

Stalin and American Imperialism

By William Z. Foster

STALIN'S BOOK, *Economic Problems of Socialism in the U.S.S.R.*, is a masterful Marxist-Leninist analysis of the situation in the socialist and capitalist worlds. It is a splendid example of creative Marxism, and it is crowded with basic lessons for the workers and the peoples all over the world. This vital work has been published by International Publishers, and a detailed discussion of it appeared in *Political Affairs* of December, 1952. The present article, therefore, instead of dealing with it in full, will single out a few of its major propositions, some of those that are of decisive immediate interest to our Party and the American people, particularly with regard to the war danger.

THE DEEPENED GENERAL CRISIS OF CAPITALISM

The general crisis of capitalism is brought about by an intensification of all the contradictions, internal and external, of capitalism, under the pressure of the growth of predatory monopoly capitalism, or imperialism. Among these developing contradictions are: the conflict between the workers and capitalists over wages,

hours, etc.; the contradiction between the increasing power of the workers to produce commodities and the shrinking capacity of the world's markets, under capitalist conditions, to absorb this production; the conflicts between the various monopoly groups and between them and the farmers and middle classes; the conflicts between the imperialist countries and the colonial lands, and among the imperialist countries themselves, and the growing antagonisms between the capitalist and socialist worlds.

The beginnings of these conflicts are to be found in the earliest stages of capitalism; but the character of the *present*, monopolist-imperialist era is that the contradictions have become bigger, deeper, more violent and, quantity passing into quality, have become increasingly more unmanageable. During the past generation they have finally developed into a destructive, incurable general crisis of the entire capitalist system.

Two great phases in the development of the general crisis of capitalism were World War I and the October Revolution. World capitalism was, however, able to make at least a partial recovery from these major

disasters. Therefore, the Communist International, in March, 1925, stated that Europe, with the help of American dollars, had succeeded in "relatively," "partially," and "temporarily" stabilizing itself. This stabilization, however, as the C.I. then forewarned, was completely shattered by World War II, which itself was a great climax in the ever-developing general crisis of capitalism.

World capitalism, however, cannot stabilize itself, even partially, after the catastrophe it has suffered in World War II. The removal, in this war, of a number of countries from the orbit of capitalism, the enormous increase in the strength of the Soviet Union, the birth of the People's Democracies in Europe, the establishment of the great Chinese People's Republic, and the undermining of imperialism in Asia and Africa, constitute economic and political disasters to capitalism that have incurably weakened and undermined the foundations of that system internationally. The attempts of American imperialism to rehabilitate world capitalism (under Wall Street domination) through its Marshall Plan, NATO, Point Four, and a projected world war, are foredoomed to failure. The course of history cannot be reversed by wishful thinking and desperation policies in Wall Street.

Stalin, in pointing out the economic phases of the deepening general crisis, sums it up in these words:

Can it be affirmed that the thesis expounded by Stalin before the Second World War regarding the relative stability of markets in the period of the

general crisis of capitalism is still valid?

Can it be affirmed that the thesis expounded by Lenin in the Spring of 1916—namely, that, in spite of the decay of capitalism, "on the whole, capitalism is growing far more rapidly than before"—is still valid?

I think that it cannot. In view of the new conditions to which the Second World War has given rise, both of these theses must be regarded as having lost their validity.

THE SPLIT IN THE WORLD MARKET

In his book, Stalin deals primarily with the economic aspects of the deepening general capitalist crisis. He develops the fundamental importance of the shattering of the former all-inclusive world market through the development of the general capitalist crisis. He says: "The disintegration of the single, all-embracing world market must be regarded as the most important economic sequel of the Second World War and of its economic consequences. It has had the effect of further deepening the general crisis of the world capitalist system." After showing the development of the two world camps—capitalist and Socialist—Stalin adds: "The economic consequence of the existence of two opposite camps was that the single all-embracing world market disintegrated, so that now we have two parallel world markets also confronting one another" (p. 26).

The loss to the capitalists of the vast markets offered by 800,000,000 people is catastrophic to the capitalist system of the world. For the most

basic weakness of capitalism is precisely the inability of its limited markets to absorb its production. This arises out of the fundamental robbery of surplus value from the workers at the point of production. The toiling masses, exploited by capitalists, are unable to buy back what they have produced. Hence, the burning necessity of the capitalist countries to dispose of their surplus commodities. Therefore, the deep disaster of the loss of the vast potential markets of the Socialist world is fundamental.

The insanity of capitalism in its deepening crisis is graphically exhibited by the fact that it is at present making its fundamental market problem all the worse by deliberately cutting off trade with the Soviet Union and the lands of People's Democracy in Europe and Asia. Under any circumstances, it would be impossible for the capitalist countries to use the Socialist world as a dumping ground for its surplus commodities; nevertheless, a big and flourishing trade is possible between the capitalist and Socialist countries. But American imperialism will have none of this. In its mad drive for power it is destroying such trade, in the foolish belief that it can thereby economically cripple the U.S.S.R. and the Peoples' Democracies. American imperialism, vainly seeking to check the spread of Socialism and to establish its own rule, is cutting the economic throat of world capitalism.

THE ECONOMIC FUTILITY OF WAR PRODUCTION

World capitalism, under the pres-

sure of American imperialism, is trying to make up for its shortage of normal world markets by cultivating the production of war munitions. But this is still more economic and political madness, bred of a chaotic, decaying, and desperate capitalist system. Large-scale war materials production, which is now taking place in all the major capitalist countries and which is the basis of their post-war gains in production (also in the United States), can only result, in the long run, in greatly lowered living standards for the masses, mass unemployment, and national economic bankruptcy.

Even worse, it is also the sure road to the ever-greater disasters of fascism and war. For the militarists at the head of the vast war machines now being built up in this country and in capitalist Europe, will, if unchecked by the masses, use their power, not only to cripple democracy but to force the unwilling peoples into war. Those labor leaders, and they are dominant in the A. F. of L., C.I.O. and Railroad Brotherhoods, who believe that munitions making is the road to mass prosperity, are betraying the working class and the nation into the hands of reactionaries and warmongers, the architects of chaos. War materials production, in the end, can only make catastrophic the general crisis of capitalism.

At the present time the warlike Eisenhower Administration, which during the election campaign openly accused the Truman Administration of having created phony prosperity resting on war production, is now

making a show of returning to a "free production system based on the laws of supply and demand." Eisenhower, therefore, has abolished price and wage controls. Many economic "experts" are now saying that this means that the days of the Roosevelt-Truman Keynesian "managed economy" of war production are over—that capitalism, as in the olden days, will automatically find its own price levels, markets, and spontaneous growth.

But this is all an illusion. American capitalism is but a part of world capitalism, and as such it is irretrievably involved in the general crisis of capitalism, including its market crisis. It cannot possibly escape from this crisis on the basis of ballyhoo from the White House. In reality, the basic Keynesian policies of artificially stimulated war production will remain under Eisenhower essentially as they were under Truman. The present Administration, like the old one, is planning to continue war production at a minimum rate of from \$40 to \$60 millions per year. And then, there is the prospect of the world war that they have in mind. This is the golden dream of the munitions makers.

Eisenhower's dropping of price and wage controls does not signify a return to "a free and unfettered capitalism." It is partly an attempt to check the developing economic crisis in this country (especially in agriculture); but mainly it is a move to transfer many billions more in profits into the pockets of the profiteers through inflated prices. And Eisen-

hower, in his first press conference, stated that in case of economic difficulty, he was prepared to apply all controls again. The rotten world capitalist system of today must have wholesale war production in order even to limp along as, in the general crisis, it proceeds from one disaster to another. American capitalism is no exception to this general rule.

THE BASIC ECONOMIC LAW OF AMERICAN CAPITALISM

Stalin, in his epochal book, analyzes the basic economic law of Socialism, in contrast to the basic economic law of capitalism. He says:

The essential features and requirements of the basic law of Socialism might be formulated roughly in this way: the securing of the maximum satisfaction of the constantly rising material and cultural requirements of the whole of society through the continuous expansion and perfection of socialist production on the basis of higher techniques (p. 33).

Stalin sums up the basic law of capitalism in this way:

The main features and requirements of the basic economic law of modern capitalism might be formulated roughly in this way: the securing of the maximum capitalist profit through the exploitation, ruin and impoverishment of the majority of the population of the given country, through the enslavement and systematic robbery of the peoples of other countries, especially backward countries, and, lastly, through wars and militarization of the national economy, which are utilized for the obtaining of the highest profits (p. 32).

This is an accurate analysis of imperialist capitalism in general and a perfect statement of United States imperialism in particular. But it is one which goes flatly contrary to the benign picture of capitalism in this country, as painted by its protagonists. They would have us believe that the economic system in this country is not really capitalism at all but a special system designed by Providence in the interests of all the people: that the Marshall Plan, Point Four, and military appropriations to other countries, are given out of the goodness of our hearts; that the vast military machine that Wall Street has built up in this country and throughout the world is purely for the defense of world peace and our national independence; that Wall Street's desperate graspings for international domination are merely the exercise of a world leadership that history has thrust upon an unwilling and unprepared United States; and that this country, far from being imperialist, is the great champion of democracy and the self-determination of all nations. The cultivation among the masses of such notions, utterly alien to reality, is Point One of Wall Street's militarization program of world aggression and domination. To liquidate them is our greatest educational task.

That the United States capitalists are utilizing "wars and the militarization of the national economy," as Stalin says, "for the obtaining of the highest profits," is amply demonstrated by the fact that from 1940 to 1950, years of war and "cold war,"

corporations reported a total net profit of \$145 billions, and during the past two years they have netted \$35 billions more. The basis of all this is munitions making. These profits are fantastic, utterly beyond even the remotest contrast with other amounts of profits made anywhere during the entire history of world capitalism. But, so thoroughly does monopoly capitalism have control of the means of public information in this country that it is able almost completely to prevent serious mention of its fabulous profits and to create the general impression that the benign capitalists are in bad straits financially.

The essence of Wall Street's present bid for world domination is precisely that it wants to further extend its maximum profits principle (all the traffic will bear) to all parts of the world. Its allotment of \$35 billions to European governments since the war's end under the Marshall Plan and war preparations aid, were no gifts out of a good heart, as American government spokesmen and European sycophants would have us believe, but cold, hard-fisted capital investments. The same can be said of the scores of billions that this country is spending yearly on building up its war machine. These tremendous outlays in no way contravene Stalin's basic economic law of capitalism, to secure the maximum possible profits. They are but gigantic investments made in the hope that Wall Street eventually will be able to subordinate the entire world to its direct profits-bleeding. Meanwhile, as remarked, the whole war preparation process is

immensely profitable to the monopolists.

THE MONOPOLIES AND THE STATE APPARATUS

In his book, Stalin also states another proposition which is of great and immediate importance to Americans. This is his theory of "the subjugation of the state machine to the monopolies" (p. 35). He says that it is not correct to characterize this merging process as simply a coalescence between the monopolies and the state, as we have done in the past. It is in fact nothing less than "the subjugation of the state machine to the monopolies."

This process, at the present time, is being vividly illustrated by the Eisenhower Administration. Here we see the Government apparatus being loaded up by direct representatives of big capital, as never before. In his Cabinet and the various departments at the top, Eisenhower has gathered together an unparalleled collection of big businessmen. John Foster Dulles, notorious international cartelist; C. E. Wilson, President of General Motors; Lucius Clay, Continental Can; J.M. Dodge, banker-industrialists; W. W. Aldrich, Chase National Bank; H. Brownell, corporation attorney; A. E. Summerfield, General Motors; G. Humphrey, M. A. Hanna Co.; Sinclair Weeks, Carnegie-Illinois Steel, are only a few of them. It is brazenly the Morgan-Dupont-Rockefeller monopoly group in control.

Walter Reuther has described the Eisenhower Cabinet as "sixteen millionaires and a plumber." But in

making this glib characterization, Reuther left out a most vital fact; namely, that Mr. M. P. Durkin, Secretary of Labor in the Cabinet (supposedly the representative of the workers) is just as imperialist-minded as are the big capitalists themselves. Mr. Durkin's presence in the Cabinet is a tragic symbol of the subordination of the top leadership of the A. F. of L., C.I.O. and Railroad Brotherhoods (including the wise-cracking Mr. Reuther) to the Wall Street warmakers.

The significance of the wholesale invasion of top government posts by big businessmen is that the monopolies want to take over directly the business of managing the government. They, by-passing the usual device of politician representatives in government, will attend themselves to the making of foreign and domestic policy, and especially the allocation of fat government contracts. This is a sign of the growing war danger, of the increasing fascist menace in this country.

A sinister part of this whole process of Wall Street's subjugating the government to its direct control, is the loading up of the government apparatus with military men, starting with Eisenhower at the top. Premier Nehru of India, in his statement of February 18, was directly, and correctly, referring to the menace of American jingoistic militarism, expressed by Eisenhower and his clique of Wall Street generals in government, when he stated that "this intrusion of the military mentality into the channels of the world presents a

very great danger."

One of the real danger signals in the present situation is the relatively small mass protest being made against the wholesale seizure of government posts by the Wall Street Big Business executives, generals and corporation attorneys. The entire propaganda apparatus of the bourgeoisie has striven day and night to create the impression that this gang of capitalist exploiters are in reality a body of highly patriotic citizens, entirely devoid of class significance and selfish, profit-seeking motives. The whole sinister business has sent a shiver of apprehension through the democratic masses of the people, but the top leaders of labor who themselves are well-to-do and thoroughly saturated with imperialist propaganda, have made only minor objections to it. After all, the Dulles', Wilsons, *et al.*, are their friends and co-workers in the great anti-Communist "crusade." The protest has been confined pretty much to the Left.*

THE QUESTION OF AMERICAN WORLD HEGEMONY

A major development of the post-war period, of the very greatest significance, has been the achievement by the United States imperialists of a shaky domination, or hegemony, over the sick capitalist world. That is, the United States, because of its greater wealth and productive power, and because of its immunity from property destruction during the recent world war, has been able to set

up a certain amount of control over the other capitalist countries, all of which were more or less ravaged and bankrupted by World War II. Wall Street has become the arrogant boss of the capitalist world, and it has as its supreme aim to expand this capitalist hegemony into a domination over the whole world, including its great Socialist sector.

American world capitalist hegemony, as our Party has repeatedly indicated, is a product of the deepening general crisis of capitalism. It could not have developed, except on the basis that many capitalist countries, weakened by the war, have had to bend their knees to American aggression. This American domination is a grave danger to world peace and democracy, as has been demonstrated by the Korean war policy that Wall Street has been able to force upon the United Nations. But American capitalist hegemony, besides being a product of the deepening general crisis of capitalism tends to deepen that crisis by sharpening up the antagonism between the capitalist countries of the world, as our Party has also pointed out.

In dealing with this vital question, Stalin especially stresses the inherent weakness of American capitalist hegemony, which means, of the anti-Soviet war alliance. This stress tends to correct overestimations of the power of American imperialism and the so-called pro-war unity of the capitalist world. It is in line with Zhdanov's famous statement that the worst mistake the world's workers and the anti-imperialist forces gen-

*An exception is the Railroad union paper, *Labor*, which has become openly critical of Eisenhower's foreign policy.

erally could make in this period would be to underestimate their own forces and to overestimate those of decadent capitalism.

In dealing with American capitalist hegemony and its perspectives, Stalin thus puts the question:

Outwardly, everything would seem to be "going well": the U.S.A. has put Western Europe, Japan and other capitalist countries on rations; Germany (Western), Britain, France, Italy and Japan have fallen into the clutches of the U.S.A. and are meekly obeying its commands. But it would be mistaken to think that things can continue to "go well" for "all eternity," that these countries will tolerate the domination and oppression of the United States endlessly, that they will not endeavor to tear loose from American bondage and take the path of independent development (p. 28).

Speaking concretely of Great Britain, Germany, France and Japan as being under American hegemony, Stalin says cogently: "To think that these countries will not try to get on their feet again, will not try to smash U.S. domination and force their way to independent development, is to believe in miracles."

He also points out that these antagonisms could well lead to war between the capitalist countries, and he polemizes sharply with those comrades who "hold that owing to developments of new international conditions since the Second World War, wars between capitalist powers have ceased to be inevitable." Stalin re-stresses the Leninist principle of the inevitability of capitalist war so long

as imperialism continues to exist.

This general conception of Stalin's goes further than that which we had worked out independently in our Party. In the Party *History* (pp. 452-453), while pointing out that American capitalist hegemony "is a very shaky rule, and the ramshackle edifice is instantly threatened with collapse," and that the sharpening of the economic contradictions "will blow the whole capitalist war alliance to smithereens and with it American world capitalist hegemony," we nevertheless failed to indicate the continuing validity of the principle of the inevitability of war among the capitalist powers. This was definitely a mistake.

Stalin's stress upon the importance of the depths and sharpness of the contradictions among the capitalist powers is, at this writing, receiving striking confirmation. The United States is definitely striving to expand the Korean war into an all-out attack upon People's China, as a prelude to the third world war which it is contemplating. But it knows very well that it cannot possibly wage such a war successfully alone. It wants to repeat its experiences of World Wars I and II, when, after other countries had done the bulk of the decisive fighting, the United States stepped in to claim the victory. This is the purpose of Wall Street's attempt to rebuild the Nazi war machine (the so-called European army) and also of Eisenhower's cynical plan of letting "Asians fight Asians"—to have the peoples of Europe and Asia do the fighting for the United States.

This, of course, these democratic and war-weary peoples emphatically object to and the war alliance (American capitalist hegemony) is subjected to the severest strains.

Now, the Eisenhower administration, with the atomaniac Dulles in the State Department and the firebrand MacArthur in the background dictating military policy, is trying to force the unwilling peoples into a wide Asian war and into active preparations for a world war. This is the meaning of the proposal to assist Chiang Kai-shek forces to invade the mainland of China, and also of Dulles' arrogant ultimatum to the countries of Western Europe that if they did not speed up their war preparations the United States would cut them off its financial dole.

These are desperation moves. They are violently antagonizing the peoples of the world, and they are undermining the whole structure of American world capitalist hegemony. The present protests of the British, Indian and other governments against the ultra-aggressiveness of Eisenhower and his co-atomaniacs, are only indications of the deep alarm and resentment among the various peoples. It is clear from these events that should the United States Government force an Asian or world war, in the face of these significant warnings, it will have to fight the war virtually alone, regardless of possible formal endorsements by lickspittle governments.

The world capitalist system could not survive, much less win, a third world war. It has been mortally

wounded by World Wars I and II and by its ever-worsening internal contradictions. If Wall Street can hold together its war "alliance" and force it into a world war, despite all its internal weaknesses and creakings, this could only lead world capitalism to overwhelming disaster. And if the United States, breaking up its war alliance by arrogant demands upon it and its peoples, should try to make the fight alone, this would only make the disaster to world capitalism all the surer, sooner, and more complete.

THE QUESTION OF PEACEFUL CO-EXISTENCE

One of the most important phases of Stalin's book is his demonstration that peaceful co-existence is possible between the capitalist and Socialist worlds. He brilliantly refutes the bourgeois lie that the Communists hold to the inevitability of a great war between the world forces of Socialism and those of capitalism. The reality, as Stalin indicates, is, of course, precisely the reverse. The Wall Street monopolists base their entire policy upon the assumption that world war is inevitable—indeed, it is their determination to make it inevitable—whereas the whole effort of the Communists all over the world is to prevent the outbreak of such a war.

Stalin, while stressing the inevitability of wars among the capitalist powers, so long as imperialism lasts, at the same time demonstrates that war between the capitalist world

and the Socialist world is not inevitable. He definitely resolves this apparent paradox as follows:

... Yet the Second World War began not as a war with the U.S.S.R., but as a war between capitalist countries. Why? Firstly, because war with the U.S.S.R., as a socialist land, is more dangerous to capitalism than war between capitalist countries; for whereas war between capitalist countries puts in question only the supremacy of certain capitalist countries over others, war with the U.S.S.R. must certainly put in question the existence of capitalism itself. Secondly, because the capitalists, although they clamor, for "propaganda" purposes, about the aggressiveness of the Soviet Union, do not themselves believe that it is aggressive, because they are aware of the Soviet Union's peaceful policy and know that it will not itself attack capitalist countries (p. 29).

This, of course, does not mean to say that there is not the most serious danger of war between the United States and the Soviet Union and the lands of People's Democracy. Obviously, such a grave danger does exist and it must be fought resolutely and ceaselessly. The situation is such that the men now at the head of the United States, at the behest of the big monopolies which they represent, are deliberately trying to precipitate war against the U.S.S.R. and its allies, hoping, by a desperate gamble, to avert the certain disaster lying ahead. They are driven on to this insane course by the deepening crisis of world capitalism and by their own monopolistic greed for ever-greater profits and domination over other

peoples. Unless these war-makers are definitely halted by the mass resistance of the peace-loving peoples, they will develop a third world war. This danger, as Stalin points out, will exist as long as imperialism itself lasts.

AS TO THE PERSPECTIVE

In the immediate future we may expect a general stepping up of the development of the two great antagonistic forces. First, there will be a further intensification of the efforts of Wall Street to bring about the world war, upon which it is basing all its hopes and policies. Second, there will be a still more rapidly rising resistance of the people, in this country and all over the world, against the insanity of a third world war. In our country we may also expect further governmental repression against our Party and the peace forces generally.

It is by no means written in the stars that the Eisenhowers, Dulleses, Tafts, MacArthurs, and their many Democratic Party and labor leader allies will succeed in their purpose to bring about an anti-Soviet war. On the contrary, the peace-loving masses have not only the potential power to halt this mad course, but also the increasing will to maintain world peace. Had it not been for mass resistance, here and in Europe, the warmongers in Wall Street, through their Washington Government agents, would have long since used the atom bomb in Korea and spread that murderous war into People's China.

Stalin thus states the possibilities of the peoples, acting through a broad peace movement, to halt the warmaking and eventually to abolish war itself:

What is most likely, is that the present-day peace movement, as a movement for the preservation of peace, will, if it succeeds, result in preventing a *particular* war, in its temporary postponement, in the temporary preservation of a *particular* peace, in the resignation of a bellicose government and its supersession by another that is prepared temporarily to keep the peace. That, of course, will be good. Even very good. But, all the same, it will not be enough to eliminate the inevitability of wars between capitalist countries generally. It will not be enough, because, for all the successes of the peace movement, imperialism will remain, continue in force—and, consequently, the inevitability of wars will also continue in force. To eliminate the inevitability of war, it is necessary to abolish imperialism (p. 30).

The Communist Party's draft resolution (*Political Affairs*, December 1952) correctly stresses that the fight to prevent the outbreak of a great war is the supreme task of the working class, the Negro people and all the democratic organizations of the people, acting through a broad peace coalition. This policy of our Party is based upon a realistic Marxist-Leninist appraisal of the political situation and also upon the most urgent need of the peoples of this country and the world.

The struggle for world peace is

facing a great crisis in the meeting of the United Nations which is about to open as this article is being written. The sinister Dulles, Eisenhower's man, is obviously going to try to compel the unwilling nations of Western Europe and Asia, in the U.N., to support his criminal project of spreading the Korean war into China, by establishing a tight naval blockade around that country (which would be an act of war), by organizing the forces of Chiang Kai-shek to invade the Chinese mainland (which would be another act of war), and, if he can get away with it, by opening up a big atom bomb offensive against China itself. This war program, of course, will be heavily veiled with the usual demagoguery of peace. But Eisenhower and Dulles will be surprised at the resistance they will encounter.

The highly dangerous international situation makes it more urgent than ever to arouse the masses to demand an immediate cease-fire in Korea, with the prisoners-of-war issue left to further negotiations. This is what the peoples of the world want. It is the only practical way to prevent the extension of the war. Let our slogan be: "Don't Spread the War, Cease-fire Now In Korea!" Let us carry this slogan to all parts of the country. The people must prevent Eisenhower, Dulles, Stevenson, *et al*, from making the current session of the United Nations the prelude to a great war.