which the democratic publicists refer when they speak deplorably about the “poor morale” of the army. It is an alarming fact, but one which cannot be disputed, that in the race between the militantly proletarian and the fascist or potentially fascist forces in the ranks of the army, the latter are now far in the lead. The reactionary elements in the officers’ corps, that is, 99 per cent of its personnel, are not behindhand in stimulating, promoting and encouraging the fascist or pro-fascist currents, either in the form of training exercises for the soldiers in dispersing “strike mobs” and of agitation against the “exorbitant wage demands of the unions,” or by not too subtle agitation in favor of the totalitarian “ideal.”

The failure of the labor movement to demand its elementary rights with regard to the armed forces—rights which at the same time imply the defense of the rights of the armed forces—rights which at the same time imply the defense of the forces—can only have tragic consequences both for the rank

and file soldier and the labor movement itself, and that in the not distant future. The elementary rights of the labor movement include the right to defend itself and its principles from misrepresentation and defamation among those the professional democrats like to call “our citizen soldiers”; the right to be fraternally associated with the young workers in uniform, so that the military forces are not kept separate and in isolation from the people, and therefore in antagonism to them. This implies, as said, defense of the rights of the soldiers—the rights to free speech, free press, free assembly, the right to organize, the right to collective presentation of grievances and demands, the right to petition the government and intervene in questions of national politics (a right now reserved aristocratically only for the officers’ corps or its upper stratum), and the right to a decent standard of living. The warmongers call for “every citizen a soldier!” The labor movement must counter with the demand: “Every soldier a citizen!”

Unless the labor movement is aroused to demand and fight intransigently for the soldiers’ rights, that is, for “citizen’s rights for every soldier,” that is, for full democratic rights for the soldiers, the bulk of the army is sure to fall victim to fascist demagogues and to become one of the principal weapons in the destruction of the labor movement itself. Given even the present policy of the labor movement (that is, general support of the government), it can and must launch this elementary struggle on behalf of the soldiers. However, such a struggle could reach its maximum effectiveness only if the labor movement declared its complete independence of the capitalist government and its policies, including its war policy.

### The Danger Before Labor

If American labor allows itself to be seduced or browbeaten or coerced into captivity to the war machine, to abandon its interests for the sake of prosecuting the imperialist war, to give up its rights so that the war may have the right of way, it is doomed to paralysis for the whole next period. It will be powerless to defend itself from the multitude of attacks upon it which are in preparation. It will be powerless to draw to the support of itself and its principles the tremendous reservoir of strength represented by the armed forces, who will be left at the mercy of reaction. It will be forced to bear the dreadful and back-breaking burden of the war in all its social and economic consequences.

The struggle against the war is therefore the struggle to preserve the integrity and fighting capacity of the working class. The struggle to preserve the independence and the rights of the working class and its organization is therefore the struggle against the war. Neither aspect of what is basically the struggle against the bankrupt capitalist social order itself can be effectively conducted from outside the labor movement, by observers who are no matter how benevolent.

The principal task of the Marxist in the shops and in the unions is to enhance the political class consciousness of the masses for the purpose of developing as speedily as possible the political organization of the masses that will put them in a position to claim their rightful place in society. The present situation in the United States is of such an unusual nature as to demand more than ever, on our part, an intensification of *political* activity.

The unusual nature of the situation consists in the following anomaly: the American labor movement is today more numerous and more strongly organized than ever before,

at least in the history of the land; yet, it is almost totally unorganized politically, and this in a period when not only do all important questions of class conflict almost instantly become political questions that cannot be dealt with otherwise than by political action, but also when the working class cannot look forward to a long and gradual and comparatively peaceful period in which to develop its political strength. It must develop it immediately or, in the crucial days ahead, succumb completely for a long time to follow.

In the past few years, the American working class has displayed marvelous capacities for militant struggle in the economic field. Its strikes, both spontaneous and organized, have terrified the bourgeoisie, because, above all, they evoked the image of a working class which would not encounter the slightest serious difficulty in establishing its complete social power in the country once it determined to do so. However, the determination to do so involves as an indispensable preliminary the political organization of the working class, not as a mere supplement to its economic organization but as its primary instrument, especially in the present period. The wave of economic struggles which, roughly, inaugurated the CIO movement, is not yet at ebb by any means. But at the present time, particularly given the war and the tendency toward super-centralization of all economic and political power in the hands of the bourgeois state machine, the self-imposed economic limitations to the struggle of the American workers can have only the most exhausting and even paralyzing effects upon the immediate future of the labor movement.

More or less purely economic struggles (strikes, *etc.*) can yield only so much to the workers, and no more. As the war economy becomes more prevalent in the country, confinement to economic struggles may, and in all likelihood will, produce a reaction among the workers similar to the reaction that set in among the French workers after the defeat of their purely economic struggles of 1935-1936. Since such struggles by themselves cannot really improve the economic (much less the political) position of the workers, they will tend to pass over more and more to purely defensive actions, and even to passivity. The union movement will lose both its numbers and its vigor, and this will in turn only aggravate the situation of the working class. Given no working class way out *politically*, the masses will fall victim to conservative and even reactionary moods and movements, and that in direct proportion to the sharpening of the economic difficulties and the social crisis which is absolutely inevitable in the course of the war. How fast such a development would take place cannot, of course, be foretold with any accuracy. However, it is clear that a few dramatic events such as a crushing defeat suffered in a number of important strikes, would greatly accelerate this inexorable trend. Marxists, who cannot substitute their desires for an objective analysis of the situation and the perspectives, must not ignore the possibility of such a development.

Unless the American working class speedily develops an independent political party of its own, all its recent gains will be lost and it will itself be threatened with disintegration and impotence.

## Stalin in Iran

**A**FTER THE FIRST ROUND of cheers from the liberals for England because she has "finally" adopted Hitler's technique of attacking first and explaining afterward, they have settled down to the more sober and embarrassing problem of elucidating what one of them calls the "ethics" of the invasion of Iran. At bottom, the elucidation is admirable in its simplicity:

When German imperialism does it in the name of self-defense, in the name of preventing the enemy from converting the country in question into a base of war operations, in the name of the "new order"—it is uniformly bad. When British imperialism does it in the name of self-defense, in the name of preventing the enemy from converting the country in question into a base of war operations, and, what's more, in the name of "democracy"—it is uniformly good and deserves to find favor in the sight of the Lord. The modern version of *non olet* is, "Oil doesn't stink."

In a word, we have here only another of those sordid cases of purely imperialist aggression which requires a copious supply of shamelessness among its apologists. In none of the hundreds of cases that soil the pages of modern history have the invasion and occupation of the weaker and, usually, defenseless country been unaccompanied by assurances that it is all being done for the benefit of the country itself; in most of the cases the imperialists add that if they hadn't done it, some other bandit would have. This is always a great relief to the victim.

The case of Iran, however, is somewhat "complicated" by the Soviet Union's participation in the invasion, as were the

invasions of Poland, the Baltic countries, Finland and Rumania in the first stage of the war. At that time, all species of apologists for Stalinism were no less shameless than they are now. Then, it is true, the invasions were effected in concert with German imperialism, but the apologists explained, confidentially, that Stalin was really not sharing the loot with Hitler but preventing him from doing more looting and—this between you and me!—laying the basis for an attack on Hitler. Anyway, Poland was an imperialist state and Mannerheim a butcher of the people (which Stalin is not). Anyway, it is necessary to defend unconditionally the Soviet Union.

In August, 1941, the Kremlin apologists feel a little easier—not less shameless, just a little easier. In the first place, Stalin is acting in alliance with a very nice, popular, suave, democratic bandit, instead of with a most unpopular fascist bandit. And in the second place, somebody managed to dig up—glory be!—a sanctifying document, a genuine one this time, not forged or anything like that. It is nothing less than the Russo-Persian Treaty.

Yes, the treaty does indeed exist. It was signed in Moscow on February 26, 1921, by Chicherin and Karakhan for the Russian Soviet Republic and by Moshaverol-Memalik for the Persian (now Iranian) government. The ghost of Losovsky, who now functions as head of the Soviet Information Bureau, quoted truthfully from Article VI of the treaty which provides that:

... in the case of attempts made on the part of third countries to pursue an annexationist policy by means of an armed intervention on the territory of Persia, or to transform the territory of Persia into a base for

military operations against Russia, and if thereby the frontiers of the Russian Socialist Federated Soviet Republic or the states allied with it should be threatened, and the Persian Government, following a warning on the part of the Russian Soviet Government, should not possess the necessary strength to ward off this danger, the Russian Soviet Government is empowered to direct its troops into the territory of Persia in order to adopt the necessary military measures in the interests of self-defense. After the elimination of the danger, the Russian Soviet Government obligates itself to withdraw its troops immediately from the territory of Persia.

What would Stalin have done if he didn't have this wonderful Article VI from 'way back in 1921? Why, he would have done exactly what he did in Poland and in the Baltic countries and in Finland and in Rumania, for which he had no Article VI or anything like it. But whatever you say, he does have it now, doesn't he? He does, and every apologist for Stalinism, including most of his allies in the democratic-imperialist camp, are effusively delighted. An imperialist invasion without an Article VI is all right in its way. An invasion with it is almost wonderful.

But before the word there was the deed. And before Article VI of the treaty there was Article II, which Losovsky, not having sufficient time on the radio, was not able to quote. It reads as follows:

The Russian Soviet Government stigmatizes the policy of the governments of Czarist Russia which, without the agreement of the peoples of Asia and under cover of guaranteeing the independence of these peoples, concluded treaties relating to the Orient with other countries of Europe

whose objective was a gradual annexation. The Russian Soviet Government rejects unqualifiedly this criminal policy, which not only violated the sovereignty of the countries of Asia, but also led to an organized, brutal violation of the living body of the peoples of the Orient by the European robbers.

Accordingly, and in correspondence with the principles set forth in Articles I and IV of the present treaty, the Russian Soviet Government declares its renunciation of participation in any measures which aim at a weakening or violation of the sovereignty of Persia and declares that all conventions and agreements between the former government of Russia and third states injurious and relating to Persia are abolished and nullified. (*Russische Korrespondenz*, Vol. II, Sec. 1, No. 5, May, 1921, p. 371.)

Thus the necessary pre-condition for fulfilling the Russian obligation under Article VI of the treaty *in alliance with British imperialism* was the violation of Article II, both in letter and in spirit. Iran is only another, and even clearer, proof of the inadmissibility of the cry for "defense of the Soviet Union" in a war in which it is allied with an imperialist camp and, by virtue of its control and direction by the reactionary Stalinist régime, is conducting a reactionary, imperialist war. Imperialist war? Yes. And Iran is an even plainer case than was Poland. It is a war of joint imperialist expansion on the part of Churchill and Stalin, according to the simple and exact description by Lenin, who wrote on February 24, 1918, not of capitalist imperialism alone and in particular, but of imperialism in general: "I characterize here as imperialism the robbery of other countries in general, as imperialist war a war of robbers for the division of the booty."

### On the First Anniversary of Leon Trotsky's Death

# The Revolutionary Optimist

**I**N DESTROYING Leon Trotsky, Stalin succeeded in destroying the fountainhead of revolutionary optimism of the twentieth century.

When Trotsky spoke of himself, as he sometimes did, as one drenched with the optimism of progress, he was not referring primarily to that remarkable revolutionary temperament which readily acknowledged setbacks but never a final defeat. He referred rather to the scientific analysis of capitalist society and the perspectives flowing inexorably from it which served to nourish that temperament, to sustain a confidence in the future that was an much a part of him throughout his conscious life as those outstanding talents that marked him out among even the greatest contemporaries.

Nothing else can explain the calmness with which he could live through the twelve years of reaction between the time when he was chairman of the first Soviet of St. Petersburg in 1905 and when he took over the same post—and in what a setting this time!—in 1917; the sureness with which he foretold and analyzed every new revolutionary situation even in the period of world reaction which inaugurated, accompanied and followed what he sometimes called with faint sarcasm "my fall from power"; the complete absence of personal rancor at the most perfidious of his adversaries, the absence also of the sulkiness and petulance typical of those who have lost and lost for good, the naturalness with which he escaped the living death of the disarmed warrior whose only companions are staling reminiscences.

In his youth, Trotsky linked himself firmly for all his life with the mightiest force in all history, the proletariat, and

none of the vicissitudes of his exciting career was strong enough to weaken that link even a little. His confidence in the working class, not so much in what it was at any given moment but in what it had to become and had to accomplish, had nothing at all in common with a mystical Tolstoyan "faith in the people"—indeed, there was almost a frigid non-religiosity about Trotsky. It was based, instead, on an unassailable objective analysis of the immanent laws of the development of capitalism, of its origins and its rise, and of the irrepressible growth of the class which capitalism must keep alive in order itself to live but which, in order to live, *must* struggle to the end against the conditions of life represented by capitalism!

The socialist victory of the proletariat is as inevitable as the collapse of capitalism, Marx said over and over again. An unshakable belief in that was part of Trotsky's blood stream. Was that merely a belief in the effectiveness of the "inevitability of socialism" as a rhetorical phrase, as has sometimes been said also of Marx's references? No, it was more than that, infinitely more. In the course of a visit to Trotsky, we discussed the question for about half an hour. In those thirty tightly-packed minutes I think I learned more about what Marxism meant in speaking about the inevitability of the victorious socialist revolution than I had in reading hundreds of pages; more accurately, perhaps, Trotsky's remarks threw a discriminating and unifying light on what I had read.

We had been talking about Max Eastman's book, *Marx, Lenin and the Science of Revolution*, which was enjoying a certain vogue among radicals and radical theoreticians at the



time. There was an enormous amount of nonsensicality in the book. But at the same time it repeated a seductive argument on which I often argued with Eastman without feeling that I had as firm and conclusive a position on it as I had on other questions of revolutionary theory. His point, in brief, was this:

Marx's belief in the inevitability of socialism was Hegelian mysticism, an anthropomorphic attribution of purposiveness to nature and history. Lenin, on the other hand, even though he occasionally gave lip-service to "inevitability," was a "revolutionary engineer" at bottom. He did not say: Here are two banks; a bridge will inevitable grow from one to the other. Rather, he drew up a plan and built the bridge.

Arguing further, Eastman developed what seemed a rather ingenious distinction between "condition" and "determine" in the writings of Marx. Marx, he wrote, used the two terms interchangeably, even identifying the one with the other. It is true that the development of capitalism creates the *conditions* for socialism, that is, makes socialism not only desirable but also *possible* (this, of course, was written before Eastman discovered that Marxism and socialism were failures because Marx, unlike Mr. Samuel Insull, was unable to make a living for his family). But it is not true that this development *determines* the advent of socialism, that is, makes socialism *inevitable*. The evolution of capitalism, in other words, *conditions* (*bedingt*) the socialist revolution but does not determine (*bestimmt*) it. To attain socialism, Eastman insisted severely, you cannot sit by with a metaphysically passive reliance upon the good intentions of history—you must have a plan worked out by revolutionary engineers who are actively engaged in bringing about the revolution, something like what Eastman was doing.

### Trotsky on Inevitability

Trotsky hadn't read Eastman's book (at least not at the time we were discussing it) but declared himself against Eastman and his views. They were then still on good personal terms and Trotsky wrote Eastman an amicable letter which warned him that in all Trotsky's experience he knew of no revolutionist—"not one"—who started to attack Marxian dialectics and didn't end up with abandoning socialism itself. Trotsky was a good prophet about Eastman, too. But the latter was outraged: "You haven't even read my book and yet you are against it!"

But Trotsky knew what was involved. I recapitulated to him Eastman's argument and he took it up without hesitation. It is an argument, he said, that can impress only "Anglo-Saxon empiricists and rationalists" (. . . *nur solche kann es imponieren*); the book had been endorsed by that distinguished sociologist and statesman, H. G. Wells, among others. "Eastman seeks to fuse Marx with Freud, rather to replace Marx by Freud. He understands neither Marx nor Freud"—Trotsky himself greatly admired and respected Freud and was very familiar with his writings—"and above all he understands nothing of Hegel."

Capitalism creates the conditions for socialism, but the revolution is not determined by them, it is not inevitable, Trotsky paraphrased Eastman. How then does the revolution nevertheless take place? How is it that it did take place, it, the socialist revolution, and no other, in October, 1917—and took place, moreover, more or less exactly as the Marxian analysis had predicted? Because the point was reached where, of the conditions for the socialist revolution created by capitalism, *all* of those necessary for the revolution were present. In other

words, *possibility* turned into *necessity*, which is precisely what happens and must happen when *all* the conditions are at hand.

"The whole thing is there in Hegel's *Logic*. If he has read it, he does not understand it. He does not understand, above all, the dialectic of the transformation of quantitative change into qualitative change. When the quantity of the conditioning circumstances reaches a certain point, when all the conditions for the revolution are at hand—and they are all created by capitalism itself—these conditions become qualitatively different. From making the revolution possible, they make it necessary. The revolution is inevitable. To use Eastman's confused terminology, the revolution is no longer conditioned, it is determined. That is what we had in the October."

Trotsky surely was anything but a bystander passively and benevolently allowing "history" to evolve inevitably to socialism. It might be said that one of his favorite phrases summed up his life: "I am part of that inevitability, of that inevitable process!" He meant, of course, that his work, and the work of the movement with which he was always inseparably associated, whose arsenal and tradition he endowed so liberally with the riches of his intellect and nobleness—that these constituted precisely one of the conditions necessary for the victory of socialism. One of the conditions? The most important one! Trotsky's life was a supreme concentration on mobilizing the international working class so that this "condition" could be realized.

His greatest contribution to the freedom movement of the working class was undoubtedly his work in organizing the Bolshevik revolution, the event that shook the world more violently than it had ever been shaken since the days of the great French Revolution, but more fundamentally than it was shaken at the end of the eighteenth century. It would take a thousand times more falsification of history than Stalin's zealots have accomplished—and they have not been inactive in this field—to erase Trotsky's name from the place it occupies in that revolution.

Yet that revolution was in a deep sense the victory of Trotsky's ideas, of the ideas of Marxism whose fiercest and most luminous partisan he was and which he developed so brilliantly. Between Marx and Trotsky who, I believe, reached his greatest stature in the period of his "defeat"—the period of the struggle against the Stalinist counter-revolution from 1923 to 1940—there is a direct line of continuity. That line is represented by Trotsky's development of the fundamental Marxian theory and strategy of the permanent revolution. His name will be most durably associated with that theory, the one he began to work out in his own youth and in the youth of the Russian revolutionary movement and which, regardless of the fortunes of the factional struggles for which that movement was known, always distinguished him from all other Russian Marxists and socialists.

### The Permanent Revolution

Several times, he promised himself, and others, to write a definitive work on his theory of the permanent revolution. He planned to present it in the full flower of its development in the course of three decades of inner-movement struggles and of world social development. To the superficial Stalinist critics of the theory who confined themselves to counterposing quotations from Lenin's pre-war writing to Trotsky's pre-war writings, he gave the warning hint that in his work he would point out what even his most bitter critics did not see or understand, that is, those points in his theory which were wrong and those

points in which Lenin was right. For one reason or another, he never got around to writing it—an irreparable loss to our generation of Marxists.

The only more or less systematic presentation of his more rounded out and, so to speak, internationalized theory of the permanent revolution is contained, so far as I know, in a masterpiece of concise exposition, the preface to the American edition of a polemic against Radek and Co. which we published in this country under the title, *The Permanent Revolution*. It belongs among the more important classics of Marxism and of political thought in general. But although there is no larger systematic presentation of his theory, it is nevertheless available in different form. Trotsky never abandoned the theory of the permanent revolution, even though, at one moment in the struggle of the Opposition in the Russian Communist Party, he seemed prepared to withdraw the term "theory of the permanent revolution" only in order that the debate occur on the substance of his theory rather than on the label, on the political issues of the day rather than on historical and apparently outlived questions.

To understand this theory, which is truly the most audacious and realistic theory of the development of the class struggle ever put forward, it is necessary only to follow the struggles of Trotsky himself. To understand this theory, it is necessary only to study the course of the great Russian revolution, the hugest possible confirmation of its correctness; and to study along with it the course of development of the revolutions in the colonial and semi-colonial countries, particularly of China from 1925 to 1931. Much of the material is lost in the obscurity of speeches and writings of Trotsky since 1917, and especially since 1923, some of which are nowhere available, others of which have never been translated from the original language. Fortunately, the essential material has not only been preserved, but also translated into English; and even where the editions are exhausted, the revolutionist worth his salt, the revolutionist who wants to give full meaning to his work, will not wait for a reprint but will make it his business to get hold of copies in one way or another, and read and re-read them until he has assimilated the vast wealth of revolutionary teachings they contain. And only those militants who do this, and who do it in the spirit of the critical Marxist who succeeds

in doing more than repeat slavishly formulae learned by rote, and who employ their knowledge in active fighting in the class struggle—only they will have equipped themselves for effective participation in the historical process that leads to socialism.

### The Fourth International

Trotsky's ideas were his fighting program; his banner the Fourth International. The Kremlin Borgia was determined that Trotsky should not live to see the victory of the Fourth International, of which he was so completely sure; and the Borgia succeeded. But the architect of the Fourth International was easier to kill than the program of the Fourth International. It cannot be slain. We share Trotsky's confidence, so incomprehensible to the journalist-of-the-day, because we know *why* he was so confident.

No other way out of the dreadful morass in which the peoples of the world find themselves has been left to them by a poisonously disintegrating social order than the way of the program of the Fourth International. Whatever else it is possible for us to believe, we do not and cannot believe in the complete extinction of society, at least not until the extinction of the planets. And if society is to live, if even what we know of civilization is to be preserved—much less socialism attained—the little folk of the world, the workers, the peasants, the slaves in the colonies *must* plant the flag of the Fourth International all over the world, *must* march to victory with its program. There is no other way out—none, absolutely none.

The revolution in permanence! that was the battlecry of communism in Marx's day. The permanent revolution, the revolution that continues and spreads until it has burned out of the hearts and minds and lives of mankind all semblance of human exploitation and oppression, of the rule of men over men! That is our battlecry today. It is our indomitable conviction.

What more enduring monument could mankind build for Trotsky than this world victory? What more befitting monument? Was not his whole life its strongest foundation stone?

MAX SHACHTMAN.

# The U. A. W. Convention

THE RECENT CONVENTION of the United Automobile Workers (now the United Automobile, Aircraft and Agricultural Implement Workers: UAW-CIO) was an excellent laboratory in which to study not only the technical problems of trade union functioning but also certain specific problems of the class struggle and working class politics. For here were assembled nearly 1,000 delegates representing workers in a basic mass production industry who had in the past few years been organized into an industrial union that now has 438,000 members. Here were workers who were beyond the exuberance and carefree attitude of youth but who were still active, alert and far from the blight of age. Literally hundreds of these delegates, in recent times, had been leaders of picket lines; they were shop stewards, officers of locals, members of wage committees and of various other committees that go to make up the administrative, organizational and educational apparatus of a mass labor international. These were the men who had been on the firing line,

who had engaged in the battle of the picket line, the conference room and the legislative hearing. As the labor movement goes they were comparatively young in length of service but they had crowded in much experience, education and trade union training.

Since their convention was meeting in the days of the Second World Imperialist War, economic, social and political questions attendant upon imperialist war thrust themselves onto the floor of the convention and forced discussion and the adoption of policy. This means that the major questions before the convention were political and not the old fashioned isolated economic matters that formerly occupied the time of trade union conventions. It was this fact and the practical handling of some of these political questions that revealed both the weakness and the strength of the new industrial union movement in the United States. Because of the political nature of the topics before the convention and the presence of political party groups, it was not of course mere chance

that almost from the start the convention was confronted with two well-organized political factions: the Stalinists on one side and a Hillman-OPM pro-war block of social-chauvinists, in charge of the "socialist" Reuther brothers.

### The Two "Power Caucuses"

The leadership of these two factions were arrayed against each other in open, venomous and usually reactionary combat through the twelve days of deliberations. It is necessary to emphasize that this was really a struggle between the leadership of the two "power caucuses" for the reason that on a few important occasions the delegates rejected or sent back proposals coming from their own leaders or from the leadership acting in unison. And, too, there were independent delegates who were not members of either of the "power caucuses."

The Reuther brothers' faction contained many good militant workers, but due to their red-baiting and pro-war line they gathered in the most reactionary elements in the convention. This leadership, with some loose and tame connection with the Socialist Party, brought under its banner the most backward delegates of the Association of Catholic Trade Unionists, all the Hillmanites, the most blatant pro-war delegates and the most vociferous of the red-baiters and witch-hunters.

The Stalinist faction also contained many real militant workers, but they were also liberally supplied with old fashioned and stupid Stalinists whose skullduggery at times was truly amazing. They were in a bad position. There were no principled differences between them and the Reuther brothers' faction or between them and Hillman, the real leader of the Reuther faction. There was no real difference between the Stalinists and the Reuthers on the "Red" question, for, as we shall show later, the Stalinists also went in for a little red-baiting. In the circumstances, the fact that the Reuthers are American social-patriots and the Stalinists reactionary Russian patriots establishes only a very thin superficial difference between the two groups, neither of which is against the war. The fact that both factions were social-chauvinists and therefore could not oppose each other from a platform of working class political principles made it inevitable that the struggle should become a tug of war for mechanical control of the international union. Many of the delegates sensed this and that was the meaning of their description of these two factions as "power caucuses." But it must be said that most of the delegates did not understand the motives and manœuvres of the convention politicians. This was notably so of the rôle played by Frankenstein. Neither the Reuther nor the Stalinist faction gave them any assistance.

Here was Frankenstein of North American Aviation infamy, the Horatius at the bridge to hold back the Stalinist hordes, coming to an understanding with the Stalinists that if they would not oppose him for vice-president and keep quiet on that section of the North American resolution dealing with his rôle, he on his part would deal gently with them and Michener. Frankenstein carried out his part of the bargain and so did the Stalinists, but the delegates failed them: they decided there should be no vice-president. The Reuther caucus knew about this deal. Nordstrom, a member of the Reuther group, took the floor and explained what a good job Frankenstein had done on the Stalinists in the international board. He lamented that Frankenstein had done no such job in the convention. The delegates had heard rumors and they wanted

the facts but no one dared speak openly and frankly despite repeated demands from rank and file delegates.

Addes also came in for a great deal of criticism. There were some forces in the convention who were looking to him to take the lead in steering the delegates toward a militant and independent formation. But while Addes took a generally progressive position on the various questions, his chief activity seemed to have been centered around getting re-elected to office. He was the chief organizational target of the Reuther faction and it was necessary for him to clear himself of the charge of being a Stalinist before the day of the elections rolled around.

President Thomas is generally looked upon as a sort of middle of the road person. This description is neither adequate nor accurate. Thomas seems to be a person who realizes that the two factions in the organization will tear it to pieces if he does not insist on listening to many of the democratic demands of the ranks. He therefore ran the convention in an unusually democratic manner, paying attention to the pressure and the needs of the rank and file delegates, who acted as a barrier against the machinations of both the political factions. Although it is probably true that Thomas is not a formal member of the Reuther machine, he expressed a preference for most of the positions held by Walter Reuther at the convention. One notable instance in which he did not agree with Reuther was in the vote for Addes to be secretary-treasurer. There is reason to believe that he finally decided to vote for the re-election of Addes after telephone conversation that he and Addes had with Murray. It is this writer's guess that Murray was favorable to the re-election of Addes. Thomas is a strong Murray man and if he has any real and fast alliance it is with Murray. He made this clear more than once at Buffalo.

Some of the capitalist papers and the social-democratic *New Leader* are insisting that it was a John L. Lewis convention and that Alan Haywood, who was in Buffalo, was there, not as was announced by Thomas, representing Murray, but Lewis. Most of this chatter should be discounted. Addes is also said to be a Lewis man. This may be true, but it seems that he is also a Murray man. Most of the talk and propaganda about Lewis being in command or that he is reaching out to take over the leadership of the CIO again is based partly on fear that the return of Lewis will cause a loss of prestige in some quarters, also opposition to John L.'s isolationist stand by the outright pro-entry leaders in the UAW. It is probable that the Stalinists will eventually come out in opposition to Lewis and swing all their support to Murray. They laid the groundwork for such a step at Buffalo when they voted for a Reuther faction resolution binding the UAW delegates to the CIO convention to vote for Murray for re-election. When the vote on the resolution was taken Thomas was careful to urge that all who opposed the resolution should be men enough to stand and vote against it. Only a handful of Stalinists stood. The resolution was sprung from the floor by Richard Leonard and the Stalinists did not have an opportunity to caucus before voting.

These were some of the issues that the delegates were confronted with, sometimes getting them openly from the convention floor but often having them blow in from the faction rooms through rumor-mongering. This was the high internal faction politics that the mass of the rank and file delegates was confused by. This political "power caucus" jugglery and scheming created great difficulties for the delegates when they faced the important questions such as the war resolution, the

elections, the North American and Allis-Chalmers events and the anti-Communist, Fascist and Nazi constitutional amendments. This was especially true in the case of the independent militants who did not have the consolation of blindly and passively following their caucus or party leaders.

## Politics and Politicians

There was plenty of talk in the convention about "politicians." This word was on everybody's tongue; even Frankenstein was disturbed, he said more than once, over the activity of the "politicians." He was sure that sweetness and light would prevail if the "politicians" would only be less active. No one was willing to be labeled a "politician"; every faction activist, according to his own representation, was only interested in defending the union constitution and preserving democracy in the organization. No one wanted to touch politics or a politician. It is not necessary to go into this matter any further in relation to the real faction demagogues, but there is something to be said about the sincere worker-delegates who took this position.

It was plain in Buffalo, as it is at other workers' gatherings, that militant and honest workers fall prey to the demagogic, opportunist and social-patriotic schemes of clever trade union leaders on this question of politics in the unions. Not understanding the class organization of society and the nature of the class struggle, these workers look upon "politics" as being only or primarily the intervention of working class parties in the union. This is a troublesome and difficult problem for any revolutionary party. A representative of Secretary of the Treasury Morgenthau spoke at the convention in the interest of the sale of "defense" bonds. To the overwhelming majority of the delegates this was not "politics," and the speaker of course was not a politician. But if a delegate, known to be the representative of a revolutionary party, had spoken against the purchase of the "defense" bonds he would have been lucky if he was permitted to finish the ten minutes allotted to speakers from the floor. Such political immaturity was of course exploited to the utmost by the Hillman-Reuther faction. The Stalinist delegates, who knew better, joined the chorus at every opportunity and helped add to the confusion of delegates who were really willing to learn a few things had there been anyone around to teach them.

When they understood, the actions of these automobile workers were superb. They voted *unanimously* against the proposal of the international board to hold biennial conventions. This, after all the heavy artillery on the rostrum, including Thomas, Addes and Frankenstein speaking in favor. They voted almost *en masse* against a recommendation to have three classifications for "organizers." Their attitude was: "Give all the organizers the same pay and make them all earn it." Although they voted for the Murray-Thomas-Frankenstein whitewash in the North American affair, they would not yield to the pressure for Michener to be expelled from the union or barred from holding office below the rank of board member and regional director. Neither would they yield to pressure to let the eight blacklisted workers from North American remain blacklisted without help from the union. They voted at first not to seat the Allis-Chalmers delegates but were insistent that a new election be held immediately so that these workers could be represented at the convention. They refused to be trapped by the criminal scheming of the Reuther faction and Nordstrom which was planned to let the convention go by before the new election could be held. When the original committee

returned with a lurid report about Christoffel's low estimate of the worth of the union leadership and that he would not "cooperate," the delegates brushed this aside, added four members to the original three, and told them to go back and stay there until the election was held.

They refused to permit the dues to be raised from \$1.00 to \$1.25 monthly. They refused to increase the number of paid officers by adding a vice-president. They passed a resolution against the freezing of wages over the protest of the resolutions committee, who felt that this should be left to wage-negotiating committees. There was virtually no flag-waving at the convention despite the fact that these workers are "patriots." Their deep concern over the practically day-to-day problems of the automobile industry was really more active than their "patriotism." They understood thoroughly the need for intensifying the organizing drive in aircraft. They were indefatigable protagonists of constitutional procedure and zealous defenders of internal union democracy.

## Convention Shortcomings

These were the things they understood, the aspects of trade unionism they had learned from their own experience. But there were fundamentally important questions they did not understand and grasp. For instance, the real meaning and implications of the North American affair either from the side of the government and the bourgeoisie or the rôle of Murray and Thomas. Since Frankenstein's strike-breaking was so open and crass, they could get their teeth into this so far as his objective acts were open to their gaze. They missed completely, however, the motivations of Roosevelt and the easy manner in which Murray, followed by Thomas, was trapped into covering the union-breaking plans of the North American employers and the imperialist war plans of Roosevelt. In fact, it never seemed to have occurred to the independent militants in the convention to emphasize that the real culprit was North American and not Michener, even though Michener may have violated the discipline of the union. Had the delegates or any part of them attacked this situation with the same alertness and perspicacity they did some other issues, Roosevelt and the ruling class would be having sleepless nights wondering what the automobile workers were planning to do next, for instant in connection with the coming lay-offs in the industry.

These delegates, as is the case with the majority of workers, did not understand the real dangers of Stalinism. Due to their lack of political understanding of the Stalinists, they play into the hands of the vilest anti-Stalinist reactionaries, into the hands of people who politically are really not anti-Stalinists, but anti-progressive and hostile to all suggestions for revolutionary program and activity. In the Allis-Chalmers case they virtually closed their eyes to the real essence of Stalinism. They rejected the credentials of these delegates at first because it was proved that the election was unconstitutional: that is they had been nominated and voted for on the same day. When the same delegates were re-elected the convention was satisfied: the constitution had been upheld. It had not, however, settled the relevant question of Stalinism in the union as manifested in the course of the Stalinist handling of affairs in this local.

It was not brought out and emphasized in the convention that despite the fact of Stalinist undemocratic tactics and strong-arm practices at Allis-Chalmers, as elsewhere, the workers there had in all probability voted for Christoffel delegates

again because this was the group that had led their 76-day militant strike. The workers at Allis-Chalmers didn't vote for the Nordstrom-Reuther delegates—despite the fact that Nordstrom is director for that region—because they evidently believed that in the circumstances of that strike, if it had been led by Nordstrom, the strike would have been sold out long before the 76th day arrived. This is, the workers at Allis-Chalmers, most of them, were voting for militant action when they supported the Christoffel Stalinist delegation, and not for “radicalism.”

Nobody in the convention emphasized this point or the further point that red-baiting as a substitute for militant action or as a cover for one's Hillman pro-war politics will not advance the interests of the labor movement. There were independent militants at the convention who know this but they did not know how to formulate, present and fight for their views.

The convention knew that it would deal with the Stalinists and the delegates just waited for the so-called “red issue” to come to the floor. It did in the form of a constitutional amendment. There were three of these amendments, one from the Stalinists. But lo and behold! all three of them were identical in that each called for the barring of “Communists, Fascists and Nazis” from holding office in the UAW. The Stalinists opposed the other two resolutions only because they did not include the “Socialist Party.” This should have been a lesson to many of the militants in the convention: that you will have a devil of a time catching the Stalinists if you are armed with nothing more than a constitution. “You want to do a little red-baiting,” the Stalinists said in effect to Reuther, Leonard, Doherty, *et al.*, “all right, we'll show you how it's done, for after all, we are experts at this game. Under our great leader, Stalin, we have had a whole decade of experience at this sort of thing. All that we insist on is that you include everybody except Roosevelt and Harry Hopkins, even the palest of the pink groups, even the Socialist Party.”

The workers have not yet learned that the attack on the Stalinists must be a political and programmatic attack; that to attempt to eradicate Stalinism from the labor movement by mere constitutional means is reactionary and that such amendments in the hands of a reactionary leadership will serve as a club against all and any militants, whether Stalinists, true revolutionists, Republicans or Democrats.

## The War Resolution

When the war resolution came up the delegates also demonstrated their political incapacity. This resolution, which embodies the position of President Thomas, was for defense but against an AEF. The country must prepare to defend itself against aggression but must not participate in any foreign wars. The convention gave far less attention to this resolution than to the question, say, of competitive shops. The best of the militants did not know that when he is voting on a war resolution he is taking a political position and not deciding a trade union question like wages or reclassification. True, the worker is interested more in wages than in the war but he doesn't understand that he must not be more interested in the question of wages than he is in a resolution committing his union to a position on the imperialist war.

The war resolution of the UAW convention was particularly dangerous and pernicious. Resolutions calling for “defense” but no “foreign wars” may give the impression that their sponsors are against the war and thereby draw support

of labor. This is due to the political backwardness of the mass of workers. Thomas and the workers who vote for resolutions of this type are perhaps convinced that there is a fundamental distinction to be drawn between defending “one's own country” from inside against an aggressor and going out to meet the enemy or the potential enemy elsewhere. To accept such a position is to swallow whole all of the propaganda of the ruling class about the present war. The workers fail to grasp the problem and find the correct working-class solution because they do not comprehend the nature of imperialist war and how and why national states become involved in such wars. They get bogged down and wrapped in muddle and mystery about “defense” and “aggression.” Such questions are beyond the political range of the trade union leaders.

The matter of strikes was also the subject of constitutional amendment. This was to be expected after the North American affair. The regulations against “unauthorized strikes” were made more rigorous. It is now mandatory for the International Board to withdraw all financial support from a union that continues with an “unauthorized” strike. The problem of strikes is a hard nut for the non-political trade union militant. He knows that there must be union discipline and that “unauthorized” strikes must be held in check. But he also knows that if strikes are confined to those authorized by the leadership, something bad for the union is likely to happen. This was brought out in the convention, one delegate reminding the delegates that the great Ford strike began as an “unauthorized” strike. The point is that a provision in a union constitution giving complete control over strikes to the union leadership can work against all progress by the union and the working class. If there were never an “unauthorized” strike in time there would probably be no strikes at all and labor would be faced with virtual slavery.

This question of strikes ties up with the problem of “legality” and the unions. The trade union leadership, as a rule, wants to proceed within the framework of bourgeois legality. To the bourgeois there is a certain “illegality” about an “unauthorized” strike, even though no statute is violated. He will call the strike illegal and then go to the courts or to Congress and ask for protection. This was what happened in the case of the very effective sit-down strikes.

The last point that we wish to cover that was revealed at the UAW convention was the inability of the non-political trade union militants to truly grasp the nature of the real problem before the labor movement. We have said that these problems were mainly political. Despite this fact there is a strong hangover of former days and a persistent tendency to seek solutions by economic action alone. Even among those unionists who are beginning to get a glimmer of the necessity for political action, there is lack of experience and capacity for understanding the method of translation from economic to political action. But the responsibility for this immaturity cannot be laid at the feet of the militant trade unionists. They are doing their job as best they know how. This was clear at the UAW convention. They understand the day-to-day practical struggle against the employer but they do not understand capitalist society. They do not understand any kind of politics, bourgeois or proletarian. In this field the revolutionists and Marxists alone are competent to assume the rôle of teacher, leader and guide. Leadership cannot be left to a brute empiricist like Lewis or a religio-social patriot like Murray. All of this was very clear at the UAW convention. Marxists claim to understand this but they haven't done much yet in a practical way.

DAVID COOLIDGE.

# Gloom in Wall Street

**W**ALL STREET EXPERIENCES several million share days. Does this mean a revival, which will parallel the tremendous rise in the stock market that occurred during World War I? One of the mysteries of World War II has been the continuance of the stock market in a state of unprecedented lethargy. The stock market, where the capitalists trade in certificates of ownership, claims to dividends and interest that the manufacturing bosses extract from the toil and sweat of their workers, is supposed to be a barometer of business conditions. Business has been booming; production has reached all-time highs due to the developing war economy; profits in many cases exceed the 1929 highs—and yet Wall Street has been in the doldrums. Prices are very low; business has been so poor that the brokers cannot, in many cases, even cover overhead expenses, resulting in forced mergers and consolidations. The best index of Wall Street depression in the midst of a business boom has been the decline in the price of seats on the Stock Exchange—the exclusive country club of the big financiers and speculators. Seats, which not so long ago used to sell for well over \$100,000, are now in the twenty thousand dollar levels. Almost anyone—that is, for a small fee—can now buy the privilege of trading in stocks and bonds.

Interest is running very high among the capitalists concerning whether a real revival in the stock market is actually under way at last. While the workers don't own any stocks and bonds, the advanced workers will follow this development with almost as much interest as the capitalists, for it is always important to know what the class enemy is thinking and doing. Moreover, a stock market boom, if it follows previous experience, always ends in a crash which makes the ensuing depression that much worse. The after-effects of the boom during World War I were not felt until late 1920 and culminated in the 1921 crash, which was resumed after the temporary prosperity of the 1920's in 1929.

Opinion in Wall Street is divided on the question of why the sudden increase in business, and whether a revival is really under way. Some claim that the continued resistance of the Russian armies is chiefly responsible for the rise in Wall Street. They interpret this as meaning a more favorable military outlook for the Allies (that is, for American imperialism), which it surely is if Hitler is really bogged down on two fronts. American capitalist property and investments are in a sounder position—worth more—hence the rise in Wall Street and the increased volume of business.

Others say that some of the increased purchasing power being pumped into the hands of the public by increased government expenditures is finally finding its natural outlet—the stock market. In support of this contention, they cite the recent report of the Department of Commerce to the effect that income payments to individuals in the month of May reached a rate of \$86 billion annually. This is the highest on record and compares with an estimated national income of some \$75 billion in 1940 and the previous high in 1929 of some \$82 billion. Increasing public confidence—that is, surplus incomes in the hands of the big capitalists and the upper middle class—means increasing support of the stock market.

Still others base their optimistic forecasts on the increasing high profits being made by practically all sections of

American business and the "realistic" tax proposals now being considered by the House Ways and Means Committee. They find especially heartening the apparent tendency of Congress to keep the excess profits tax at ridiculously low levels. Altogether, they find no tendency on the part of Congress to pass taxes which will discourage private initiative! Hence, Wall Street should reflect these increasing profits and the market should go up.

Undoubtedly there is some truth in all of the contentions. However, in estimating the prospects of capital's colossal legalized gambling institution, known as the New York Stock Exchange and allied exchanges throughout the country, it is first necessary to understand why the stock market has not paralleled the rise in business during the past two years. Only then are we in a position to estimate whether the new forces, mentioned above, appear to be sufficiently powerful to offset the old forces that have kept Wall Street in a state of continued depression.

Here we are confronted with a powerful tendency, which appears to mark an entirely new technical stage in the process of accumulating capital. Hitherto, the chief legitimate function of the stock market in the capitalist economic system has been as a means of raising capital for corporations either for the purpose of floating new enterprises or adding capital to existing corporations, or replacing capital that has been used up by existing corporations. This function, beginning in the middle of the nineteenth century with the financing of the railroads, was made necessary by the increasing size of capital accumulations required to launch a capitalist enterprise. More capital was needed than could possibly be furnished by one man, or by small groups (partnerships). Through the device of the stock market, capital could easily and quickly be raised from all sections of the capitalist class and concentrated in the hands of a few finance capitalists, or their agents, who would direct it where it would do them the most good—that is, earn the highest rate of profit.

For some time, and with increasing frequency in the past few years, there has appeared a tendency for existing corporations to raise all the additional capital they have required, either to take care of depreciation or expansion or both through their own accumulated reserves of surplus capital and undivided profits. This is particularly true of the very large corporations. The very statistics of the Department of Commerce, referred to above, bear this out. Dividend payments have risen 5 per cent over last year, but entrepreneurial returns are up 9 per cent. Putting the matter very simply, almost one-half of the profits of corporations are not being paid out in the form of dividends to the stockholders but are being put aside in surplus and undivided profits accounts. These can be used at the discretion of the management and board of directors for whatever purpose they wish. Most managements explain these steps by the necessity of piling up reserves for a "rainy day" in these uncertain times. But time and again, the large corporations use these reserves for routine capital financing.

This is having a noticeable effect on the structure of the capitalist class. It means the further concentration of control of huge enterprises in fewer and fewer hands—particularly in the hands of the management. The officers and directors of

the large corporations become increasingly conservative as they rely more and more on these new methods of self-financing. The expansion of existing enterprises and, above all, the building of new enterprises, is resisted more and more by this newly-elevated capitalist bureaucracy. It becomes the most conservative section of society and acts, in the struggle for its increasing independence and enhancement and preservation of its own power, as a complete brake on the development of the productive forces. Even the imperialist war economy suffers as a result of this innate conservatism of the capitalist managers. The full implications of this trend are only in the process of being observed. They will require a separate theoretical analysis.

Meanwhile, Wall Street and those capitalists who operate on the exchanges have been suffering. If a number of big corporations can finance themselves completely or partially through their own accumulated reserves of surplus capital, this means less business for Wall Street. If less dividends are being paid out, there is less reason for the public, that is, the small capitalists, who had their fingers burnt badly in the 1929 crash, to invest their small, individual savings in the stock market. This factor has been the main one in explaining the depressed state of Wall Street. Wall Street has been further undermined by the liquidation of a large portion of British-held American securities through private deals, without benefit of the stock exchange mechanism. In addition, of course, the war has not been going too favorably for American imperialism. Also, many capitalists are genuinely frightened by the increasing tendency toward government control of industry that is an inevitable part of the process of developing a total war economy.

Wall Street, in one of the most widely-advertised publicity campaigns that it has ever put on, has tried to offset these unfavorable factors, as well as the strongly developed public trait of blaming all economic ills on Wall Street, by electing as its new president of the New York Stock Exchange Mr. Emil Schram, head of the RFC. Mr. Schram's duties will be those of a public relations counselor. It will be his task to establish "better relations" with the government and to increase public confidence in Wall Street, to the end that more suckers can be induced to part with their savings.

It is always difficult to estimate the immediate prospects

of Wall Street. But its long-term prospects are indeed gloomy. The tendency for corporations to depend increasingly on self-financing and thus cut themselves loose from Wall Street will mean that Wall Street's main function will be more and more limited to the financing of new enterprises—and there cannot be too many of these in the general period of capitalist decline. The government will be forced to siphon more and more of the excess savings of the middle class into government channels through increased taxation and, eventually, compulsory savings for the purpose of maintaining government borrowing of a non-inflationary character. Moreover, the defeat of German imperialism looms as an increasingly long and costly undertaking.

These unhappy prospects for Wall Street over a long period of time seem to find reinforcement in the announcement of a sharp increase in the "short" position in Wall Street. The shorts are the speculators who operate in the hope that prices will go down. Wall Street rarely permits sentiment to interfere with its cold-blooded business calculations. In spite of all the ballyhoo, then, there is increasing opinion within Wall Street that there will be no immediate boom in the stock market. In any case, it appears quite safe to predict that this time there will be no run-away boom on the 1916-1920 or 1926-1929 models. Any rise that does take place will be of a temporary and limited character, depending largely on temporary conjunctural factors.

All of which helps to point to the inescapable conclusion that capitalism is getting old—in fact, old to the point of senility. No rational economic order requires such an archaic and bloodthirsty institution as the stock market. The financing of new enterprises, as well as the expansion and maintenance of old ones, today requires the establishment of a planned economy. The trend toward the establishment of planned economy is an irresistible one; moreover, it appears on a world scale. The question is merely whether it will be the totalitarian, bureaucratic and reactionary planning of the capitalist or Stalinist variety, or whether it will be the democratic and progressive planning of socialism. In the last analysis, it is the workers, particularly the American workers, who will have the final say on this historically decisive question.

FRANK DEMBY.

## Burnham and His Managers—II.

**I**BEGAN MY REVIEW of *The Managerial Revolution* by declaring that the Burnham theory is composed of half-truths assembled to fit a fantastic pattern unrelated to current social life. It is built upon a structure of assertions unfortified by empirical evidence and posited in such a way as requires the blind acceptance of his assertions in order to endorse his conclusions. It is my intention in this second review to evaluate the managerial society and discuss the future of socialism. There will be, naturally, a number of gaps in this criticism, but that is unavoidable. If we successfully answer the main theses, we shall, in fact, have replied to the hundreds of minor problems raised in the book. . . .

Behind the façade of a strange combination of words, Burnham has woven a simple theory. If capitalism is doomed, and socialism is precluded as a theoretical and realistic social alternative, some new social order must take the place of the

present profit economy. Burnham's alternative social order, erected on the ruins of capitalism, and his belief in the impossibility of socialism, is the managerial society, in which the managers, through state control, become the inevitable owners of the instruments of production.

The proofs cited by Burnham to show that this revolution is in fact taking place, that it is world-wide and has been irrevocably achieved in Germany, Russia and Italy, and begun in the United States, we rejected as arising from a misconception of monopoly capitalism and a general failure on his part to appreciate economic theory and history. An intimate knowledge of the nature of monopoly capitalism might easily have demonstrated to Burnham that actually he did not prove much by his examples. We are certain, however, that objective "scientific" proof is not precisely what Burnham sought. But let us see how it improves the position of the new society.

## Property in Managerial Society

Consciously or not, Burnham's description of capitalist property relations contains a key to his reasoning. Whenever he refers to bourgeois society he speaks of "control" of the instruments of production, and "control" of distribution. Why control and not ownership? Because it is an important link of Burnham's theory that in present-day capitalism, recognizing the economic phenomenon of separation of ownership and control, he establishes a complete and universal separation of ownership and control, *viz.*, a condition which *automatically* (at least on paper) insures the replacement of capitalism by managerial society. The state becomes the *owner* of the major instruments of production in order to avert perdition created by the chaos of bourgeois society. The managers, who have already become the dominant group in the state, in turn are now the dominant economic class. Thus are facts squeezed into a preconceived shape to fill the Burnham mold. On page 72 he writes:

The economic framework in which this social dominance of the managers will be assured is based upon the state ownership of the major instruments of production. Within this framework there will be no direct property rights in the major instruments of production vested in individuals as individuals.

The state—that is, the institutions which comprise the state—will, if we wish to put it that way, be the "property" of the managers. And that will be quite enough to place them in the position of the ruling class.

It is important to bear in mind while on this trip through fairyland, that the bourgeoisie does not merely "control" the instruments of production and "control" distribution, but that it *owns* the instruments of production and its owns and controls the means of distribution. This fact of ownership is decisive. Moreover, it has a decided bearing upon the problem of the way in which managerial society will come into being. Is the managerial revolution truly a social revolution? Is it an evolutionary change? Is it a social transformation directed by a state in the absence of cataclysmic social struggles? Burnham cannot clarify us because he does not himself know. Hiding behind repeated declarations that it is impossible to answer every question related to the managerial revolution, he evades the crucial problem of how this revolution occurs.

## Burnham Writes a Revolution

Several propositions are "established" by Burnham: 1. The bourgeoisie merely controls the instruments of production and the means of distribution. 2. The managers are already in control of the governmental bureaus which have become the new instruments of state rule. 3. The state owns the instruments of production and therefore owns and controls the means of distribution. 4. The managers through their established preëminence in the new state have "enough to place them in position of ruling class." 5. There will be "no direct property rights in the major instruments of production vested in individuals as individuals." Property becomes collectivized state property controlled by the managers.

What, in the meantime, has become of the bourgeoisie and the proletariat? The bourgeoisie, we are informed, has been decisively defeated. Where it hasn't already been defeated, it will inevitably suffer such a fate. The proletariat remains an exploited class in the new society. In so far as the social status of the proletariat is concerned, it has not been fundamentally altered. We are indebted to Burnham for at least this admission, since the continued existence of the proletariat created, in turn, a class relationship in the new society of the

highest social significance. (Does it remain, in a managerial society, a proletariat in the accepted scientific meaning of the term? Burnham so implies, but gives no good economic reasons why.) For, even on the basis of the Burnham theory, whatever transpires, nothing really changes so far as the international working class is concerned.

But what of the bourgeoisie? There is, in truth, no problem for the simple reason that Burnham has postulated a theorem which cannot be proved since there are no facts to prove it. For example, in what country does the state own the instruments of production? In what country have the managers (as described by Burnham) assumed control of the state bureaus or governmental institutions? In what country is property state owned, collectivist and, therefore, nationalized? The answer is clear. The Soviet Union is the only country in which the bourgeoisie has been expropriated. There, the state owns property which has been transformed into collective property and nationalized. Managers direct the daily affairs of industry and agriculture, but not alone and, significantly enough, without political power, since it is vested in Stalin's bureaucratic régime. Moreover, the Russian manager is a specie quite different from the manager Burnham thinks and writes about. Burnham's theory presupposes the existence of independent political and economic control of society by the managers, and this phenomenon, so far as we are able to observe, exists only as an abstraction. It bears no resemblance to society as it really is.

## Once Again Our Examples

Let us return to the German, Italian and American examples. Perhaps we shall be more fortunate in new geographic surroundings. But here, too, the governments do not own the instruments of production; property remains bourgeois in every sense of the term. The managers do not control "the bureaus of the state." They do not, as a matter of fact, exist or function in the manner described in Burnham's theory of the managerial state. Property rights *are* vested in individuals as individuals.

In Germany, Japan and Italy, where the state actively intervenes in the production process, and in the United States and Great Britain, where the prevalent tendency is in the same direction traveled by the totalitarian states, you have the sharpest expression of what is an unavoidable stage in the development of capitalism. But even if the state power in each of these countries were to assume complete control of the production process, the capital-labor relationship would suffer no basic change. The very development of monopoly capitalism is the living antithesis of bourgeois democracy and *laissez-faire* capitalism. Monopoly capitalism, especially in the period of world economic decay, is the most important propelling force toward statification of politics and economics.

Thus, twentieth century capitalism is in a death struggle to survive. As a profit economy, *i.e.*, a world economy circumscribed by private ownership of the means of production organized in national states, where the production and reproduction of constant capital intensifies an already existent insoluble contradiction inherent in the very nature of bourgeois production, there remains, at least in the eyes of each national bourgeoisie, one hope: world domination for itself as a means of overcoming the falling rate of profit.

Modern capitalism means permanent war and war means the total mobilization of society. Such a gigantic venture implies a fusing process between the compact monopolistic na-



tional bourgeoisies and their respective states. What is significant in this development is that the democratic nations now arrayed in a war alliance against the Axis merely follow in one measure or another the patterns already established in the enemy countries; *i.e.*, extensive and intensive state intervention in the economic process in accordance with war requirements.

Again, this process, necessitated by the stagnation of bourgeois economy, has no relation to, nor in any way proves anything about, managerial society and the fantastic "revolution" created out of Burnham's imagination.

### Background to Burnham's System

Yet it is not entirely true that the managerial revolution is merely a product of Burnham's imagination. Burnham's theory is an eclectic formation of ideas based on observing the variegated experiences of a proletarian revolution in Russia, fascist counter-revolutions in Germany and Italy, the insulated development of Japan, and current developments in England and the United States. Thus, from the Soviet Union, Burnham arrives at the property forms of the managerial society. The fascist states furnish the key to his description of political life in the new society, although in this respect he seems not altogether sure since he is strongly influenced by his bourgeois democratic environment as an inhabitant of the United States. But so far as the economic side of his theory is concerned, he borrows essentially from the Soviet Union.

It is with the Soviet Union in mind that Burnham writes on page 182 that "The managerial state does not have to make a capitalist profit." Naturally, if the new society is not capitalist, it would not "have" to make a capitalist profit. But it would have to make a profit, whatever its description, since it rests upon the exploitation of the proletariat, as does capitalism. In the Soviet Union, the proletariat produces surplus products which are appropriated by the bureaucracy. The bureaucracy is an élite class in Russian society and enjoys the fruits of Russian labor. It is true that the Russian state does not have to make a capitalist profit, but it indeed does make a profit and must necessarily make one, otherwise its existence as a bureaucracy under Soviet production relations would be farcical. But Burnham's example was intended not solely for Russia, not primarily for Russia, but for Germany. And there too, he stands on quicksand. For Russian economy bears not the slightest resemblance to German economy where the basic institutions of capitalism remain intact. Burnham's point, in any case, is without significance. Profit or the lack of it does not itself alter the economy.

As further evidence of Burnham's essential confusion, we quote from page 156:

In managerial society, however, politics and economics are directly interfused; the state does not recognize its capitalist limits; the economic arena is also the arena of the state. Consequently, there is no sharp separation between political officials and "captains of industry."

If this is a description of managerial society, it is also an accurate picture of present-day capitalist society. Perhaps it will be said that, in any case, in managerial society, "the state does not recognize its capitalist limits." I confess that I do not know what is meant by this statement. What is a capitalist limit and what capitalist nation is impeded in its actions by this limit? That the Soviet Union does not recognize "its capitalist limits" is clear, since it is not a capitalist nation. But, for example, what capitalist limits has Germany exceeded, and what are the limits respected by Great Britain? This essential

characteristic of managerial society is hardly impressive or elucidating as a description of the *new* social order.

### Managers, Bureaus and Capitalism

The managers differ from the capitalists on how to run economy? In what way? It is not clearly or satisfactorily explained. Yet this is a crucial point. Will there be planned production? Or, more accurately, is there genuine planned production in the existent managerial states? Hardly! Again, is it the innate desire of managers to keep production on a high level and to seek to constantly raise that level? For what purpose? Obviously, it is not to raise the level of existence of the proletariat. Burnham acknowledges that. Is it to increase the wealth and riches of the state or to increase the wealth and riches of the managers? A very important question! Burnham refrains from an explanation, or what explanation he does make is based entirely on metaphysical considerations.

On page 150, the professor says:

The social position of the managers is buttressed in the bureaus both against the claims of the capitalists and also against the pressure of the masses, neither of which groups can function effectively through the bureaus.

We have already pointed out how the state acts in the interests of the total national capital irrespective of how its acts may interfere with or affect the position of the individual capitalist and especially the middle class. This is so patently borne out in the present efforts of the United States to erect its powerful war machine. At the same time we acknowledge that the masses cannot "function effectively through the bureaus," precisely because the bureaus are instruments of the bourgeois state, functioning in the total interests of the bourgeoisie. The bureaus, a plethora of which exist under the Roosevelt government, are obviously a means through which the bourgeoisie functions. One who cannot see this simple truth can hardly represent himself as an authority on the progression of social orders, new or old. In this instance, Burnham repeatedly alludes to the "bureau" development in American government as the concrete expression of the inexorable victory of managerial society. We do not recognize any theoretical or practical reason why this development is contradictory to bourgeois society, nor do we observe how the existence of this "phenomenon" is contradictory to the existence of the bourgeoisie as the dominant class in society. The assertion that it is proves nothing. In this instance, again, the facts contradict the theory.

### Capitalists in Managerial Society

In consideration of all the foregoing, why do not the fascist régimes in Germany and Italy once and for all rid themselves of the bourgeoisie? Why do they tolerate this expensive parasitic class which only interferes with their plans and is in truth a nuisance? Why, indeed!

The answer is not hard to find. The fascist régimes are bourgeois régimes, formed in the period of the deepest world capitalist crisis whose historic aim is the maintenance of bourgeois society through the only means possible and arising on the basis of concrete national conditions. The fascist movements are not social revolutionary movements. They do not think or act in a social revolutionary way. They do not have a great theory, a world social aim. Difficulties which beset them are solved empirically and from day to day. In other words, they are never truly solved. They do not know any-

thing else but capitalism; their thoughts and their aims are bourgeois. The great striving of this "wave of the future" is to build a strong nation based upon arms, to vanquish the enemy so that the fatherland may be strong and prosper on the ruins of the defeated. Thus, no great social plan emanates from this movement. What we do observe is the fruition of an inherent tendency of monopoly capitalism which is by its very nature totalitarian and anti-democratic. Thus the real victors under fascism are big business, the heavy industries, the fascist élite, which enrich themselves by means of thievery. This is especially so in Germany, where the fascist pinnacle is notoriously ignorant of economics and history. They cannot conceive of a world without the bourgeoisie and without the proletariat, production without profit, an enslaved peasantry, a militarized youth, and war as a means of enriching the fatherland. They are incapable of envisaging an enormous historical rôle such as is ascribed to them by Burnham.

### Socialism and the Future

We have reserved a discussion of Burnham's views on socialism for the end of this review because it leads to a fulsome summary of his managerial ideology and explains many things about the manner in which he developed the whole theory of the new revolution.

The basic premise for Burnham's exclusion of socialism as the next possible alternative to capitalism is the failure of socialism to succeed, the uninterrupted defeats it has suffered. It would be futile, of course, either to deny these defeats or to brush them aside as insignificant lapses in the onward march of the proletariat to power. The salient fact remains: reaction is in the ascendancy. There are, indeed, many ways of interpreting this truth, depending, naturally, upon one's class point of view. The revolutionary socialist, as a social scientist, strives to examine the reasons for the protracted defeats suffered by the world proletariat, in order that the mistakes committed by its movement may be averted and victory achieved. Burnham, the anti-Marxist, proceeds with another measuring rod: success.

In speaking of the failures of the socialist movement, reformist and revolutionary, he writes, on page 55:

This fact [the defeats] does not, as some think, prove anything about the moral quality [sic] of the socialist ideal. But it does constitute unblinkable evidence that whatever its moral quality, socialism is not going to come.

This is proved by the fact that it has been defeated in all tests engaged in with the bourgeoisie, except one, and there the revolution degenerated (or developed?) into managerial society.

This observation is accompanied by the statement that:

Socialism is not possible of achievement or even approximation in the present period of history (p. 48).

The proof? Again the USSR, which is not socialist but is the most advanced managerial state. If managerial society has succeeded best in the country believed to be laying the basis for socialism, then you have the most conclusive evidence of the future of this new social order. If socialism were really to replace capitalism, why hasn't it already done so? It hasn't because socialism is impossible—at least for many, many decades. Or, it is an impossible social alternative because it has not won any victories.

Burnham, however, must be aware that this kind of think-

ing and reasoning is not very profound, enlightening or "scientific." Following a series of statements anent the "grander scientific pretensions of Marxism" which "have been exploded by this century's increases in historical and anthropological knowledge and . . . scientific method," Burnham proceeds to "prove" why socialism is impossible.

### The Rôle of the Proletariat

At the outset of his discussion of this question, Burnham writes (page 58):

(a) The rate of increase in the number of workers—especially the decisive industrial workers—compared to the total population, has slowed down and in the last decade, in many nations, has changed to a decrease.

The statement is made to buttress the argument that socialism is impossible. One of the reasons why it is impossible is that, contrary to the opinions of the Marxists, the proletariat, that class which is to overthrow capitalism and establish socialism, is declining absolutely and relatively. This, if a fact, would have profound effects upon the movement for socialism. Yet, upon what facts does Burnham sustain this conclusion. If he means that in the midst of the world crisis of capitalism the number of proletarians, measured by those employed, declined, this cannot be gainsaid. But that is hardly the way to determine the extent of the proletariat as a class.

However, by no matter what measuring rod the professor employs, he cannot prove this assertion. Here as elsewhere, no facts are cited. What has happened in the present era of the war is that the ranks of the proletariat are increasing. The longer the war lasts—and war has become a permanent feature of bourgeois economy, as Burnham himself admits—the greater will be the demands put on industry and the greater will be the need for industrial workers, *i.e.*, proletarians. This is borne out by events in Germany, Great Britain and above all in the United States. In each of these examples, the problem has been one of obtaining sufficient labor supply. In all the warring countries, and in the United States, great projects for the training of workers have been organized to maintain a continuous influx of trained proletarians into industry. The growth of the proletariat in the leading bourgeois nations is a fact of utmost significance and importance.

Following this misrepresentation, Burnham adds another. On page 51, he writes as follows about the prospect of the socialist revolution:

There has been a corresponding change in the technique of making war, which, since social relations are ultimately a question of power, is equally decisive as a mark of deterioration in the social position of the working class.

On page 53, he adds:

Just as the new techniques of industry weaken the general position of the workers in the productive process as a whole, so do the new techniques of warfare weaken the potential position of the workers in a revolutionary crisis. Street barricades and pikestaffs, even plus muskets, are not enough against tanks and bombers."

We do not propose to spend a great deal of time in answering this obviously conscious and malicious attack on the Marxist concept of the socialist struggle for power. Suffice it to say that the assault has no merit.

No Marxist living in the 20th century has ever declared it was possible to seize power by the pikestaff or the musket. Burnham knows that the Marxist concept of power was never so simple and narrow. Moreover, the conditions of world imperialist war solves this problem far more simply than Burnham can possibly imagine. (I refer our readers to the articles

by C. D. E. in the May and June issues of THE NEW INTERNATIONAL for a discussion of this question.)

As an additional reason why socialism is impossible, the professor writes on page 51:

The workers, the proletarians, could not, by themselves, run the productive machinery of contemporary society.

Here again, we do not feel required to enter into a lengthy discussion of what the proletariat is or is not capable of achieving by itself. It is only necessary to add that the proletariat (the socialist revolution) has never conceived of the productive process, upon the victory of the revolution, as being run by the "proletariat itself." Two questions are thrown together here—one the struggle for power, the other, the organization of production on a socialist basis. The proletarian power envisages a joint effort on the part of all groupings, a fusing of their collective talents for socialist purposes.

What Burnham really means by the above is this: the productive process is an intricate one. Only the managers by their technical and scientific training are capable of directing production—thus, the future really lies in their hands. Only they can achieve the miracle by reducing the proletariat to veritable slavery.

What should one do or say about this new managerial society, since it is an exploitative society, a war society, subjecting other nations and classes to a new form of exploitation? According to Burnham, nothing! It is coming, no matter what is done. On page 153 he says:

Our business is not to judge it good or bad, not to express likes or dislikes, but to analyze it in its relation to the problem of what is happening to society.

### DISCUSSION ARTICLE:

# The Russian State-II.

[Continued from last issue]

WHAT ARGUMENTS STILL remain for the defenders of the "workers' state"? A few ridiculous subterfuges.

For instance: the bureaucracy was never a ruling class, it was always only a servant of another ruling class. . . .

First of all, this assertion is not completely correct. There were periods in the history of China where the mandarin bureaucracy (which reproduced itself by means of a monopoly of education) was a ruling class. However, let us not enter into controversies about Chinese history and let us grant our opponent this point.

Granted that, in European history, the bureaucracy was never a ruling class and that it always served other ruling classes. Does that mean that it never can become one itself? Can there never be anything new in history? A clever "theoretician" could have argued just as well, 200 years ago, before the great bourgeois revolutions: What, the bourgeoisie become a ruling class? Ridiculous! Capitalists, such as we have always known them—merchants and money-lenders—have always only served kings and lords!

Yes, sometimes something new occurs in history. It is then our task to analyze the new for which the Marxist method supplies us with a shining instrument) and not to hide our head from it, because it "has never been here before."

Is it a progressive social development? Burnham will not answer this, although he implies both, that it is and is not! Shall anything be done about it? Nothing can be done about it since it is . . . inevitable!

Thus are new societies born in the minds of men.

The realities of social development in the present epoch, however, do not sustain Burnham's theory. That is one good reason why he avoids facts as a foundation, or as a proof of his numerous fantastic declarations.

The one salient fact of the present era of capitalism, no matter what country one may turn to, is the existence of the proletariat. It is the existence of the proletariat as a living class, that is the nub of the entire situation. All bourgeois states fear it—despite its many defeats. Roosevelt and Churchill, Hitler and Mussolini, never cease their appeal to the workers of their respective countries. Each is lavish in his promises of the great future that is theirs if only they slavishly carry on production to make possible victory in the war.

Above all, they each promise a new social order after the war. And the social order which they each promise is either "socialism," a more equitable society, a happy life, or democratic equality. Why this constant deference paid the proletariat? Because each of these rulers, the democratic as well as the fascist, realizes that in the larger sense, their future is dependent upon what this class does. If Burnham does not understand this, at least the real rulers of capitalism do and they understand far more and far better than the cloistered professor.

As long as the proletariat remains the future is not hopeless. Socialism and freedom are truly ahead.

ALBERT GATES.

Let us kindly pull a curtain over this argument. The more so, since Comrade Trotsky, who formerly also asserted that the bureaucracy could *never become* a class without liquidating the collective property, expressly admitted this possibility in his last articles. Thereby, as Comrade Shachtman rightly pointed out, he gave up the most important position of the "workers' statist"; he removed that pillar of their theoretical house, without which their house must fall to pieces.

A further "argument": the bureaucracy is always subjected to pressure by the workers. It is forced to sacrifice a few of its own heads here and there, and to make a few demagogic gestures.

And this is supposed to be an argument against its existence as a class! Was there ever a ruling class in the history of mankind that was *not* subjected to a certain pressure on the part of the oppressed? Was there ever one which did not have to coat its class rule with phrases about the "general good" and sometimes even to make real concession, in order to avoid that greater evil, the uprising of the masses? The exploited masses of Russia, also, exert this same pressure on the ruling bureaucracy for the simple reason that, as in all class societies, they form the overwhelming majority of the people. Unfortunately this pressure is smaller, not larger, than in America, for instance. Otherwise the Russian worker could not be so basely exploited and so completely without rights.

Still another "argument." The bureaucracy, in its personnel, is not stable. Purges shake it. Any bureaucrat can be deposed and executed by Stalin at any time. In the oriental despotisms of ancient and mediæval times, every satrap or vizir could be deposed or executed. There, too, there were "purges" and mass executions. And yet no one has thought of denying the class character of these societies.

Should one conclude from the purges in Stalinland that the class régime there is weak, that it is shaken by tremendous inner contradictions, that it is undergoing a deep crisis shortly after birth, then I am completely in accord. The deep-lying cause of this crisis is that today *every* class rule must become reactionary: our contemporary world is really ripe for socialism and accordingly for the removal of *all* class rule; in a word, we are really living in the epoch of the socialist world revolution.

But it is a dangerous fallacy to deduce from the crisis of the bureaucratic class rule that this class rule does not exist at all.

However, to raise the question of the "stability" of the bureaucratic class is justified in a different respect, namely, whether or not the bureaucracy reproduces itself as a class.

One of the showpieces of Stalinist demagogy is that in Russia "very lance-corporal carries a marshall's baton in his knapsack." Every worker can rise to the highest economic and government functions. How then can you talk of social inequality or even classes? The "workers' statist" have fallen into the trap of this "argument" also.

But wait! Have we not heard this sort of talk somewhere before? Every lad can become President of the United States; so and so many newsboys and shoe-shine boys have become millionaires. . . . Familiar strains! Just as little as these shoe-shine boys turned millionaire are proof that there are no classes in America, so little are the workers turned bureaucrats proof of the same thing for Russia.

It is true that during the first years of the development of the new class society in Russia, class demarcations were not yet so rigid, and many individuals could rise. This was not a proof against the existence of a class society, but rather an indication that it was still young and in the process of formation.

For after all, almost the entire bureaucracy was formed through differentiation, out of the proletariat and the peasantry.

But with lightning rapidity an iron barrier is being put up, separating the new classes. More and more is it a rule now that the son of a bureaucrat becomes a bureaucrat and the son of a worker, a worker.

The old bureaucrat cannot will the factory to the young gentleman. However, he does not need to. He gives him an opportunity to study (usually *only* children of bureaucrats can study) and he gets him a good job in the administration. Besides, he wills him his house, his automobile, his furniture, his savings account and state bonds. But the first is more important.

Every year brings new measures for the safeguarding of the bureaucratic succession. Already the majority of the students are again studying at the expense of their parents. High tuition fees have been introduced. There are special schools for the children of bureaucrats (special kindergartens also—class difference begins in the cradle). Workers' children, as in Germany, are sent to a compulsory labor service. Prolongation of the hours of work, daily waiting in line in front of stores, render private education impossible for the poor. Only the

children of the bureaucrats have the means and the possibility of getting the necessary training in order to become bureaucrats. The bureaucracy reproduces itself to an always greater extent and now even preponderantly, from out of its own ranks. It is a class, in the full sense of the word.

### Incorrect Theory Leads to False Prophecies

In the long run, every theory is put to the test in practice. Incorrect theory leads to false prophecies and to political mistakes. Comrade Trotsky has certainly rendered immense services in the fight against the Russian bureaucracy. He was one of the first who began this fight. He produced masterly critiques of Russian conditions and helped us all to open our eyes. Certainly our present knowledge and analysis of Russian conditions could hardly be possible without his pioneer work. Yet, for some years now, a careful observer could not help but notice that Trotsky's theory must have a flaw, since the political prognoses that he posed for Russia were not realized.

Throughout the course of its existence, the Russian Left Opposition supported the following point of view: that in Russia there are two basic forces—the bourgeoisie, represented by the "NEP-men" and the kulaks, and the proletariat. The bureaucracy, an unstable stratum, which is not and can never become a class, sways back and forth between them. Only the proletariat or the bourgeoisie can win—the bureaucracy *never*. *Whatever* happens, it is condemned to destruction.

You can find this prophecy in a hundred places in Trotsky's writings. In 1927 he wrote clearly: If the proletariat is not victorious, then the NEP-man and the kulak will devour the bureaucrat.

Things turned out differently. The proletariat was not victorious, but instead became enslaved. But the bureaucrat devoured the NEP-man and the kulak, instead of being devoured by them. And it was no mere accident that the bureaucrat destroyed the older type of exploiters. Planned economy—even under miserable bureaucratic control—is *economically* more progressive than capitalist anarchy of production; *kolkhozes* with tractors are superior to small peasant farms with wooden plows. Bureaucratic state economy drives out bourgeois individual enterprise as inexorably as the cartel the outsider. That brute force has its share in speeding up this process, this is as well known from the history of cartels as from the history of state economic enterprises.

But *together* with the liquidation of the remains of the bourgeoisie (the slaughter of the kulaks), there was taking place, throughout the first Five Year Plan, a complete pauperization and enslavement of the workers and *kolkhoz* peasants. No, the bureaucracy did not waver between the interests of the bourgeoisie and the proletariat! It liquidated the remains of the bourgeoisie and enslaved the proletariat *in its own class interests*.

The Russian Opposition did not realize this, because it did not realize that the bureaucracy was developing into a class. This is why it *never* conceived of the struggle against the bureaucracy *as a class struggle*, or waged it as such. That is why, for years, the field of its activity was in the CC, the party committees, the Kremlin. That is why it remained, in the eyes of the exploited masses of Russia, a "family affair" of the bureaucrats and was never supported by the workers. That is why, however, even after Stalin's turn toward the Five Year Plan, there arose in the ranks of the Opposition that terrible confusion which Ciliga so graphically describes in his reminiscences of jail in Russia. While Stalin was completing

the enslavement of the working class, his poor victims in the isolators thought he was "now swaying to the left" and was carrying out—even though in a clumsy, adventurous and bureaucratic fashion—the proletarian program! This interpretation was indeed the main cause of many capitulations of that period. If Stalin is indeed carrying out *our* class program, even though he is doing it badly, are we not justified in hoping he will do it better?—so thought many members of the Opposition. In vain did Trotsky turn against the capitulators with the lash of his sharp criticism. He did not see that his denial of the class struggle between the proletariat and the bureaucracy helped to break the backbone of the Opposition.

Economic and social prognoses were accompanied by political ones. In regard to the internal party situation, didn't Trotsky say that only the Left or the Right (Bukharin) can win, but never the "Center" (Stalin)? Already in exile, didn't he propose to Stalin a bloc against Bukharin? Yet it was precisely Stalin who won, he whose victory was "out of the question."

Did not Trotsky prophecy time and again that if the proletariat did not win the bureaucracy would undergo a change and develop into the bourgeoisie—that is to say, divide up the means of production into private property, change the state trusts into stock companies, *etc.*? This has not and will not take place. The social counter-revolution in Russia which Trotsky expected has for a long time already been accomplished. It swept into power not the old bourgeoisie with private property, but instead the bureaucracy with its slave state.

Consequently, a *social* revolution is on the order of the day in Russia. The slogan of a "purely political" revolution is sheer nonsense. Every social revolution is also political—it has to conquer state power. However, a "purely political" revolution means that the old ruling class stays in power, and that only a different group, layer or clique of this same class comes into power (as in the July revolution of 1830).

However, the task of the future revolution in Russia is to *expropriate* the bureaucracy, to take the means of production away from the bureaucracy and to give them over to the democratically-organized proletariat, to utterly destroy the bureaucratic state apparatus and to replace it with a state of the same type as the Paris Commune—a state without bureaucracy, such as Lenin portrayed in *State and Revolution*.

"Social counter-revolution or political revolution—a perspective of these alternatives is just as wrong, and for the same reasons, as the prophecy of 1926 that the kulak will gobble up the bureaucrat. Trotsky always underestimated the bureaucracy. That is why, for such a long time, he conceived of the social revolution against it as a palace revolution ("police measures"). The slogan of "political revolution" is the last fruit of this false policy.

### Theoretical Roots of the False Theory

What is it that has seduced so many theoreticians, among them outstanding Marxists, into stubbornly closing their eyes to matters of fact? If we overlook emotional causes (we have defended Russia throughout our entire life, and each one of us has freed himself with great difficulty from the beautiful dream) then the basic reason is the conservatism of human thought. We have earned that capitalism is the last antagonistic form of society, the last form of class rule. Only socialism can come after it. For a broad historical perspective and on a world scale this is correct. Capitalism has really devel-

oped the productive forces to the point where the world is objectively ripe for socialism and where each and every class rule is superfluous, hence also reactionary. That is why the new class rule in Russia also is so unstable, shaken by such terrible contradictions.

But history, more complicated than the schematic predictions of the best of theoreticians, has taken a peculiar detour and, in backward Russia, so long isolated, has led to the formation of an unstable class rule of the bureaucracy—something that has never existed before. Yet the theoreticians remained stuck in the old dilemma—today we can only have either capitalism or socialism, only a bourgeois or a proletarian class state. That which isn't socialism had to be capitalism, and *vice versa*. That something entirely new could exist, this was excluded *a priori*, and thus the route was barred to the analysis of the new phenomenon. This was the dogma which led Comrade Trotsky to his false conclusions; it was only in his last articles that he gave it up in acknowledging theoretically the possible formation of a "third" class state which is bureaucratically ruled.

However, this dogma of "*a priori* exclusion of a third possibility" has led some opponents of the theory of the "workers' state," as well, to false conclusions. In my opinion, Comrade Johnson is a classic example of this. He proves, passionately and correctly, that Russia of today is not a workers' state but rather an exploiters' state. But then he takes a big leap: if this is exploitation, then it must be capitalism. This is what he writes:

Marx's life work in political economy consisted solely in demonstrating that modern society has only two roads before it; one, monopolization of the means of production by a minority, giving rise to internal contradictions, economic and social disorder and bankruptcy or, two, control of the means of production by a majority of the population, *i.e.*, workers, leading to socialism. There is not and cannot be, according to Marx, any other form of society in the modern world.

This is correct to a certain degree. There are indeed only two roads possible for mankind: either the means of production will be in the hands of a minority—this means exploitation, contradictions, disorder, bankruptcy—or the monopoly of the means of production will be abolished and socialism will be introduced. However, the characteristic of the first alternative (monopolization of the means of production, exploitation, contradictions) and not *specific* characteristics of *capitalist* society, but rather *general* characteristics of *every* class society. Johnson states *de facto*: today there can only be an exploitive class society or socialism. This is true, but it is no discovery. However, he immediately proceeds to identify every contemporary class society *a priori* with capitalism. This is false.

Capitalism is a *specific* form of exploitation, essentially different from *other forms* of exploitation and class society. The specific characteristics of capitalism are as follows: the wealth of bourgeois society is composed of "commodities," that is to say, of things that have been produced without plan for the market. The coherence of the economy is left to the blind rule of the market, of the law of value. Labor power has become a commodity; the worker, who is personally free, owns only this one commodity, his labor power, which he sells, in accordance with the law of value, to the capitalist, who owns the means of production; in this process, the capitalist pockets the surplus value.

The law of value and of surplus value *no longer applies* where products are *not* commodities and where *labor power* is no commodity; in this case the means of production are no

longer capital in the Marxian sense. Even then there can be monopolistic control over the means of production, there can be exploitation, misery, class contradictions, parasitism (all of which are present in every class society), but it is no longer capitalism.

It is the relation of the basic classes of society to each other, it is the specific form of exploitation which is decisive for judging the specific character of each type of class society. What is peculiar to capitalism? We quote Marx:

In order that the owner of money may find labor power offering itself for sale as a commodity in the market, various conditions must be fulfilled. . . . Labor power can only make its appearance in the market as a commodity *in so far as it is offered for sale or sold as a commodity by its owner*, by the person whose labor power it is. But if its owner is to sell it as a commodity, *it must be at his own disposal*; he must be *the actual owner of his capacity for labor*, the actual owner of his own person . . .\*

The seller of labor power and the owner of money meet in the market and enter into mutual relations as commodity owners having equal rights, distinguished only by this, that one of them is the buyer and the other a seller, so that they are equal persons in the eye of the law. Such a relation can only persist on the understanding that the owner of labor power sells that labor power for a definite time and no longer; for if he should sell it once and for all, he would sell himself, would change himself from a freeman into a slave, from an owner of a commodity into a commodity. As an independent person, he must incessantly cling to his labor power *as his own property and therefore as his own commodity*; and he can only do this in so far as, when he places his labor power at the disposal of the buyer, he does so for a definite period, and hands over its use only for this period—so that, when alienating his labor power for a time, he does not renounce his proprietary rights in it.\*\*

If then, the owner of money is to transform his money into capital, he must find in the commodity market a *free worker*, free in a double sense. The worker must be able to dispose of his labor power as his own commodity, and on the other hand, he must have no other commodities for sale, must be free from everything that is essential for the realization of his labor power. (Karl Marx, *Capital*, Vol. I, pp. 153, 155.)

Mind you, this is no "chance quotation," this is no picture of a "chance aspect" of any epoch or form of capitalist society. It is the *essence* of capitalist exploitation that is being considered. Remove this pillar of Marx's doctrine of capitalism and the whole structure falls to pieces. For, if the worker is not free in the double Marxian sense of the word—free from means of production and *personally free*; if he cannot dispose of his labor power as *his own* (and only) *possession, his commodity*; if he cannot sell it on the free market; if the price of his labor power (and of other commodities) is fixed, not according to the law of value, but according to government decision for "planned production"—then, in the precise Marxian sense, there is no longer surplus value, there is no longer capital, and not a single word of the Marxian analysis applies. Of course there still is the surplus product, which is appropriated by the exploiters, but there is no surplus *value*. Of course there is exploitation, but it is not *capitalist* exploitation.

Comrade Johnson's mistake is that his definition of capitalism is so broad that all exploitation fits into it and therefore all specific characteristics of capitalism disappear.

In Russia there is no capitalism because there the worker is not free in the double Marxian sense of the word. The worker is deprived of the means of production, but he is not *personally free*. He does not own his labor power; he cannot

\*Here Marx puts a characteristic footnote: "In classical dictionaries we find such *nonsense* as the assertion that in the ancient world capital was fully developed, except that the *free worker* and the credit system were lacking." Note that capital without free workers means *nonsense* to Marx!

\*\*Here another footnote says: ". . . In various countries, especially in Mexico, slavery is hidden away under the form of peonage. By means of advances, repayable in labor, advances handed down from generation to generation, not only the individual laborer, but his family as well, become, for practical purposes, the property of other persons and their families."

sell it on the market. His labor power belongs *a priori* to the exploiters. The bureaucracy commands where, and under what conditions, it will be applied. The position of the Russian worker calls to mind rather the position of the slave—of a "modern" slave, however, who works, under conditions of a developed economy, in large enterprises, and who belongs, not to *one* slave owner, but rather to the slave-owning *class*. This is, in my opinion, the only way a Marxist can characterize Russian society of today.

Incidentally I should like to say that the charges that Marxism is outmoded and the eternal "delimitations" against Marxian "orthodoxy" are nonsense, to put it mildly. It is precisely Marxism, and Marxism alone, that enables us to understand and analyze correctly the new facts. What part of Marxism has shown itself to be outmoded in the light of new experiences? The dialectical method? It is precisely the dialectical method that has helped us to grasp the changes of society in Russia and the turn from quantitative to qualitative changes. Historical materialism? Historical materialism gave us the key for solving the riddle; we have to seek the anatomy, not only of bourgeois, but also of bureaucratic society, in its economy. The doctrine of the class struggle? But it is precisely the class struggle which enables us to comprehend Russian reality. Perhaps Marx's economic analysis of capitalist society should be revised? Not in the least, in my opinion. It applied excellently to *capitalist society* and showed with amazing correctness its development and tendencies. You can just as little reproach Marxism that *Das Kapital* is not applicable to a *non-capitalist* society as you can reproach zoology because the description of the cat does not fit the dog. That new types of society have arisen which Marx did not and could not foresee, this is as little a fundamental objection to Marxism as the discovery of a new type of animal is a refutation of the Darwinian doctrine.

The real revisionists in our ranks, however, are those who distort the old clear Marxian definitions of "workers' state" or "capitalism" into their opposites, in order to embrace under these titles completely contrary facts. They are the discoverers of the "counter-revolutionary workers' state" and "capitalism without commodity production."

### Concerning a New Kind of Imperialism . . .

The immediate occasion for the split in the American section of the Fourth International was not so much the "theoretical" struggle over the character of the Russian state of today as the practical conflict concerning the character of Stalin's war against Finland and his annexations in Poland and the Baltic countries. Were these wars progressive, revolutionary, just, or were they reactionary, predatory, unjust? Were these imperialist wars?

What do you mean, imperialist? shouted the Cannonites. In his book of the same name, Lenin portrayed imperialism as the last stage of capitalism; what he described there does not apply to Russia, at least not in all characteristics. What a peculiar argument! Because the teacher has given the description of one plant, there can be no others! Because Lenin wrote a book about the imperialism of the epoch of monopoly capital, there can be no others!

Luckily we have an explicit quotation from Lenin concerning different kinds of imperialism and this quotation, already cited by Comrade Shachtman, permits no further distortions:

\*Should anyone be morally indignant at the introduction of the "moral concept" of a "just war," I call his attention to the fact that this is originally Lenin's expression.

There have been imperialist wars on the basis of slavery . . . as well as in the Middle Ages and in the epoch of mercantile capitalism. *Every war in which both belligerent camps are fighting to oppress foreign countries or peoples and for the division of the booty, that is, over "who shall oppress more and who shall plunder more," must be called imperialistic.*

Really, this is categorical enough. Every war waged for the exploitation of foreign peoples and for the division of booty must be called imperialistic. Lenin, by the way, called the wars of Napoleon I also imperialistic, despite the fact that Napoleon doubtlessly represented an economy which was progressive at the time.

Of course you can argue that for Lenin the word "imperialistic" had two meanings—a broad one, which we have just cited, used in the sense of "predatory, unjust, rapacious"; and another narrower meaning which expresses *a certain type* of robbery having all the earmarks of *monopoly capital* imperialism.

This is correct. However, we must now ask which of these two meanings is decisive for our position toward the war. Are we against imperialistic wars because they are waged for the purpose of exporting capital? And would we support them if the export capital were replaced by a different form of exploitive robbery, for instance, by the direct annexation of foreign territories, by the confiscation of the means of production of those territories, and by the exploitation of the local population through these means of production?

Posing this question in itself already gives us its answer. In the course of the First World War Lenin told the workers: "This is a war of robbers for the division of booty. On the part of all participants it is reactionary and unjust, and you must try to get rid of all the robbers."

Now Stalin, like all the others, wages wars for the sake of despoiling and robbing foreign countries and for the unprecedented enslaving and exploiting of the local working population. And the Cannonites tell us: We must support this because these thieves rob *in a different* manner from the imperialists of 1914! But the Nazis also rob "in a different manner"—the methods of imperialist expansion have changed since 1914. It is no longer a question of ensuring the market and exporting capital in the old sense, but rather a question of annexation of *Lebensraum*. Here the new lords expropriate the means of production and let the populace work for them as slaves!

To sum up: according to Lenin's point of view, imperialist policy was possible in every class society. Therefore it is also possible in a society directed by a bureaucratic class. Here too this policy has economic causes. The occupied territories and annexed peoples are exploited in the interests of the ruling bureaucracy of the mother country. Into the coffers of this ruling bureaucracy flows the surplus product of the work of the oppressed peoples. Wars of such an exploiting state are waged over "who shall oppress and who shall plunder more." They are reactionary and unjust. They must be changed into a civil war against one's own bureaucracy.

### ... And a New Peculiar Social Patriotism

Another argument habitually employed to combat our views stated above: If in Russia there is not a socialist system, nonetheless there we have a "progressive" social system. Therefore we have to defend it against backward capitalism.

This argument is seductive, but not correct. We have to differentiate between societies which have attained a progressive level from a purely economic point of view and those historically progressive. Germany, with its trusts and its "war

economy" has doubtlessly progressed farther, from the purely economic point of view, than England. Is it perhaps a reason for defending it?

Italian society, as compared with that of Ethiopia, was at a level 2,000 years more "progressive." In the Italian-Ethiopian war, should we have been *for* Italy and against Ethiopia?

From the purely economic point of view, it will most likely be easier, after the revolution, to take over Russian planned economy than the economy of a capitalist country with free competition. Trusts and cartels, also, in this sense, are more progressive than the former economic forms. Do we therefore defend a country with trusts against a country without trusts?

No, indeed; *economic* "progress" cannot alone determine our position. We are guided by historic progressiveness. And what is progressive in that epoch where the world is objectively ripe for socialism? Everything that weakens imperialism and brings closer the socialist revolution. That is why we consider as progressive the anti-imperialist fight of oppressed, though "retarded" people. Only please don't forget that among these are the Ukrainians, the White Russians, the Kirgiz, the Tartars and the Uzbeks. But have we not already heard these arguments that we must defend the "higher economic order," "economic progress," "huge modern economic enterprises" against the "sentimental demands of small peoples" and against "backward economic forms"?

Oh yes, indeed! They are the typical arguments of the German social-patriots of 1914, of the Lenschs, and Legiens, against whom Lenin polemized so often.

There are still nicer arguments. Whoever does not want to defend Russia helps the enemy. Would it not be a disaster should Germany utterly defeat and occupy Russia? Of course it would be a disaster. Another disaster would be Stalin's occupation of all of Europe. We are against both these disasters. We desire neither Stalin's nor Hitler's victory. We desire the defeats of both and the victory of the proletarian revolution in both countries.

He who is for the defeat of Stalin and at the same time for the victory of imperialist Germany is no internationalist, but rather a German social-patriot, even though he live in Russia and be born in Jerusalem.

However, he who is for the defeat of Hitler and at the same time for the victory of imperialist Russia is a Russian social-patriot. The only true internationalist is he who works for the defeat of *all* the imperialists.

To accuse the war opponents of "helping the enemy," however, is a typical social-patriotic argument.

Perhaps some tender souls will protest against the insult of "social-patriotism." I do not like insults—not even "scientific" ones, but I cannot help it: the standpoint of the "defenders" of the Russian "workers' state" is social-patriotism.

What are the earmarks of social-patriotism as a political tendency? *First of all*, it suppresses the given class contradictions. The "workers' statist" not only suppress class contradictions in Russia, they even *deny their existence*. *Secondly*, social-patriotism preaches defense of the fatherland in a reactionary war. This is precisely what the "workers' statist" do in the case of Russia. I have shown a few of their typically social-patriotic arguments. Do I need also to show how they seek to justify Stalin's annexation of foreign peoples by calling on "strategical reasons"—in the manner of the worst of chauvinists? This is truly sickening.

You can say that there is not one single Russian among these "defenders of the Soviet Russia." This is of course of importance from the subjective point of view. For these peo-

ple are not chauvinistically propelled, rather are they politically blind. But today we see many English social-patriots who hail from Berlin, Hamburg, Breslau. Almost the entire German emigration is composed of such people. They are mostly unhappy and confused people, but we must nonetheless fight against their views.

I am, however, firmly convinced that the future workers'

international cannot be founded on the basis of any kind of social-patriotism, neither of the English, nor of German, nor the Russian variety. That is why in my opinion the split was inevitable—and that is why my polemic is so sharp. This is a question concerning the fate of the revolutionary workers' movement.

W. KENT.

### DISCUSSION ARTICLE:

# For the Defense of the S. U.

## I. The Significance of the Russian Question

**A** DISCUSSION OF THE Russian question, which with us has anything but the character of a rarity, is an opportunity not only to arrive at correct theoretical conclusions and a program of action, but also an opportunity to study the methods of the various proponents who have different points of view to present. Therefore, in the present discussion we must not lose the chance to observe not only what conclusions are reached by those who have positions to present but also to learn in the course of the discussion itself *how* and *why* various positions are reached.

At each new stage in the history of the world since the October Revolution the labor movement and especially its vanguard in the Marxist section of it has re-examined its conception of the Soviet Union and tested its former position in the light of the ever-changing conditions. This is no accident or parlor pastime because for serious revolutionists the existence of a workers' state and the problems confronting the international proletariat regarding its defense from imperialism were and are the problems of the revolution itself. Lenin and Trotsky often stated that the fate of the SU would be decided on the international arena. They were persistent in teaching that the SU could not be looked upon as a national phenomenon but was in reality the first step in the world revolution. Because they were internationalists through and through and based their entire concept upon international developments and conditions which included the SU as a part and because they correctly viewed the proletariat as an international class, their analyses, program and policy flowed from this concept.

The Russian question, precisely because of the occurrence there of the only successful proletarian revolution in all history derives its tremendous significance as a part of our program because within it is contained how the revolution was made and is to be made in other countries, what the workers' state will look like after the conquest of power and what the actual material results of the revolution were.

A discussion of this question, moreover, must be approached in a scientific manner: What produced the October Revolution, how was it made, what were its material results, through what changes have these passed and what remains today. Such an approach, taking into account the all-sided development of world history and its effects upon the SU, can lead to satisfactory results in theoretical conclusions and the application of scientific theory to practice. It must never be forgotten that the prime purpose of this discussion is to arrive at not only a correct appraisal of what exists but also *what*

*we must do about it.* We are not discussing this question merely for the mental exercise.

Unfortunately, this is not the attitude of everyone, especially of some members of the Political Committee. Comrade Coolidge, for example, says that we have always discussed the Russian question in the past from the point of view of what we would do if we found ourselves living in Russia. This is untrue and, moreover, a reactionary, nationalistic approach. According to his view, we would let the Russians decide the Russian question, the French the French question and we would decide the American question. This is not the way internationalists look upon political problems. The proletariat is an international class and acts internationally. We must never lose sight of this fact; it is the touchstone of all we stand for. Any time we adopt a policy it is not merely for the benefit of or the sole task of any particular part of the proletariat, but for the class as a whole. And this goes double for the Russian question.

## II. The October Revolution

The October Revolution was the result of the profoundest crisis in imperialism taking particular shape during the First World War. Russia and the Russian bourgeoisie were tied by countless threads to the international economic system of imperialism. It was, as Lenin described it, the weakest link in the imperialist chain.

The Russian proletariat, led by the party of Lenin and Trotsky, overthrew the rule of the imperialists, expropriated them and the landowners and consolidated the ruling power of the Soviets. The expropriated properties of the former ruling class were made state property and for the first time in the history of the world everyone could see what was and would be the most fundamental difference between property relations in the means of production under capitalism and under the rule of the now rising class of proletarians. This expropriation of the former ruling classes and the subsequent nationalization of the means of production carried out by the working class was the fundamental result of the revolution alongside of which all other results bear a less important character.

The founders of the first workers' state knew that the solution of the many problems confronting them both at home and abroad could not be separated from the solution of all problems facing the proletariat everywhere. Consequently, their outlook was always an internationalist one, based upon world developments and not confined to events and conditions strictly within the SU. Their policies were always motivated



from the international viewpoint, they knew full well that the existence of Soviet power in Russia was dependent fully and actually upon the revolutionary development of the workers in the more advanced countries. This was brilliantly confirmed in the days of the imperialist invasion when the Soviet state might have been crushed had it not been for the aid given by the international working class.

### III. The Period of Reaction and the Rise of Stalinism

Beginning with the defeat of the German revolution in 1924 and following the ebb that set in among the workers of western Europe in the post-war years, the SU found its isolation growing. As the workers of one country after another failed to rise to the level of the demands of development, that is, to emulate the Russian workers, the position of the SU in the world became increasingly precarious. A backward country economically as compared to western Europe and laid waste by years of wars and invasions, the SU began in its isolation to feel the pinch of want. Its separation from world economy plus the destruction of the war years caused a limit to the productive forces and, as the inevitable concomitant, produced a bureaucratic régime. The Stalinist bureaucracy owes its birth in the first place and its development in the second exclusively to the isolation of the SU caused by the failure of the world revolution. No one has been able to find a more satisfactory scientific reason for the phenomenon of Stalinism. Unless, of course, one uses the "science" of Messrs. Burnham & Macdonald, purveyors of exclusively "Scientific Theories" for all occasions.

The reactionary Stalin régime, basing itself on the backward, ignorant and weary sections of the population, proceeded to destroy one by one the gains of the revolution. The sum total of the crimes of Stalin is so great, a single sheet of paper cannot hold it. It is sufficient for us to say now that virtually all the gains of the revolution have been wiped out save one. This, the economy produced by the proletariat, remains in substantially unaltered form. The crimes of the Stalin bureaucracy viewed from the internationalist revolutionary standpoint make it more and more difficult for the workers of the world to defend what is left to defend: the nationalized economy.

### IV. The Nationalized Economy and Why We Defend It

Marxists have always determined the class character of a state by the economy which this state defended and rested upon. Thus, we characterize as imperialist any state which rests upon an economy dominated in its decisive aspects by finance-monopoly capitalism. For our epoch in history we have decided that the brake upon the further development of the productive forces is imperialism. Therefore, we support in some measure or other, in one way or another, depending upon concrete circumstances, *all* movements against imperialism. There is no exception to this rule. Wherever a people are waging a struggle against imperialism, we take our stand with them and against the imperialists.

The October Revolution, which broke the chain of imperialism at its Russian link, resulted in the establishment of an economy in the SU which effectively prevented imperialist exploitation. No matter what we think of the Stalin régime

or of nationalized property in general, or of nationalized property by the bourgeoisie, the cold, sober fact remains that today the economy set up by the proletarian revolution remains in the SU and is *not* a part of world imperialist economy. It must be stressed again and again that this economy did not drop from the skies but was the result of the proletarian revolution.

This economy has a progressive character as compared to capitalist economy. The new economy demonstrated its superiority over the old, even under the handicap of Stalinist control, during the first five-year plan. Soviet economy operating under a plan, even though bureaucratically carried out, experienced an expansion the like of which has never been seen by the capitalist world. Some people say (Comrade Johnson is one of them) that Russia would have expanded its economy even if the revolution and nationalization had not taken place. They have forgotten the little item that if the revolution had not taken place, Russia, defeated in the World War, would have become, not an industrial country of any kind, but a colony of American-British-French-Japanese imperialism. It would have developed as an agricultural crosspatch of spheres of influence by the victorious imperialists. They would have done to Russia what Hitler is doing to the conquered parts of Europe today.

It is this economy we propose to defend—despite Stalin, who, in reality, does not defend it. We defend the Soviet economy against the imperialist invaders who, if victorious, will destroy it and re-establish imperialism in the SU where it has been unknown for nearly a quarter of a century. We defend the SU so as to prevent Hitler from replacing the Russian link in the chain of world imperialism.

### V. How Do We Defend the Soviet Union?

Since in our most fundamental analyses of world economy and the resultant class relations we use as a starting point the international aspects of the historical development and since we have characterized the October Revolution as just the first step in the world revolution, we therefore conceive of the defense of the SU as a direct part of our struggle for the world revolution. This is an internationalist proletarian policy and excludes, in the first place, any support of any kind whatever to any imperialists, be they allied to Stalin or anyone else. The revolutionary defense of the SU demands the most intransigent and unceasing struggle against all imperialism.

We do not credit the capitalist allies of Stalin of today with the desire to defend Soviet economy any more than, it can now be established in retrospect, his allies of yesterday. Roosevelt and Churchill, in their own way and in their own time, if they are able, will prove to be not one whit better allies than Hitler. We do not mean here that they will of necessity desert Stalin in a pinch. We mean that they, just as much as Hitler, want to replace the Soviet Union into the system of world imperialism. Therefore, we are opposed to them and their war today just as we were yesterday. The rôle that Roosevelt-Churchill play today with regard to the SU is only that of bolstering up the Stalin régime so that Hitler should not be able to concentrate all his attention upon them. Our rôle is the diametric opposite. Far from bolstering up the reactionary Stalin régime, we expose it at every opportunity. We denounce his conduct of the war within the strictly confined limits prescribed by his allies. We denounce his appeal to the tradition of the Russian war against Napoleon and remind the workers of that great tradition of the Russian Civil War and the victory over the imperialist invaders of 1919

which included both the U.S. and England. We denounce the whole policy of Stalinism which ties hand and foot and delivers over to their exploiters the workers and colonial slaves of Anglo-American imperialism.

Our defense of the SU has nothing in common with the "defense" of the capitalist allies of Stalin or of the CP and its stooge organizations. Where all these people conceive of defending the SU by a policy of class peace and the submerging of the workers struggle in the interests of fighting the war, our policy is a continuation of the class struggle. Our policy, we have said, is motivated by the interests of the world revolution. We call upon all the workers to oust their present rulers and to take power themselves and unite with the Soviet workers. This is just the opposite of the line pursued by Stalin, who fears a rising of the workers anywhere. Stalin, who holds and defends the idea of solving the problems of the SU within the confines of one country, is the bitter enemy of the revolutionary defense of the SU.

Our policy, in its international aspects, is calculated to deepen and extend the proletarian revolution by uniting with the present Soviet economy, the advanced economy of the large capitalist nations. This, naturally, excludes the further existence of Stalinism which is and was based upon the failure of world revolution. Following the extension of proletarian uprisings and subsequent expropriations of the bourgeoisie, Stalinism, based upon conjunctural circumstances, will crumble into dust. Finally, we defend the SU as Lenin and Trotsky defended it: on the international arena. We persistently and patiently explain to the workers and especially the workers under the influence of Stalinism, that our defense of the SU is the only real defense.

## VI. Is the Soviet Union a Capitalist-Imperialist State?

Comrade Johnson has favored us with several articles in which he attempts to prove that the SU is a capitalist state. Naturally he is not for its defense. He reasons from the premise that there are class divisions in the SU and that the bureaucracy composed of a minority of the people arrogates to itself a major share of the country's income which is derived from highly concentrated and centralized means of production. Johnson, by some method known only to himself, tells us that the SU ceased to be a workers' state and became a capitalist state somewhere in the neighborhood of 1933-1936. We shall investigate his method and subject it to a comparison with the Marxist method.

It is true that the relationships in the SU resemble capitalist relationships. The bureaucracy looks like and acts like a class. But we do not accept a similarity for an accomplished reality. It looked like a class long before 1933, too. Why was it not a class then? We do not insist that Johnson supply us with the exact date on which the bureaucracy became a class, such as, for example, the 24th of June. But we do insist that he supply us with the following facts: What new rôle in production did the bureaucracy play after 1933 that it did not play prior to that time when it was not a class? What fundamental changes did it make in the economy that was the product of the proletarian revolution, which transformed it from what it was into capitalist economy? If we obtain this information to start with, we shall have a basis of discussion with Comrade Johnson.

Without any exception, it is possible for us, using the Marxist method, to analyze the economy of any country in his-

tory and determine from this analysis its class character. Let us take an example. The U.S. up until the Civil War was a growing capitalist country. Its economy was divided between the industrial Northeast and the agricultural South. The Civil War was a struggle for dominance between these two economic orders. The North triumphed and cleared the road to further industrial expansion. This expansion took place in the years 1865-1890, roughly, to such a point as to make the U.S. a factor of considerable importance in world economy. The structural changes which took place in American economy were all on the side of greater trustification and the increasing dominance of finance-capital over industrial capital. Great surpluses were produced and sought a market. The U.S. began to reach out to other parts of the world, Cuba, the Philippines, South America, China, in fact, everywhere. The World War of 1914-1918 and the crisis produced in Europe as a result enabled the U.S. to replace England as the foremost financial and industrial power in the world. Its interests thereafter expanded in all directions, into every country of the world, even the already established imperialist countries. These interests, like the tentacles of a giant octopus, are the indispensable characteristics of imperialism. The U.S., we can see from a solely economic analysis, is an imperialist country and dominated by an imperialist class. A similar case can be made out for any of the other imperialist nations such as England or Germany, with some differences of detail. It is worth noting that it is possible to come to scientific conclusions without taking into consideration the political forms which do not by themselves have a fundamental influence. Now, we ask Johnson, show us how pre-1933 Soviet economy which was not a part of world imperialism, became a part. We have other differences with Johnson on this question, but for the present the above will suffice.

## VII. Is the Bureaucracy a New Class and Should It Be Defended?

Comrade Shachtman, at present the foremost proponent of the theory that the bureaucracy is a new and hitherto unheard-of class, takes the position that he is not for the defense of the S.U. in the present war. We will not go into his theory of whether or not it is a new class here. Interested readers may look into the many writings on this question by Leon Trotsky and an article by this writer in the February, 1941, NEW INTERNATIONAL. What concerns us now is why Shachtman, who in his previous writings promised to defend the S.U. against the possibility of imperialist restoration, is not for its defense in this war.

Shachtman justified his promised defense of the SU on the following grounds: "Such a transformation of the Soviet Union as triumphant imperialism would undertake would have vastly and durable reactionary effect upon world social development, give capitalism and reaction a new lease on life, retard enormously the revolutionary movement, and postpone for we don't know how long the introduction of the world socialist society" (THE NEW INTERNATIONAL, December, 1940). One would assume the dire results pictured by Shachtman in the event of an imperialist victory over the SU, yes, even in this war, would make him its stoutest defender. But no, Shachtman says that the SU is participating in an inter-imperialist war and this "war as a whole" we cannot defend. But we do not propose to defend this "war as a whole," we propose only the defense of the SU. How this could possibly result in any possible aid to imperialism, Shachtman has not yet advised us.

And he must tell us, while he has the floor, just how our revolutionary defense of the SU can possibly be confused with the "defense" of the Stalinists and their allies.

In a recent speech Shachtman said that we do not defend the SU even though its economy, he grants, is involved in this war any more than we defended Czechoslovakia when it was attacked by Hitler, which involved an attack upon the right of self-determination and the existence of workers' organizations. He did not bother to state in this latter case that there was a "war as a whole," because there was none. As a matter of fact, we did not defend Czechoslovakia because it was an imperialist state itself, oppressed many national minorities and did not defend workers' organizations. How does Shachtman equate the SU, with its progressive economy over German economy, with Czechoslovakia.

We have many other differences with Comrade Shachtman on this question, but one example will illustrate that the method of Shachtman is based not upon Marxist analysis but, like Johnson, upon a species of mysticism known only to himself. China has been at war with Japan for four years. We have supported this war and support it today. Why? Because the Chinese, a non-imperialist nation, are fighting for national liberation against imperialism. Now during the course of this struggle the Chinese have received from the U.S. and England far more than the SU to date. In fact, it is accurate to say that an alliance exists between China and the United States, even though it may not be written down on a piece of paper. Why then does not Shachtman say that the Chinese are part of the Anglo-American imperialist camp and refuse to defend them? How is it that the aid of the U.S. to China does not come under the heading of "the war as a whole" whereas the struggle of the Soviet Union against Germany becomes a part of the defense of the British Empire obscured only by a geographical detail? Comrade Shachtman, we give you the floor for some explanations.

The position of Comrade Carter in this discussion is somewhat obscured by the fact that he is in agreement with Shachtman in everything except that he would not defend the SU under any circumstances. We will not deal with his position now in detail as Shachtman, despite his promises, does not defend the SU either and, therefore, any difference is unimportant. It is worth mentioning, in passing, that Carter says he would not defend China, if they make an alliance with the U.S. The fact that an agreement is put on a piece of paper seems to have a principled character for Carter. What to call this method stumps us for the time being.

We have seen, even in this brief examination, that the

method of the PC members is a departure from Marxism. The three positions represent a scramble on how not to defend the Soviet Union. It is a ludicrous spectacle. The division among them is purely superficial and in reality terminological, as they are in complete agreement on the real question of what to do. The real division in the party is between the defensists and the defeatists. This difference on the practical tasks is a real one, and the only real one.

Theoretical differences, when there is agreement on practical tasks, fade into the background. No matter how the PC members characterize the class nature of the Soviet state, so long as they agree not to defend it, their differences are unimportant and a discussion of them can lead to no serious results.

Similarly, those who are for the revolutionary defense of the SU, no matter what their opinions on the class nature of the state, find themselves in agreement on what is really important: the practical tasks. They must solidarize themselves, chart their course and carry through the struggle to the end. Between the defensists and the defeatists a great gulf has opened and is constantly widening. The war will speed up this process. Those who stand today on the program of the revolutionary and internationalist position of the defense of the SU find themselves on the firm and principled platform of Marxism, or at the very least, heading in that direction. The hopes for the future of the party rest with them and not with those who have given up the method and the program of Marxism.

Our position, in its strongest implication, is a vote of no confidence to the Political Committee which is in rapid retreat from our method and program. The PC is so unsure of its position, so ashamed of it actually, that in a recent leaflet addressed to the Communist Party membership it did not even mention explicitly what it stood for on the question of the hour. This symptom was motivated by the fact that the PC is afraid to come out openly as defeatist because of the large, if somewhat inarticulate and groping, desire of our membership to defend the SU.

I take this opportunity to urge every comrade with all the strength I have to reconsider his position in the light of the method of the Marxist movement and not in the method of the PC. I urge you to think this question through to the end. The justifiable hatred of all revolutionaries for Stalinism must not throw us off our course. The defeat of Stalinism and the ultimate victory of the proletariat demand the revolutionary defense of the Soviet Union.

MILTON ALVIN.

August 1, 1941.

### DISCUSSION ARTICLE:

# Basis for Defensism in Russia

**L**ONG AND VIOLENT polemics were waged between Trotsky and his supporters on the one hand and ourselves on the other during the Russian invasions of Poland and Finland over the relation between the economy of a state and the character of its wars.

Trotsky insisted, in the case of Russia, upon an automatic relationship—"Progressive economy equals progressive war" was what his formula boiled down to. This resulted in the contradiction of simultaneously denouncing the invasion as a

"blow at the world revolution" but characterizing them as "progressive wars."

We answered that no war that dealt a blow at the revolution could be progressive since it was precisely the effect of the war on advancing or retarding the proletarian revolution that determined whether it was progressive or reactionary.

We did not, however, (nor could anyone who considered himself a Marxist), say that there was no connection between the economy of a state and the character of its war. What we

insisted on was that certain states could, on the basis of the same economy, fight *both* progressive and reactionary wars. Factors in addition to the economy would have to be weighed in connection with a specific war to determine its character. These would be rooted in the political, diplomatic and military policies that preceded that war.

The war between Britain and Germany was an imperialist war on both sides because the economy of both countries forced them to fight for markets, raw materials and outlets for surplus capital. It was a war over the re-division of the world.

The war between Japan and China was imperialist on Japan's side and national defensive on China's side because the economy of Japan forced her to expand into China while the latter was struggling to create a unified national existence.

In the war between Germany and Russia we must begin by asking "What is the nature of Russian economy?"

A defensist cannot discuss the character of the war with those who hold that Russia is a capitalist state. The discussion with them can only revolve around the question of the nature of Russian economy. If Russian economy is no different from that of Germany's or Britain's, then, obviously, the matter of defeatism or defensism requires no discussion.

With those, however, who hold that Russian economy is basically different from the economy of the capitalist world, as does Shachtman, there is common ground on which to discuss an attitude toward the character of the war.

### The Economic Conflict Between Russia and World Imperialism

The Russian Revolution dealt world capitalism a double blow. First, it established a workers' state to act as both a beacon and a spur to the revolution in the rest of the world. We can refer to this as a *political* blow to capitalism. Second, it wrested one-sixth of the earth from world imperialism and threw up a monopoly of foreign trade to keep it free from imperialist penetration. We can refer to this as an *economic* blow to capitalism.

The Stalinist counter-revolution has effectively wiped out the existence of Russia as a *political* threat to capitalism. Far from remaining merely passive, Stalinist Russia did its utmost in Spain, China, Germany, France and elsewhere to reassure the capitalist states that it desired nothing else than the status quo—to be left alone. There was no political concession too treacherous or revolting for Stalin. He buried revolutions with an effectiveness that surpassed anything the capitalists themselves could do.

But he could not purchase peace and security! Neither from the Anglo-French imperialists nor from Hitler. For the new exploiting class in Russia was forced to exist upon the nationalized economy they had appropriated from the revolution. The existence of the nationalized economy was possible only as long as a monopoly of foreign trade kept Russia beyond the reach of world imperialism. *Economically*, therefore, the Russia of Stalin remained as much a problem on the agenda of world imperialism as the Russia of Lenin. As capitalism declined, the problem became ever more acute.

It is in this that the irrepressible conflict between Russia and world imperialism existed.

In speaking of "world imperialism" it is necessary to bear in mind that the term refers to *both* a generalized economic law and to definite national states. Economically imperialism is the same system, no matter which capitalist state carries it out. But politically, imperialism is the diplomatic and mili-

tary activity of each particular imperialist state.

Thus we speak of the law of imperialist expansion into economically backward states. Yet in connection with a specific expansion, for instance Ethiopia, it was undertaken by Italian imperialism in the face of resistance by British imperialism. Not love for the Ethiopians, but their own imperialist interests motivated the British.

The above must be borne in mind when discussing the conflict between Russian economy and world imperialism.

### Why the Concerted Imperialist Attack Did Not Occur

The years following the revolution in 1917 saw feverish activities on the part of the imperialists directed against the Soviet Union. The first activities consisted of small scale intervention—Americans at Archangel, Japanese at Vladivostok, French in the Black Sea—and material assistance to the White Guard armies. As long as the war lasted, the Germans were also active against the Soviets in Finland and the Ukraine.

Following the German revolution, the German bourgeoisie was unable to act against the Soviets on its own and unwilling to act as the agents of French and German imperialism. To do the latter would have only established Anglo-French imperialism on both of Germany's frontiers and make the resurrection of German military strength all the more difficult.

Following the failure to successfully utilize Poland against the Soviet Union in 1921, the British imperialists made preparations for a direct intervention. The militant response of the British working class with a general strike put an end to these moves.

The German bourgeoisie answered the anti-Soviet agitation of Anglo-French imperialism with the Treaty of Rapallo, a German-Soviet pact for diplomatic and military collaboration. The pact was not the inspiration of German Social Democracy but of the Reichswehr general staff, the stronghold of the most aggressive German nationalists. Russian collaboration represented to the Germans both a weapon against Anglo-French imperialism and a means of blackmailing them. This tactic foreshadowed the policy of Nazism, which was nothing else but the national chauvinist element in complete control.

From 1921 until 1933 the existence of a strong revolutionary movement in Central Europe and the anti-war sentiments of the British and French working classes prevented any further imperialist adventures against Russia. However, the victory of Hitler opened a new epoch. Beginning in Germany, the proletarian movements of Central Europe were smashed one by one. In their place arose the new military might of German imperialism. But German imperialism was not only a threat to the Soviet Union. It was also a threat to Anglo-French hegemony. Even if Germany struck at Russia first, Anglo-French imperialism would have little consolation. For the German organization of Russian resources would again make her the first military power on the continent and place France at her mercy. The result was the feverish and contradictory diplomacy of England and France from the advent of Hitler to the outbreak of the war. First, efforts to placate Germany with loans, permission to rebuild its navy, etc.—then the Stalin-Laval Pact—then the Munich Peace—then feverish efforts for a British-Russian Pact—then the war.

From this review it becomes apparent that the nature of the conflict between Germany and Anglo-France was such that a joint imperialist attack became ever more improbable.

(The conflict between America-Britain and Japan in the Far East had the same result.) History had cast Stalinist Russia for the rôle of an ally of one of the imperialist camps.

Had England been willing to sign a second Munich Pact over the body of Poland, it is highly probable that German imperialism would have launched its first offensive against Russia. But another appeasement would have cost Britain every continental ally, with the possible exception of France. When Hitler realized that a second Munich was out of the question, he chose the pact with Stalin and the war against Britain first.

But the war against Britain has bogged down. The Channel could not be blitzed. The prospect is a long war. Russian supplies now became imperative for Germany. The economic organization of Russia by German imperialism would solve both its historic objective and its immediate military needs. The long awaited imperialist attack on Russia is taking place.

### The Hitler-Stalin Pact and Russian Imperialism

For the Kremlin, the pact with Hitler promised two advantages: (a) another chance to escape involvement in the war and (b) the opportunity of sharing in the conquests of German imperialism. But did not the Russian participation in the division of Poland, the conquest of the Baltic states, etc., prove that Russian participation in the war was identical with that of Germany? Superficially it was identical. In both cases armies attacked and occupied territories. But fundamentally it was different.

The imperialism of Russia was of that primitive kind found in embryonic form in every exploiting class and awaiting but the opportunity to become active. Every exploiting class seeks to perpetuate itself against internal and external foes. This requires military and economic strength. An opportunity to increase its military and economic strength is therefore eagerly accepted. Parts of Poland and Finland, Bessarabia and the Baltic states were to be picked up, practically, for a song. The Russian rulers would truly have been altruists had they declined the invitation.

But is this the same as modern finance imperialism with its dictum of "expand or die"? Has anyone yet proven that Russian expansion was forced by internal economic pressures? Has anyone yet explained why Russia took such modest slices of Finnish territory when she could have extracted more if Finnish resources were vital to her? Or why she relinquished the nickel mines? Or why she chose territory that had primarily little economic value?

Russian imperialism has perhaps something in common with Chinese imperialism in Tibet but nothing in common with modern finance imperialism.

### Stalin's War Against Finland and Stalin's War Against Germany

The invasion of Poland and Finland was an attempt by the Kremlin to strengthen its own reactionary rule. Since it made the workers of the occupied countries victims of nationalist illusions and agents of their own national bourgeoisie and through them of world imperialism, the Soviet occupation lowered their revolutionary consciousness and retarded their class development. This constituted a blow at the world revolution. The revolts in the Baltic states have revealed that Stalin had not turned them into fortresses but rather into prisons with inmates who were prepared to mutiny at the first

opportunity. This has justified our position that military occupation of buffer territory at the expense of alienating the support of the workers of the world would be a loss, not a gain, to the defensive efforts of the Kremlin. The purposes, the execution, and results of the Soviet occupations were thoroughly reactionary.

Can we, however, say the same for the Kremlin's attempts to defend Russia against German imperialism?

In the case of the conflict between Germany and the British Empire we are not concerned with who is waging a defensive and who an offensive war. All finance imperialism is, by its very nature, aggressive. If Germany attacked first, it only meant that the solution to her economic problems could not bear as long a postponement as those of Britain and France.

But can we also say that the conflict between Germany and Russia is basically an attempt to re-divide the world. We can say that on Germany's side it was caused by the pressure of German economy upon the frontiers of Russia. But can we say that it was also caused by the pressure of Russian economy on the frontiers of Germany?

Germany's attack on Russia is so obviously a predatory imperialist raid against Russian economic resources that no one—no one—has yet tried to attribute it to anything else.

Is the reactionary war against Poland and Finland—undertaken on the initiative of the Kremlin—being repeated in the attempt of the Kremlin to resist German imperialism? The answer is so obviously no that it seems a bit childish to have to deal with the question in these terms.

Russia is participating in this war because the Kremlin is fighting for its life. Further concessions to Hitler would have so lowered its prestige and strength within the country as to make it vulnerable to its internal enemies—either of the right or left. True, it turned down Hitler's demands and chose to fight because its own neck was at stake. But why did Negrin fight? Why did Haile Sellassie fight? Why does Chiang Kai-shek fight? Stalin can save his own neck only by resisting German imperialism. In doing this his interests coincide with those of the world proletariat. Russia's defense against Germany is a progressive war.

### How the Outcome of the Russo-German War Will Effect World Revolution

Victory or defeat for either Germany or the British Empire will offer the proletariat as great or as small a perspective for revolution. The destruction of the British Empire will open up an epoch of colonial revolutions in Asia and Africa which might prove the Achilles' heel of "victorious" German imperialism. The defeat of Germany will liberate Europe and once more offer the proletariat an opportunity to play its historic rôle.

What will Hitler's conquest of Russia offer the world proletariat? The only answer that might be given—we hope never in our ranks—is that it will destroy Stalinism. This program has long ago been written for "Trotskyism"—not by revolutionists but by the GPU and Stalin's pen prostitutes. The destruction of the Stalin régime by the *Russian proletariat* would of course mean the destruction of Stalinism everywhere. The destruction of the Stalin régime by *Hitler* would—aside from its other reactionary consequences—forever prevent history from putting the Stalinist lies about the Soviet "paradise" to the test. The Stalinist dupes would not become revolutionists because Hitler destroyed Stalinism. They would carry their illusions about the Soviet Union to the grave.

The effect of an imperialist conquest of Russia was very ably described by Max Shachtman in the December, 1940, issue of *THE NEW INTERNATIONAL*:

"The aim of imperialism in that case, whether it were represented in the war by one or many powers, would be to solve the crisis of world capitalism (and thus prolong the agony of the proletariat) at the cost of reducing the Soviet Union to one or more colonial possessions or spheres of interest. Even though prostrated by the victors in the last war, Germany remained a capitalist country, whose social régime the Allies did their utmost to maintain against the revolutionary proletariat. In the present war, we find victorious Germany not only not undertaking any fundamental economic changes in the conquered territories but preserving the capitalist system by force of arms against the unrest and revolutionism of the proletariat. There is no reason to believe that victorious imperialism in the Soviet Union would leave its nationalized property intact—quite the contrary. As Germany now seeks to do with France, imperialism would seek to destroy all the progress made in the Soviet Union by reducing it to a somewhat more advanced India—a village continent. In these considerations, too, the historical significance of the new, collectivist property established by the Russian Revolution again stands out clearly. Such a transformation of the Soviet Union as triumphant imperialism would undertake would have a vastly and durably reactionary effect upon world social development, give capitalism and reaction a new lease on life, retard enormously the revolutionary movement, and postpone for we don't know how long the introduction of the world socialist society. From this standpoint and under these conditions, the defense of the Soviet Union, even under Stalinism, is both possible and necessary."

(Comrade Shachtman, however, would defend Russia against the above consequences only in case of a *combined* imperialist attack in which Russia would have no allies. Why such a combined attack became virtually impossible was dealt with in point 3 of this article.)

But there are those who argue that Hitler is not invading the Soviet Union primarily to destroy the nationalized economy and make it a German colony. His primary concern, they say, is to defeat Great Britain. The Russian campaign is merely (!) a raid to secure the resources with which to continue his main war. True, perhaps. But how absurd when used as an argument to define the character of the war! Hitler, likewise, was not primarily interested in expropriating the German Jews. He only wanted their resources for his war against Britain. True, perhaps, but of little comfort to the Jews.

But what would the effect of a Russian victory be? The possibility of a Russian victory without the support of proletarian revolutions in the West is extremely hypothetical. But we can be sure that news of serious German reverses tomorrow would set the wheels in motion in Britain for an understanding with Germany. Is anyone so hare-brained as to believe that Britain would turn over the task of organizing Central Europe to Stalin?

But if the European revolution breaks out before Hitler has smashed Stalin, will it not fall victim to Stalinism as did the Spanish revolution? Of this we have no guarantee. All we can say is that with the rise of the revolutionary current, the revolutionary Marxists can again swim with the stream and seek to win it for their program. We can ask for no more.

### Stalin's Relations with Anglo-American Imperialism

"War is a continuation of politics by other means" has long been accepted as a guide-rule by Marxists. But progressive politics in time of a general imperialist war often become inseparable from one of the imperialist camps and, thereby, lose their progressive character.

In the last war the struggle of the Arabs against the Turkish Empire became merged with the reactionary struggle of British imperialism to control the Near East. The struggle of Serbia for national unity and independence became merged with the struggle of Russia to break up the Austro-Hungarian Empire and control the Balkans. The struggle of Belgium to maintain its national independence became merged with the struggle of Anglo-French imperialism to control the continent. China was ordered by the Allied imperialists to declare war on Germany. The nationalist revolutionary movement of the Czechs was enlisted by the Allies against Germany. The fighting organizations of the Polish nationalists were enrolled by the Central Powers.

The Irish revolutionary movement entered into military relations with the Germans. Submarines landed arms on the Irish coast and conveyed information between Ireland and Germany. *But revolutionary Marxists hailed and supported the uprising of the Irish nationalists against British rule in 1916.*

These examples illustrate the fact that the mere alliance with a reactionary force for military reasons does not affect the progressive nature of a struggle. What is important is the extent to which the progressive side in the war can maintain its independence.

Had the Ethiopians risen in revolt against Italian rule at the outbreak of the war and accepted British arms, would this have changed the revolutionary content of their struggle? The fact that they arose at a time when Italy was occupied in a war with Britain would have attested to their perspicacity but would not have changed the character of their struggle. But their current rôle as auxiliaries of the British army in conquering Ethiopia for British imperialism has no progressive content whatsoever.

Chiang Kai-shek has long been acting as an ally of British and American imperialism in China. American imperialism has already given him more financial, material and diplomatic support than it will ever give Russia. American engineers, military advisers, aviators and other specialists have long been part of the Chinese forces. Roosevelt seeks volunteers for China's army by offering to accept service there as equivalent to service in America's own army and therefore releases them from the draft obligation. Has this changed the character of China's war? No. Will an American declaration of war against Japan alter the situation? It might. We would have to wait and see. Naval struggles in the Pacific between Japan and America and military operations on the Philippines would not affect the character of the war. Even a few regiments of marines joining the Chinese forces would not necessarily change the character of China's war. Those who would become defeatists in China at such a time would, in effect, be punishing China for remaining at war with Japan while the latter was being attacked by a third power. Was the American Revolution any the less historically progressive because it was accomplished with the aid of Louis XIV's army and navy?

If, however, the Chiang Kai-shek government were reduced to a mere façade for American imperialism, the character of its war would obviously change. Its outcome would only determine whether Japanese or American imperialism would exploit China. The world proletariat has no interest in this question. It rejects both imperialisms.

The argument that Russia takes part in the war in a reactionary manner because she is allied to Anglo-American imperialism becomes at first incomprehensible and then ludicrous. She has merely "switched sides" is the argument. That

she has "switched sides" is incontestable. But this would only have validity if we had been defeatists during the Finnish war on grounds that Russia was allied to Germany. This was not the case. We were defeatists because the alliance with Germany had a reactionary purpose, the conquest of new territory by the Kremlin. Is this the purpose—*today*—of the alliance with Anglo-American imperialism? How utterly absurd! What the Kremlin may do tomorrow we will leave until tomorrow. No one has yet asked us to be defeatists in China on the ground that Chiang Kai-shek has designs upon Japan which he will realize after crushing the Japanese army. The argument that the alliance with Anglo-American imperialism makes Russia's war reactionary is nothing but the other side of the coin from the Stalinist argument that the same alliance makes the war of Anglo-American imperialism progressive.

Those who hold that it is possible for Russia to fight a progressive war against imperialist encroachment upon her territory and who refuse to be for Russian defense today can only do so on one basis—that Stalin has already become a mere façade for the Anglo-American imperialists and turned the country over to them. That this *might* take place is improbable but not impossible. In that event it will be immaterial whether Russia becomes a colony of German or of Anglo-American imperialism. But since when do we base our strategy of today on the *possibility* of tomorrow?

Stalin's alliance with Anglo-American imperialism today does not give the latter one-tenth as much entrée to Russia as the Anglo-American alliance with China gives it entrée to the latter country. To be consistent, those who hold that Russia is fighting a reactionary war by virtue of her alliance must certainly say the same for China.

### The Lines of Defeatism and Defensism Tested in Action

An attitude toward the character of a war must be based on the fundamental factors—strategy of the world revolution, nature of imperialism, character of Russian economy, etc. But the position based on these considerations must also coincide with the obvious tactics of the revolutionary struggle. If they do not, something is wrong with the position. It was in this test that the line of Trotsky on the Polish and Finnish events bogged down worst. It bogged down so badly that a Finnish civil war had to be discovered to bolster it.

The revolutionary defeatist in Russia today must tell the workers to continue the class struggle without regard for its effect on the military front against Germany. This could only be justified with the argument that a German conquest of Russia is no different for the world proletariat than a German conquest of France. The quotation from Shachtman has already pointed out the significant difference. Or the defeatists would have to become preposterous and tell the Russian worker that the country was already in the hands of imperialism—Anglo-American imperialism—and that resistance to German imperialism is only in the interest of Wall Street and London investments.

(Or would the defeatist tell the Russian worker that there are only three camps in this war—two imperialist camps and the revolutionary camp, and that Russia is part of one of the imperialist camps? If it is the slogan of the Third Camp that has led our defeatist astray then the motion of Comrade Coolidge of a year ago to expunge all reference to the Third Camp from our documents was absolutely correct. The "Third Camp" as an agitational slogan was very much in order. But

the "Third Camp" in the sense of military line-ups which precludes the possibility of a military alliance between a progressive and a reactionary force—this is a snare and a delusion. The sooner Marxist education roots it out of our movement, the sooner will the damage be undone.)

Basing himself upon this line, the defeatist would seek to institute a mass movement against the Kremlin on the demand that it cease its imperialist war against Germany—the slogan of "peace" in time of war is very revolutionary. But what would our movement say tomorrow if Stalin made peace—which could only take place on Hitler's terms? We would denounce him as a capitulator and traitor. Why? We did not do it when he made peace with Finland. As true defeatists, we welcomed the latter. Would we welcome peace with German imperialism?

Would the defeatist ever be able to explain to a Russian worker why he should take the manufacture and transport of supplies to China into account when waging the struggle against Stalin but not the needs of the Russian front against Germany? How explain to the Russian worker that the conquest of China by Japan is of direct consequence to him, but the conquest of Russia by Germany does not matter sufficiently to require defensive efforts?

The program of the Russian revolutionary defensist would be along the following lines:

*No political support to the Stalin régime. Only a democratically constituted workers' régime can victoriously defend the Soviet Union. Continue the struggle for the overthrow of the bureaucratic exploiters as the first step in the organization of defense against German imperialism. On guard against attempts of the Kremlin to capitulate to Hitler.*

*"War at the front—revolution in the rear!" Support to all mass movements against the Kremlin, on a defensist basis, i.e., choice of those weapons of struggle that will not weaken the front.*

*Workers' control of production—increase the output for military defense—decrease the salaries of managers and directors to specified maximums.*

*Election of committees in the shops, villages and armed forces as first step toward reconstituting Soviets. Freedom of press, speech and organization. Dissolution of the GPU and creation of workers' vigilance committees. Release of all political prisoners held for revolutionary activity against the Stalin régime.*

*For a free and independent Soviet Ukraine! For self-determination for all national minorities oppressed by the Kremlin régime.*

In America this policy calls for:

*Revolutionary struggle against American imperialism and independent working class defense of Russia and China. No support of Roosevelt or Churchill. No cooperation with government "aid" to China or Russia.*

*Struggle against attempts of Anglo-American imperialism to utilize military aid as means of economic penetration in Russia and China.*

*Struggle against war aims of American imperialism.*

*Fight efforts of Stalinists to stop class struggle in interest of "national unity."*

*For strike action against shipments to Japan—facilitate movement of goods to Russia and China.*

ERNEST LUND.

July 6, 1941.

# The Situation in Argentina

THE INTERDEPENDENCE of the capitalist nations for the purpose of developing their mercantile economy is nowhere so evident as in those colonial or semi-colonial countries which are forced under the whip of capitalist imperialism by the exigencies of the world market.

The crisis in the productive system, determined by the growing conflict between the productive forces and the relations of production must necessarily be reflected in countries like those of Latin America where the leading products—whether meat, copper, tin, saltpeter, rubber or oil—are absorbed mainly by those highly developed industrial nations which put the seal of their economic control on all spheres of their political and social activity.

The native bourgeoisie, content to grow fat on their common cause with the dominating nations, combining simply to enjoy the temporary use of their part of the spoils of native exploitation, console themselves in their respective countries with the illusion of political domination—an illusion which is becoming more and more chimerical in the light of their economic subordination.

To be sure, inside this general picture there is no lack of sections of the bourgeoisie which fear falling into complete vassalage and which push or initiate pseudo-“national liberation” movements, movements which in the light of the above situation and when submitted to the microscope of Marxist analysis appear makeshift and in no way conducive of the end desired.

The truth is that for this section of the bourgeoisie seriously to guide the way toward this “national liberation” would imply dangerous incursions into the domain of private property (breaking up large estates, expropriation of certain industries—shipping, railroads, etc.). This was demonstrated many years ago in Henry George’s Utopian single tax theory, which in the long run would be equivalent to expropriation. The bourgeoisie was born and developed under the dogma of the sanctity and inviolability of private property and never—today less than ever before—will it permit nor can it permit itself to sin against that which gave it its reason for existing as the ruling class.

Nevertheless, this Utopia of “national liberation” (and it is truly Utopian) becomes strengthened and more palatable as an aspiration amidst market restrictions and the consequent economic repression.

Naturally, adhering to these sections of the bourgeoisie as the standard-bearers of this pseudo-liberationist movement, the participating shock troops are the small manufacturers, small shop keepers half ruined by the crisis, proprietors suffering under the taxes and that entire group of disoriented intellectuals and professionals seeking some way out of this dramatic impasse.

And right here is the danger of the “national liberationist” tendency. All these heterogeneous and conglomerate elements are seeking the support of the proletariat in order to realize their hopes. We know from history and sad experience that these social groups are moved by interests antagonistic to those of the proletariat. Particularly in the social struggle, in spite of the pink demagoguery of their program, they act “not because they are revolutionists but because they are conservatives; not because they wish the abolition of private property,

but its perpetuation” (Karl Marx).

The great danger is in the fact that they try to make the proletariat play a leading rôle in this tendency and the price they demand is that the proletariat abandon its own political physiognomy as an independent class with its specific interests and a specific historical independent goal which characterizes it as the only progressive class in society. And all this to be sacrificed to the homage and greater glory and profit of the national bourgeoisie.

This tendency takes organic form in the *Alianza Nacional Libertadora* in Brazil, *APRA* in Peru, *FORJA* in Argentina, *Partido Nacional Revolucionario* in Mexico, *Avanzar, Agrupación Democrática-Social* in Uruguay, etc.

Take the program of any one of these groups and you see that all their grandiloquent postulates can be reduced to a common denominator: elimination of foreign competition by means of customs tariffs, protectionism and monopoly prices, greater exploitation of the internal market, etc. Thus the advocates of this program want the proletariat to participate actively in its realization and then play the rôle of the turkey at the wedding feast.

In its general outlines the social and political situation in Argentina is the same except for certain characteristics of its own which it would be well to point out. The national bourgeoisie argues amongst itself in the midst of veritable political and institutional chaos. Its two traditional parties—the Conservatives and the Radicals—are in the process of open organic disintegration. The leaders of the Socialist Party, to their shame, have fallen into opportunistic social-patriotism even more base and repugnant than in the World War of 1914. These gentlemen today openly and without subterfuge support the participation of Argentina in the present imperialist contest.

Confusion is further spread by the Stalinists. One example was the last May 1st demonstration where in the midst of a profusion of national banners and national-socialist slogans the leaders and the led, with moving patriotism, intoned “our national anthem.” . . . *Orientación*, official organ of the CP, dedicates a special number in homage of the revolution . . . of May, 1810! And the top bureaucracy of the *Confederación General de Trabajo* constitutes the tail to the train of the capitalists, muddleheads and renegades.

In the midst of this nauseous swamp and as a means of combatting the dangers from the institutional and political crisis which the Argentine bourgeoisie is debating and the tremendous confusion and lack of directives from the pseudo-working class parties, there has appeared a manifesto addressed to the proletariat of the country by the first national Conference of Independent Unions and the remainder of the Argentine Syndicalist Union constituted into the CORS (Workers Commission on Trade Union Relations). This document expressing the sentiments of thousands of trade union workers constitutes a declaration of principles as a program for independent class action and reveals that the Argentine proletariat, represented by its most energetic and class conscious elements, is resolved to revive itself and engage in the struggle against the consequences of the capitalist crisis.

The Argentine, June, 1941. PEDRO M. MACIEL.

[Translated by J. Curtis]