

### **The Kremlin in Eastern Europe**

By E. R. Frank



JACOB SVERDLOV First President, Soviet Republic

## Jacob Sverdlov

By Leon Trotsky

Class Struggles in Japan The Plebiscite in Greece The Wallace Affair



=25 Cents

Manager's Column

Bundle order increases indicate an upward trend in sales of FOURTH INTERNATIONAL.

L. Morris, Connecticut State Agent, writes: "Believe it or not. we need some more October FI's. We covered a meeting of the Yale Union (similar to the Oxford Union) featuring Norman Thomas on 'Sohoh-cialism.' We sold four FI's, 10 Militants, and 24 pamphlets. So send us five more copies of the October FI, in addition to the three extra I have already ordered. We may still need more.'

George Grant, Cleveland Agent, requests: "Please increase our bundle order for FOURTH INTERNA-TIONAL by five copies a month. beginning with the October issue. We have had considerable success with the FI in a drugstore near the Western Reserve University campus. We started with four copies there several months ago, but we left seven of the last issue and they were sold out."

E. Brent, Detroit Agent, writes: "C. Neil, who is in charge of newsstands, is going to try to place our literature on some new stands near schools and universities, as Carl's Bookshop at 9109 Woodward Ave. has been selling more FOURTH INTERNATIONALS than all the other stands put together."

\* \* Jarvis Mitchell, a worker living in Cambridge, sent the following

comments after reading the June issue of FOURTH INTERNATIONAL: "I never went to college, but I've

done some reading in my time. I'm one of those guys who wants to know what it's all about, where everything came from, and where it's going. And I can't help seeing how much this age is like that of ancient Rome, when everything was dying and decaying there. This atombomb horror makes me think so much of Nero who tortured women and children and the fact that the capitalists are willing for the atom bomb atrocity to be described in all its details in the paper and even shown on the screen. Isn't that just like Roman days when people went to the arena and saw even children torn by wild beasts? And this executing conquered enemies, putting them in chains and all that-I think more should be said on this point. Truman is Nero the Second to me. And all capitalist politicians and editors are just like the Romans, cruel as the grave; criminal, monstrous like madmen reeling to their

#### FOURTH INTERNATIONAL

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doom. That's how I know that capitalism can't last much longer. I'd like to get this idea into print. No capitalist paper would take my comments, of course, but I wish FOURTH INTERNATIONAL would publish them. And isn't it true that when any ruling class is dying, such monsters as Nero, Churchill, Roosevelt, Truman, etc., appear to defend it and commit such crimes against helpless people, even torturing little children who can't help themselves! I remember it was said of the ruling Romans of that age-they had lost the power to say if anything was good or evil. Isn't that just like the rulers now?"

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State of New York [ 58. County of New York ] 58. Before me, a Notary Public in and for the State and county afore-said, personally appeared Reba Aubrey, who, having been duly sworn according to law, deposes and says that she is the Business Manager of the Fourth Interna-tional and that the following is, to the best of her knowledge and be-lief, a true statement of the own-ership, management (and if a daily paper, the circulation), etc., of the aforesaid publication for the date shown in the above caption, re-quired by the Act of August 24, 1912, as amended by the Act of March 3, 1933, embodied in section 537, Postal Laws and Regulations, printed on the reverse of this form, to wit: 1. That the names and addresses

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REBA AUBREY, Business Mgr. Sworn to and subscribed before me this 27th day of September, 1946.

Seal) CARNIG AJAMIAN, N. Y. County Clks No. 172; Reg. No. 219-A-8. (Seal)

(My commission expires March 30, 1948.)

# FOURTH INTERNATIONAL

**VOLUME 7** 

NOVEMBER 1946

NUMBER 11

## **REVIEW OF THE MONTH**

Significance of Wallace's Dismissal from Truman's Cabinet-The Plebiscite in Greece and Role of Anglo-American Imperialism-Class Struggles and Rise of Labor Movement in Japan

#### The Wallace Affair

AT THE BANQUET

There was rejoicing and high wassail at the banquet tables of TABLES OF THE RICH the rich and the mighty when the news came through that Wal-

lace had been dumped from Truman's cabinet. What was Wallace's crime which had earned him the awful ire of the Wall Street masters? Did Wallace perchance denounce the war aims of the banking fraternity and call on the people to rise up in their wrath and overthrow this infamous rule? Did Wallace reveal that the two existing parties are but tools of the Plutocracy and advocate the formation of a new party of the laboring people to seize hold of the organs of political power and call a halt to the drive towards war? No. Nothing of the kind. Wallace is a singularly mild capitalist politician of the liberal variety. His muddleheaded and cowardly brand of politics is sufficiently epitomized by his recent acceptance of the editorship of the gutless New Republic. Wallace simply saw how the Plutocracy was dragooning the American people into a new world war; how, drunk with power and vision of world empire, the monied masters were encouraging their admirals and generals to ever more bellicose utterances and ever more threatning gestures; how in their supreme arrogance, bred of their wealth and power, they were brazenly brandishing the atomic bomb and threatening to wipe the peoples of Russia off the face of the earth. Wallace saw how American imperialism, with increasing brutality, was crowding the Kremlin rulers here, there and everywhere, and how soon the latter would be faced with the alternative of capitulating to Wall Street or going to war. And frightened by this horrible apparition and the consequences of a new war, Wallace uttered a mild protest. Live and let live, he pleaded. We run the whole Western hemisphere. We have a big stake in Asia and elsewhere. Why don't we let the Kremlin run the bankrupt states of Eastern Europe? And let's stop, above all, that madman Baruch from frightening the whole world with the atom bomb. Let's ease up a little bit. Otherwise we're heading straight for war.

No sooner were these words out of Wallace's mouth, than the howling wolf-pack of Wall Street timeservers was at his heels. "Wallace must go," shrieked the reptile press with one voice, all the way from McCormick's Chicago Tribune to the yellow gutter rag of the "left," the New Leader.

PAID PRESS

Why, one must ask, did the paid press grow so hysterical? Why did GREW HYSTERICAL the government suddenly find itself thrust into a full-blown crisis? Cer-

tainly Wall Street knows full well that Wallace is a mild liberal politician utterly subservient to the capitalist powers-that-be. Why then did the Plutocracy insist on the firing of Wallacea move that increases the dangers of a split in the Democratic party and the possible formation of a new labor party.

The answer is that the Plutocracy is playing for high stakes and is willing to gamble, to take chances. Its stakes are nothing less than world domination. It has already bent both political parties-the Democrats and Republicans-to its imperial aims and its war plans. Under cover of a bi-partisan foreign policy, and the trick slogan of taking foreign policy out of the sphere of partisan politics, it has imposed its arch-reactionary war program on every political figure who is anxious to continue holding public office. It has made Byrnes the willing tool of its conspiracy. It has stilled every voice of opposition and the Wall Street oligarchy is now in the happy position that regardless which party emerges triumphant in Washington, its war policy will prevail without even any break in continuity. Wall Street's ambassadors and agents are already pressing Russia on all fronts and mobilizing the capitalist states from South Africa to Australia for the new holy crusade to crush Russian "imperialism."

Because of the unanimity in the organs that manufacture "public opinion" in the United States; because of the treachery of the labor lieutenants of capitalism who head the trade unions, and furthermore because of the ammunition that the Kremlin tyrants so amply supply the Wall Street fake "democrats," the American people became bewildered and stunned by the international developments, and have, in somnambulent fashion, gone along with the war makers and their plans.

#### WALLACE THROWN TO THE WOLVES

Wallace stepped into this highly delicate situation and by his dissent threatened to blow up the carefully contrived "national

unity" on the war front, and involve the whole nation in a debate over foreign policy. Nothing could be more disastrous from the point of view of the war party in Washington and Wall Street. If there is one thing in this whole world that cannot stand the light of day, that cannot bear discussion and debate, it is the sinister war conspiracy of the American billionaires. That is why they lashed out so savagely against Wallace, and so unceremoniously brushed aside their faithful little lackey from Missouri. Truman had even concluded an agreement with Wallace that the latter would keep his mouth shut for a while. But Baruch and the others from Wall Street came down to the White House and told the little man that that was not enough. The gods of Wall Street were angered and Wallace's horrible crime could only be expiated by his dismissal and disgrace. Thereupon Wallace was thrown to the wolves.

By this peremptory dismissal of Wallace and the subsequent attempt to disgrace him and drive him from public life, the Plutocracy wished to achieve two ends; one, at home, the other, abroad. At home, Wall Street sought to make clear that there would be no toleration of any criticism or tampering with its foreign policy, with its war program, with its blue print for world hegemony. This was territory that was "out of bounds" for politicians, and those who wanted to remain in public life had better steer clear of any criticism, or urge to "play to the gallery" on this matter. Abroad, the Plutocracy sought to demonstrate, in an arresting manner, that the anti-Russian campaign would proceed full steam ahead; that they had full control in the United States and could carry through their plans without hindrance.

The Plutocracy certainly demonstrated in the Wallace business their effective control of the Ship of State. But the very savagery and hysteria of their attack on Wallace reveals the Achilles' heel of American imperialism. This ruling power is almighty and irresistible only so long as the American working class remains apathetic and permits itself to be bound in the chains of "national unity." But the minute this working class shakes off its stupor and asserts an independent policy, then the mighty colossus of Wall Street becomes paralyzed and even impotent. This has been witnessed in recent years time and again on the economic front. Wall Street is destined to experience the same paralysis and impotence in the sphere of its political rule when the working class organizes itself politically and moves to challenge the present misrulers of society.

### SIGNIFICANCE OF

The Wallace affair has served this purpose and has this significance: It has WALLACE AFFAIR cast a glaring light on the war preparations and plans of American capi-

talism. It has dramatized the war danger that is threatening the American people. It has inaugurated a national debate on foreign policy which will unquestionably awaken to political life great numbers of people. It has even stirred the pusillanimous CIO leadership to condemn the Baruch Atomic Bomb plan-an integral part of Wall Street's war program.

The job of the Marxist revolutionists is to utilize this heightened consciousness of the people to rally them behind a genuine anti-war program-a program to stay the hand of the imperialists, the war makers.

#### The Plebiscite in Greece

A NEW STAGE **IN GREECE** 

The plebiscite which sanctioned the return of King George II to the throne of Greece at the end of August marked a new stage in the efforts of Greek reaction,

backed by the British and American imperialists, to set up a "strong regime" capable of stemming the still fast-running tide of revolution which set in with the "liberation" in 1944.

Because of the state of civil war in the country, the refusal of the broad masses to tolerate the old oppressive order of things, the ruling class cannot organize a regime of parliamentary democracy. It must rely on a police-military dictatorship to preserve its rule. The Tsaldaris government came to power last March through rigged elections which were boycotted by all the parties of the Left. Lacking any semblance of a popular base, it requires a central "authoritative" figure around which all the reactionary riffraff can be rallied. That is why the restoration of the hated Glucksberg monarch was a life and death question for the Greek capitalists and landlords, as well as for their imperialist patrons.

Since George II could not be replaced on the throne by a genuinely popular vote, recourse was had to the fraud of the Hitler-type plebiscite. Precisely how fraudulent it was can be seen from just a few of the outstanding facts as reported in the press.

Out of a population of some 8.000,000, about 1,500,000 were arbitrarily certified as voters and placed on the lists. A special voting system was provided for men in the armed services and for government employees: special voting booths were set up and an uncontrolled number of special voting certificates was issued. Since no effort was made to indicate on a certificate that a vote had been cast, their holders could and did vote, not once, but several times. After voting in one area, they used the same certificates to vote in other areas. This led in the final count to the ludicrous result that more votes were cast than there were registered voters. Two slips were handed to each voter. A white slip was marked: "For King George." A blank colored slip, denoting a vote for the republic, could easily be identified through the thin tissue envelope in which the voter had to place it, so that those voting for the republic became marked men. In the villages armed bands drove up to the booths, voted for the king, then stood around to intimidate the peasant voters. The final tally gave the king 1,603,000 votes as against 521,540 anti-monarchist votes.

#### AN ATMOSPHERE OF CIVIL WAR

The plebiscite was held in an atmosphere of civil war. No wonder the king refrained from returning to Greece when the voting was over! He

remained in safety in London while the reactionary government which he was to adorn pressed forceful action to put down popular resistance and revolt against the monarch and all he stands for. In Athens, a week after the vote, police occupied the headquarters of the Communist Party (Stalinists) and the Cabinet considered a martial law proclamation for the whole country. In Thessaly, in the northeast, the gendarmerie were reported battling "leftist bands estimated at more than 10,000 men."

Demetrius Partsalides, secretary-general of the Stalinistdominated National Liberation Front (EAM), declared there were more than 10,000 "freedom fighters" who had been driven into the hills by "excesses of the monarcho-fascist government, which is controlled by Britain." The all-out attempt of the Greek counter-revolution to smash popular resistance and consolidate a regime of police-military-monarchist dictatorship is reduced by the Stalinists to the petty dimensions of "excesses."

Here we have the key to the whole policy of perfidy and betraval which the Stalinists have practised in Greece from the time of the "liberation," and even before. Earlier manifestations of this policy have been described and discussed in detail in this magazine (see Fourth International for February 1945 and April 1945). Its total effect was to confuse and disorient the masses, to disarm them in the face of their mortal foes, to prevent them from fighting back effectively, to aid the counter-revolution and its imperialist allies in smashing all resistance. The keynote of Stalinist policy was and remains a

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renunciation of the socialist struggle, coupled with a people's frontist line of class conciliation.

On the eve of the plebiscite and weeks before, while the reaction was marshalling its forces for fresh blows against the masses, the Stalinists, far from preparing their tremendous following for resistance and struggle, were preaching class conciliation. As reported from Athens by a special correspondent of The Militant (September 21):

The thesis which it (the Communist Party) daily develops in all the columns of its central organ Rizospastis is the following: It is the monarchist reaction in whose interest it is to feed and spread civil war. The CP says to the people: "There are no monarchists and democrats, there are no Rightists and Leftists. There are only and above all the Greeks. Greeks of all parties, don't play the game of reaction. Reconciliate yourselves . . ." etc.

Thus in face of the armed assaults of the reaction, the workers and peasants are told to play 'possum, to "conciliate" with the class enemy. Is it any wonder that the reaction has made such great strides?

The explanation for this perfidy is simple: The Stalinists are opposed to the socialist revolution. They have no real concern for the needs and interests of the Greek masses. Carrying out the orders of the counter-revolutionary gang that rules in the Kremlin, their one aim is to secure a coalition with the Greek bourgeoisie and a government which will withdraw Greece from the orbit of British imperialism and be "friendly" to the Kremlin.

But the Greek masses refuse to tolerate the old order of capitalist exploitation and oppression in any guise. All the conditions of their existence, and now the raging economic crisis from which there is no way out save through social change, drive them along the road of revolutionary action. The ruling class can make no concessions to the needs of the people. The British imperialists, for their part, will not let Greece slip from their bloody clutches if they can possibly help it. Hence, in spite of Stalinist conciliationism, civil war continues to rage in Greece.

#### STALINISM BEARS HEAVY RESPONSIBILITY

In the past two years the Greek workers and peasants, though struggling and fighting with magnificent hero-

ism, have suffered the most cruel blows and have been compelled to retreat again and again. Thanks to Stalinism, victory has eluded them. In October 1944 the Stalinist-dominated ELAS (military arm of the EAM) commanded the allegiance of the overwhelming majority of the population. An on-thespot observer, Leland Stowe of the New York Post, reported that the ELAS "could easily have seized power between October 12 and 15, the time between German departure and British entry." And a British brigadier who served as liaison officer in Greece for eighteen months told American and British correspondents on October 18, 1944 that had it not been for the ELAS the British would "never have been able to set foot in Greece." The Stalinist traitors sold out the Greek struggle, sold out the revolution. The two-year struggle without victory, the awful plight of the Greek people today, are due in the main to Stalinist perfidy.

Nevertheless, the struggle still goes on. For although there has been no proletarian revolution, neither have the forces of reaction succeeded as yet in inflicting a definitive defeat on the masses. As the Athens correspondent of The Militant was able to report, "the fighting spirit of the working class is not broken." But civil war cannot go on indefinitely. Unless the masses can deliver a decisive blow to the reaction, the latter will deliver a decisive blow to the masses and consolidate its regime of black reaction.

#### The Class Struggle in Japan

#### THE SEPTEMBER **GENERAL STRIKE**

The class struggle in Japan, which broke through to the surface of social life with the military defeat of Japanese imperialism a little more

than a year ago, acquired a new rhythm after the Diet elections which took place on April 10 of this year-a new rhythm and an accelerated tempo which reached their highest point in the political general strike of mid-September. This strike, remarkable both because of the huge number of workers involved and because of the radical goal which it set for itself, utterly confounded those who had seen in the April elections a swing of the Japanese masses toward "conservatism."

On September 14, the Japanese Congress of Industrial organizations (CIO) ordered all its industrial affiliates to go out on strike and to stay out until "the reactionary government of Premier Yoshida collapses." The strike call was issued to coal miners, steel and chemical workers, printers, machinery workers and others totalling more than half a million. Another half million workers on the government-owned railways had called a 24-hour strike. Seamen and dock workers to the number of about 100,000 had already struck. This grandiose strike movement expanded to include the most oppressed and exploited layer of the proletariat when the All-Japan Agricultural Union called out 330,000 unionized farm-hands.

During the thirteen months that had elapsed since the American imperialists took over control of Japan, some 3,000,000 workers had united in trade unions, and of these at least 1,000,-000 were estimated to have gone on strike. As the stoppages became effective, the American occupation authorities apparently clamped down a censorship. Not a word about the progress of the strike appeared in the big daily press of this country. In aiming their massive blows directly at the Yoshida government, the Japanese workers were in reality aiming at the American imperialists who are the actual masters of Japan. Whatever illusions the Japanese workers entertained as to the alleged "democratic" purposes of the American occupation, they have shed them very quickly. The great strike wave began to rise only 12 days after MacArthur had issued an order prohibiting "strikes, walkouts or other work stoppages which are inimical to the objectives of the military occupation."

The seamen set the wave in motion on September 10 when they tied up hundreds of ships to enforce a demand for a 100 per cent wage increase and to protest a government plan to dismiss 80 per cent of all seamen. The Seamen's Union saw in this plan a "government effort to stunt the growth of the labor movement under the pretext of economic necessity." The dock workers struck in support of the seamen, as did the Japanese crews of eight Liberty ships due to return to the United States. According to a September 17 Tokyo dispatch to the Christian Science Monitor, American crews aboard other Liberty ships in Yokohama sympathized with the Japanese strikers "and in some cases have shown a willingness to join the strike."

of the Yoshida government for a railway operating deficit of

#### **YOSHIDA GOVERNMENT** BACKS DOWN

Japan's 500,000 railway workers had threatened to walk off the job in answer to a government threat to dismiss 75,000 for "economy" reasons. This was the "solution"

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27,000,000,000 yen. The Railwaymen's Union charged that the government was concerned only with meeting interest payments on wartime bonds at the workers' expense. The huge railway deficit, the union pointed out, was incurred by the Japanese government "for the purpose of waging war" and the workers refused to become fresh victims of imperialist greed. In face of the determined "No!" of the railwaymen, the Transport Ministry rescinded the dismissal order and the railways continued to operate under a "truce" agreement. The CIO, which had decided on a general strike in support

The CIO, which had decided on a general strike in support of the seamen and railwaymen, went ahead with its strike plans. With keen class comprehension, the organized workers understood that what was involved was a government-capitalist onslaught on the whole working class which must be met by a united counter-offensive of labor. They knew that the puppet Yoshida government, backed by MacArthur, is trying to restore economic stability and rescue bankrupt capitalism at their expense.

The strike of the farm laborers for wage increases and collective bargaining rights was equally significant. The agrarian problem, after a year of American occupation, is as acute as ever. The vast army of small peasants who are trying to eke out a living on minute plots of land; the sharecropping tenant farmers who must yield up the fruit of their toil to rich landowners; the rural proletarians who must subsist on starvation wages-all want a fundamental shake-up of the agrarian economy. The only solution to the land-hunger and misery of the rural population is the abolition of the big estates (including those of the Emperor, Japan's richest landowner), expropriation of the rich peasants, an end to tenantry and sharecropping, the wiping out of the terrible burden of rural debt, the restoration of the land to those who work it. But the land reform program placed before the Diet by Yoshida, with MacArthur's approval, scarcely touches the fringes of the problem. It envisages only the mildest reforms which will leave virtually intact the archaic land system which dates back to feudal times.

It is the simultaneity of class action by the urban proletariat and the rural poor which imparts a new rhythm to the unfolding revolutionary struggle. Here we see a gigantic combination of class forces on the move, needing only the leadership of a revolutionary party to knit them firmly together and project them along the road of revolutionary social change.

The April elections produced a capitalist coalition government of the Liberal and Progressive parties headed by Premier Yoshida. In a Diet of 466 members, this coalition holds 230 seats. Yoshida can continue in office only with the acquiescence of the smaller parties, including the Social Democrats and the Stalinists. The delicate parliamentary balance reflects, as we pointed out in our July issue, the unstable relationship of social classes. That is why we were able to predict that "fierce class battles are in the offing" at a time when the capitalist press in this country was gloating over what it believed to be a swing toward conservatism on the part of the Japanese masses.

MacArthur, at least, understands that Japanese capitalism lives over a social volcano. At the beginning of the occupation he was hopeful that a few superficial reforms, tossed like a bare bone to a starving dog, would serve to quiet social unrest and head off the movement toward revolution. That is why he stripped the Emperor of his "divinity" (leaving the monarchy as an institution intact) and permitted certain democratic liberties-a partial freedom of speech and press, the right of workers to organize and strike, relatively free parliamentary elections, etc., etc. Now it has become clear that mere reforms in the political superstructure which do not alter the old socialeconomic system of exploitation and oppression, serve to aggravate class antagonisms rather than mitigate them. That is why MacArthur retracted, or attempted to retract, the democratic rights granted in the first flush of "liberation." That is why he prohibited strikes as a little earlier he had prohibited demonstrations. Here we see the true "democratic" face of American imperialism. The masses may enjoy the blessings of democracy only so long as they submit tamely to the robbery and the injustices of an outworn social system.

#### NEED INTERNATIONAL LABOR SOLIDARITY

The Japanese masses are driven to seek revolutionary solutions by the very nature of their problems. Within the

framework of the present order there are no solutions. Apart from their need for a revolutionary party to lead them in struggle, they need most urgently the help and solidarity of the international working class, above all the working class in America. American imperialism—the same gang of Wall Street cut-throats who are trying to smash the living standards of the workers in this country—stands like a huge road block in the path of the Japanese revolution. With this obstacle removed, virtually nothing would stand between the Japanese ruling class and its revolutionary Nemesis. That is why the American labor movement should raise the cry: "Withdraw the American army of occupation from Japan!"

#### PARIS "PEACE" CONFERENCE

If the doctors assembled at the Luxembourg Palace were to begin to speak about the real illnesses and dangers by which the post-war world is afflicted, they would not argue so violently about procedural irrelevancies. Instead, Mr. Byrnes would stand up and say to Mr. Molotov: "In the course of the war, under pressure of military necessities, we agreed to allocate to you a wide sphere of influence in Eastern and Central Europe. Now that the war has ended-I must frankly admit we cannot help having some second thoughts. We are afraid we have yielded to you too much. We were not quite clear how you would behave in your zone of influence and whether you would encourage Soviet revolutions in countries of your zone. We talked \*aguely about the need to eradicate fascism and establish democracy there; but each of us put a different meaning into those formulae. We now see you organizing the countries of your zone on the pattern of your own Soviet system; and we are certainly afraid that you may attempt to carry that system even beyond your zone. This is the grave dispute between us, and you need not be surprised that we try to regain ground we had yielded to you."

Mr. Molotov would then thus argue his case: "Surely your second thoughts bode no good for Soviet Russia. I have reasons to suspect that you are going to tear up agreements which we reached when we were comrades in arms. And indeed at this Conference you already appear to be trying to undo our joint decisions on this Conference, reached only a few weeks ago. And, above all, I cannot ignore the ominous fact that even now, in the second year of peace, you still produce atomic bombs. You may not wish to give away to me the secrets of their production. You would be acting in a very magnanimous way if you did and I don't expect such magnanimity; but why on earth do you continue to manufacture them? Against whom are your atom bombs going to be used? You need not be surprised if I am in a suspicious mood. Indeed, it seems to me that mankind ought to be warned about your doings behind which there may be sinister intentions."

But the doctors in the Luxembourg Palace prefer not to talk about the cancer; and the Conference rooms still resound with involved and unreal disputes. (London ECONOMIST, Aug. 10, 1946.)

## Jacob Sverdlov

We are reprinting on this 29th Anniversary of the Russian Revolution, Trotsky's brief sketch of the great Sverdlov, the incomparable Bolshevik organizer. It is well to acquaint our readers with this heroic figure, who epitomized the type of revolutionist who made possible the 1917 revolution and the subsequent victory over the counter-revolution.

Jacob Mikhailovich Sverdlov was born in the city of Nizhni-Novgorod on June 3, 1885. His father, an engraver, was able to give his children an education beyond the reach of working class families in Czarist Russia. As a boy of ten, young Jacob was enrolled in a gymnasium (equivalent to high school) where he studied for five years.

At the age of 15 he left school to work in a drug store. The next year, that is 1901, the first revolutionary underground committee in Nizhni-Novgorod was organized. This same year, Sverd-lov, at the age of 16, joined the revolutionary movement.

Despite his extreme youth he came quickly to the forefront, serving in his period of underground activity as a leading figure in virtually all the regions of Russia.

When the split occurred in the Russian movement in 1903, Sverdlov adhered to the Bolsheviks, in whose ranks he remained to the day of his death.

In 1905, during his assignment in the Urals, he organized and led the Soviet of Workers' Deputies there.

Like all the underground workers of his day he spent many long years in prison and Czarist exile. His first arrest came in 1903. In 1906, after the defeat of the 1905 revolution, he spent 18 months in jail and then served a two year penitentiary term. A whole series of arrests, jailings, exiles and escapes followed.

In the autumn of 1913, at the Poronin Conference of the Bolsheviks, he was co-opted in his absence (he was in exile at the time) to the Central Committee of the Party.

When the February, 1917 revolution broke out, Sverdlov was in exile in the polar regions of Siberia, from where he came at once to Petrograd. At the April 1917 Conference he was elected to the Central Committee.

At the Second Soviet Congress he was elected Chairman of the All-Union Soviet Executive

#### **By LEON TROTSKY**

Committee. He combined his work as President of the Soviet Republic with the onerous responsibilities of "organizer-in-chief" of the Bolshevik Party to the day of his untimely death at the age of 34.

Little is now known about this superb organizer of Bolshevism. Layer upon layer of Stalinist distortions and falsifications have encrusted his memory. Official Kremlin mythology has not merely assigned to Stalin most of the role and functions that Sverdlov fulfilled in the October Revolution and in the Civil War period, but has sought to depict Sverdlov in Stalin's image. But Sverdlov as organizer was the polar opposite of Stalin. In 1927, Trotsky drew the following contrast between Sverdlov and Stalin "as types of organizers":

Up to the spring of 1919 the chief organizer of the Party had been Sverdlov. He did not have the name of General Secretary, a name which was then not yet invented, but he was that in reality. Sverdlov died at the age of 34 in March 1919, from the so-called Spanish fever. In the spread of the civil war and the epidemic, mowing people down right and left, the Party hardly realized the weight of this loss. In two funeral speeches Lenin gave an appraisal of Sverdlov which throws a reflected but very clear light also upon his later relations with Stalin. "In the course of our revolution, in its victories," Lenin said, "it fell to Sverdlov to express more fully and more wholly than anybody else the very essence of the preletarian revolution." Sverdlov was "before all and above all an organizer." From a modest underground worker, neither theoretician nor writer, there grew up in a short time "an organizer who acquired irreproachable authority, an organizer of the whole Soviet power in Russia, and an organizer of the work of the Party unique in his understanding." Lenin had no taste for the exaggerations of anniversary or funeral panegyrics. His appraisal of Sverdlov was at the same time a characterization of the task of the organizer: "Only thanks to the fact that we had such an organizer as Sverdlov were we able in war times to work as though we had not one single conflict worth speaking of." So it was in fact. In conversations with

So it was in fact. In conversations with Lenin in those days we remarked more than once, and with ever renewed satisfaction, one of the chief conditions of our success: the unity and solidarity of the governing group. In spite of the dreadful pressure of events and difficulties, the novelty of the problems, and sharp practical disagreements occasionally bursting out, the work proceeded with extraordinary smoothness and friendliness, and without interruptions. With a brief word we would recall episodes of the old revolutions. "No, it is better with us." "This alone guarantees our victory." The solidarity of the center had been prepared by the whole history of Bolshevism, and was kept up by the unquestioned authority of the leaders, and above all of Lenin. But in the inner mechanics of this unexampled unanimity the chief technician had been Sverdlov. The secret of his art was simple: to be guided by the interests of the cause and that only. No one of the Party workers had any fear of intrigues creeping down from the Party staff. The basis of this authority of Sverdlov's was loyalty.

Having tested out mentally all the Party leaders, Lenin in his funeral speech drew the practical conclusion: "Such a man we can never replace, if by replacement we mean the possibility of finding one comrade combining such qualities. . . The work which he did alone can now be accomplished only by a whole group of men who, following in his footsteps, will carry on his service." These words were not rhetorical, but a strictly practical proposal. And the proposal was carried out. Instead of a single Secretary, there was appointed a collegium of three persons.

From these words of Lenin it is evident, even to those unacquainted with the history of the Party, that during the life of Sverdlov Stalin played no leading role in the Party machinery—either at the time of the October Revolution or in the period of laying the foundations and walls of the Soviet state. Stalin was also not included in the first Secretariat which replaced Sverdlov.

The following memorial article on Sverdlov written by Leon Trotsky in 1925, appeared originally in an anniversary volume issued in 1926 by the Bureau of Party History. The translation from the Russian original is by John G. Wright.

I became acquainted with Sverdlov only in 1917 at a session of the Bolshevik fraction of the First Soviet Congress. Sverdlov was presiding. In those days there were hardly any in the party who guessed the true stature of this remarkable man. But within the next few months he was to unfold himself fully.

In the initial period after the revolution the emigres, that is, those who had spent many years abroad could still be told apart from the "domestic" and "native" Bolsheviks. In many respects the emigres possessed serious advantages because of their European experience, the broader outlook connected with the latter, and also because they had generalized theoretically the experience of past factional struggles. Naturally, this division into emigres and non-emigres was purely temporary and presently all distinctions became obliterated. But in 1917 and in 1918 it was in many cases something guite palpable.

However, there was no "provincialism" to be sensed in Sverdlov even in those days. Month by month he grew and became stronger so naturally, so organically, so seemingly without effort, so much in step with events and in such constant touch and collaboration with Vladimir Ilyich (Lenin) that to a superficial view it might have seemed that Sverdlov had been born an accomplished revolutionary "statesman" of the first rank. All questions of the revolution he approached not from above, that is, not from the standpoint of general theoretical considerations, but rather from below, through the direct impulses of life itself as transmitted by the Party organism. When new political questions were under discussion, it might have seemed sometimes that Sverdlov-especially if he kept silent which was not infrequently the case-was wavering or had not yet been able to make up his mind. In reality, in the course of the discussion he was engaged in mentally working out the problem along parallel lines, which might be sketched out as follows: Who is available? Where should he be assigned? How shall we broach the problem and bring it in harmony with our other tasks? And no sooner had the joint political decision been reached, no sooner was it necessary to turn to the organizational side of the problem and the question of personnel than it almost invariably turned out that Sverdlov was already prepared with far-reaching practical proposals, based on his encyclopedic memory and personal knowledge of individuals.

In the initial stages of their formation all the Soviet departments and institutions turned to him for personnel; and this initial and rough allocation of party cadres demanded exceptional resourcefulness and inventiveness. It was impossible to depend on an established apparatus, on files, archives, etc. For all this was still in an extremely nebulous shape, and at any rate provided no direct means of verifying to what extent the professional revolutionist Ivanov may be qualified to head a particular Soviet department, of which only the name was as yet in existence. A special psychologic intuition was required to decide such a question: one had to locate in Ivanov's past two or three focal points and thence draw conclusions for an entirely new situation. Therewith these transplantations had to be made in the most diversified fieldsin a search for a People's Commissar, or for a manager of the Izvestia printing plant, or for a member of the Central Committee of the Soviets, or for a commandant of the Kremlin, and so on ad infinitum. These organizational problems arose, naturally, without any consecutiveness whatever, that is, never from the highest post down to the lowest or vice versa, but in every which way, accidentally, chaotically. Sverdlov made inquiries, gathered or remembered biographical details, made phone calls, offered recommendations, gave out assignments, made appointments. At the present time I am at a loss to say exactly in what capacity he performed all this work, that is, just what his formal powers were. But at all events a considerable part of this work had to be performed on his own personal responsibility-with the support, naturally, of Vladimir Ilyich. And no one ever challenged it, such were the exigencies of the entire situation at the time.

Sverdlov accomplished a considerable part of his organizational work as Chairman of the All-Union Soviet Executive Committee, utilizing the members of this Executive for various appointments and for particular assignments. "Talk it over with Sverdlov," Lenin would advise in many cases whenever someone turned to him with a particular problem.

"I must talk it over with Sverdlov," would say a new-baked Soviet "dignitary" to himself whenever he hit a snag with his collaborators. One of the ways to solve a major practical problem was—according to the unwritten constitution—"to talk it over with Sverdlov."

But Sverdlov himself of course did not at all favor this

highly individualistic method. On the contrary, his entire work prepared the conditions for a more systematic and regularized solution of all Party and Soviet problems.

In those days the need was for "pioneers" in all spheres, that is, people capable of operating on their own two feet amid the greatest chaos, in the absence of precedents, without any statutes and regulations. It was for such pioneers for all conceivable exigencies that Sverdlov was constantly on the lookout. He would recall, as I have already said, this or that biographical detail, of how so and so had conducted himself at such and such a time, and from this he would adduce whether or not this or that candidate would be suitable. There were of course many mistakes. But the astonishing thing is that there were not many more. And what seems most astonishing is how Sverdlov found it possible to even broach a problem in the face of the chaos of tasks, the chaos of difficulties and with a minimum of available personnel. It was much clearer and easier to approach each problem from the standpoint of principle and political expediency than to approach it from the organizational standpoint. This situation is to be observed among us to this very day, flowing, as it does, from the very essence of a period that is transitional to socialism. But in those days the discrepancy between a clearly envisaged goal and the lack of material and human resources made itself felt much more acutely than today. It was precisely when matters came to the point of practical solution that many of us would start shaking our heads in perplexity. And then someone would ask: "Well, and what do you say, Jacob Mikhailovich?"

And Sverdlov would offer his solution. In his opinion "the undertaking was quite feasible." A group of carefully selected Bolsheviks would have to be sent; and they should be properly briefed, and given the proper connections, and proper attention paid, and the necessary aid given-and it could be done. To gain successes on this path one must be completely imbued with confidence that it was possible to solve any task and to overcome any difficulty. An inexhaustible reserve of optimism in doing did indeed supply the subsoil for Sverdlov's work. Naturally this does not mean to say that each problem was in this way solved 100 per cent. If it was solved 10 per cent, that was good. In those days this already meant salvation because it made tomorrow secure. But after all, this was precisely the gist of all the work during those initial and hardest years: it was necessary to get food supplies somehow; it was necessary to equip and train the troops somehow; it was necessary to keep the transport functioning somehow; it was necessary to cope with the typhus somehow-no matter what the price the revolution had to be secured its tomorrow.

#### The Best Type Bolshevik

Sverdlov's qualities became strikingly revealed in the most critical moments, for example, after the July Days in the year 1917, that is, after the White Guardists had crushed our Party in Petrograd; and again, during the July days in the year 1918, that is, after the Left Social Revolutionists staged their insurrection. In both cases it was necessary to rebuild the organization, to renew connections or create them over again, checking up on those who had passed a great test. And in both cases Sverdlov was irreplaceable with his revolutionary calm, his farsightedness and his resourcefulness.

On another occasion I have told the story of how Sverdlov came from the Bolshoi Theater, from the Soviet Congress to the cabinet of Vladimir Ilyich at the very "peak" of the Left S.R. uprising. After greeting us with a smile he said, "Well, I suppose we shall again have to move from the *Sovnarkom* (Council of People's Commissars) to the *Revkom* (Revolutionary Military Council), what do you think?"

Sverdlov remained himself, as he usually was. In such days one really learns to know people. And Jacob Mikhailovich was truly beyond compare: confident, courageous, firm, resourceful—the best type of Bolshevik. It was precisely in those critical months that Lenin came to know and to appreciate Sverdlov. Time and again it happened that Vladimir Ilyich would pick up the phone in order to propose to Sverdlov a particular emergency measure and in most cases the answer he got was: "Already." This meant that the measure had already been adopted. We often made jokes on this topic, saying, "Well, in all likelihood, Sverdlov has it—already."

"You know," Lenin once remarked, "in the beginning we were against including him on the Central Committee. How we underestimated the man! There was a considerable dispute over it, but the rank and file corrected us at the Convention, and they proved to be entirely correct..."

Despite the fact that there never was, of course, even talk of intermixing the organizations, the bloc with the Left S.R.'s did unquestionably tend to make the conduct of our Party nuclei somewhat nebulous. Suffice it to mention, for example, that when a large group of activists was detailed to the Eastern front, simultaneously with the appointment of Muraviev as commander-in-chief of that area, a Left S.R. was elected the secretary of this group of several score, most of whom were Bolsheviks. In the various institutions and departments, the greater was the number of new and accidental members of our own Party all the more indefinite were the relations between the Bolsheviks and the S.R.'s. The laxness, the lack of vigilance and of cohesion among Party members only recently implanted in the still fresh state apparatus are characterized quite strikingly by the single fact that the basic core of the uprising was constituted by the Left S.R. organization among the Cheka troops.

The salutary change occurred literally within two or three days. During the days of the insurrection engineered by one ruling party against another, when all personal relations were suddenly put in question, and when the functionaries in the departments began wavering, then the best and the most devoted Communist elements within all sorts of institutions quickly drew close to one another, breaking all ties with the Left S.R.'s and combatting them. The Communist nuclei became fused in the factories and in the army sections. In the development of the Party and the State alike this was a moment of exceptional importance. Party elements, distributed and in part dispersed throughout the still formless framework of the state apparatus and whose Party ties had become to a large extent diffused in departmental relations, now came instantly to the fore, closed ranks and became welded together under the blows of the Left S.R. insurrection. Everywhere Communist nuclei took shape which assumed in those days the actual leadership of the internal life of all the institutions. One may say that it was precisely in those days that the Party in its majority became for the first time really conscious of its role as a ruling organization, as the leader of the proletarian state, as the party of the proletarian dictatorship not only in its political but also in its organizational aspects. This process-which might be designated as the beginning of the party's organizational self-determination within the Soviet State apparatus created by the Party itselftook place under the direct leadership of Sverdlov, irrespective of whether involved was the All-Union Soviet Executive Committee or a garage of the War Commissariat. Historians of the October Revolution will be obliged to single out and minutely

study this critical moment in the evolution of the reciprocal relations between the Party and the State, a moment that was to place its stamp on the entire period to come, down to this very day. Therewith the historian who takes up this question will lay bare the great role played by Sverdlov, the organizer, during this all-important turning point. All the threads of practical connections were gathered in his hands.

Even more critical were the days when the Czechoslovaks threatened Nizhni-Novgorod, while Lenin was struck down, with two S.R. bullets in his body. On September 1 at Svyazhsk I received a coded telegram from Sverdlov:

"Return immediately. Ilyich wounded. How critically not known. Complete calm prevails. Sverdlov. August 31, 1918."

I left immediately for Moscow. The Party circles in Moscow were in a stern, somber but unwavering mood.

The best expression of this unwaveringness was Sverdlov. His responsibilities and his role increased manyfold in those days. The highest tension could be sensed in his nervous body. But this nervous tension meant only a greater vigilance—it had nothing in common with aimless bustling, and all the less so with jitteriness. During such moments Sverdlov made his stature felt completely.

The diagnosis of the physicians was hopeful. No visitors were allowed to see Lenin; no one was admitted. There was no reason to remain in Moscow. Shortly after my return to Svyazhsk I received a letter from Sverdlov dated September 8:

#### "Dear Lev Davidovich,

I take this opportunity to write a few words. Things are going well with Vladimir Ilyich. I shall probably be able to see him in three or four days."

The rest of the letter deals with practical questions which it is unnecessary to bring up here.

Engraved sharply in my memory is the trip to the little town of Gorki where Vladimir Ilyich convalesced from his wounds. It was on my next trip to Moscow. Despite the terribly difficult situation there was strongly to be felt at the time a change for the better. At the Eastern front, which was then the decisive one, we had recaptured Kazan and Simbirsk. The attempt on Lenin's life served the Party as a supreme political overhauling: the Party felt more vigilant, more on guard, better prepared to beat back the enemy. Lenin was improving rapidly and making preparation to return to work soon. All this together engendered moods of strength and assurance. Since the Party had been able to cope with situation up until now, it would surely continue to do so in the future. This was exactly our mood as we made the journey to Gorki.

En route Sverdlov acquainted me with what had happened in Moscow during my absence. He had an excellent memory as is the case with most individuals who have a great creative will. His account revolved, as always, around the axis of the most important things that had to be done, with the necessary organizational particulars, accompanied in passing, with brief characterizations of individuals. In brief, it was an extension of Sverdlov's customary work. And beneath it all was to be felt the undercurrent of confidence, calm and at the same time overpowering: "We'll do it!"

#### An Imperious Chairman

Sverdlov had to preside a great deal. He was Chairman of many bodies and at many meetings. He was an imperious Chairman. Not in the sense that he shut off discussion, or curbed the speakers, and so on. Not at all. On the contrary, he never quibbled or insisted on formalities. His imperiousness as Chairman

consisted in this, that he always knew exactly what practical decision was before the body; he understood who would speak, what would be said, and why; he was quite familiar with the back-stage aspects of the issue-and every big and complex issue has its own back-stage; he was adept at giving the floor in time to speakers who were needed; he knew how to put the proposition to a vote in time; he knew what could be carried and he was able to carry what he wanted. These traits of his as Chairman were bound up indissolubly with all his qualities as a practical leader, with his ability to appraise people in the flesh, realistically, with his inexhaustible inventiveness in the field of organizational and personnel combinations.

During stormy sessions he was adept at permitting the assembly to become noisy and let off steam; and then at the proper moment he would intervene to restore order with a firm hand and a metallic voice.

Sverdlov was of medium height, of dark complexion, thin and gaunt; his face, lean; his features, angular. His powerful and even mighty voice might have seemed out of consonance with his physique. To an even greater degree this might be said of his character. But such an impression could be only fleeting. And then the physical image became fused with the spiritual. Nor is this all, for this gaunt figure with its calm unconquerable and inflexible will and with its powerful but not flexible voice would then stand forth as a finished image.

"Nichevo," Valdimir Ilyich would sometimes say in a diffi-cult situation. "Sverdlov will tell them about it in his Sverdlovian bass and the matter will be settled. . . ."

In these words there was affectionate irony.

In the initial post-October period the Communists were, as is well-known, called "leatherites," by our enemies, because of the way in which we dressed. I believe that Sverdlov's example played a major role in introducing the leather "uniform" among us. At all events he invariably walked around encased in leather from head to toe, from his leather cap to his leather boots. This costume, which somehow corresponded with the character of those days, radiated far and wide from him, as the central organizational figure.

Comrades who knew Sverdlov in the underground days remember a different Sverdlov. But in my memory Sverdlov remains clothed in leather as in an armor grown black under the blows of the first years of the Civil War.

We were gathered at a session of the Political Bureau when Sverdlov, who was burning up with fever at home, took a turn for the worse. E. D. Stassova, the then Secretary of the Central Committee, came in during the session. She had come from Sverdlov's apartment. Her face was unrecognizable.

"Jacob Mikhailovich feels poorly, very poorly," she said. A glance at her sufficed to understand that there was no hope. We cut the session short. Vladimir Ilyich went to Sverdlov's apartment, and I left for the Commissariat to prepare to depart immediately to the front. In about 15 minutes a phone call came from Lenin, who said in that special muted voice which meant great strain: "He is gone." "He is gone." "He is gone." For a while each of us held the receiver in our hands and each could feel the silence at the other end. Then we hung up. There was nothing more to say. Jacob Mikhailovich was gone. Sverdlov was no longer among us. March 13, 1925.

## The Kremlin in Eastern Europe

#### By E. R. FRANK

It is interesting to reread today the resolution on Europe adopted by the 1944 Convention of the Socialist Workers Party.

This resolution, written in the summer of 1944 and adopted in November 1944, foresaw to a remarkable degree the kind of Europe that the Allied "liberators" would establish; it foresaw the revolutionary explosion that broke over Europe and with equal clarity predicted the inevitable conflict between Anglo-American imperialism and the USSR. The general estimates and prognoses embodied in this resolution have unquestionably been fully confirmed by the events.\* But certainly it cannot be claimed that the American Trotskyists, or anyone else, fore-

jugating its peoples and propping up subservient regimes.... "If the distardly conspiracy which Stalin hatched with Roosevelt and Churchill at Teheran to crush the European revolution were to succeed, it would simply open the road to capitalist restoration inside the Soviet Union itself, by internal counter-revolution or military inter-vention or both. The Anglo-American imperialists cannot—any more than could the Nazis—reconcile themselves to the existence of nation-alized property for any extended period in the territory comprising one-sixth of the earth's surface... The alliance of the Soviet proletariat with the insurgent masses of Europe is thus indispensable for the preservation of the Soviet Union."

saw in 1944, the present European lineup in all of its concreteness, its irrationality, its stark tragedy. As Lenin once remarked, things have turned out more originally; more unique, more multicolored, than could have been anticipated by anyone.

Who could have painted a picture in 1944 which would have done full justice to the barbaric decline that is Europe today? Who could have drawn in all its ghastly details its present crazy patch-quilt? Who could have been sure in 1944 that the scoundrels of Stalinism would again succeed in stemming the revolutionary tide, in resuscitating half-dead European capitalism and providing it with another breathing spell? What prophet could have foretold that the Peace Conference after the war would furnish the very stage from which the representatives of Western imperialism and Russia would direct upon each other the most savage attacks-attacks unprecedented in the history of modern diplomacy? That atom bomb tests, the dispatch of U.S. dreadnaughts into the Mediterranean, and the delivery of an ultimatum by one "ally" to another "ally," would constitute the off-stage music to give added effect to the debates at the Peace Conference? We Trotskyists understood better than anyone else the flimsy material from which was woven the imperialist-Kremlin war alliance. We never forgot that the social clash was inevitable between the State that rests on nationalized property and Western imperialism. But even we did not know that the struggle between these two social systems would break out so rapidly after the conclusion of the war, and with such unabated

ferocity. No sooner did Stalin help the capitalists dam the waters of the revolutionary flood, than the Kremlin itself became one of the chief victims of its counter-revolutionary handiwork. Now that European capitalism has temporarily regained its political equilibrium, Anglo-American imperialism is beginning to crowd its erstwhile ally and to mobilize world public opinion against it.

The chief, the fundamental, the underlying reason for this acute and growing conflict is the incompatibility between the two divergent social systems. What murderously aggravates this historical incompatibility at the present time, is the fact that the Soviet Union is expanding and reaching out to consolidate its "spheres of influence." What drives the imperialists to frenzy and spurs them to hasten their war preparations against the USSR is not simply the conflicting strategic and commercial interests of world states, but the incompatibility of the antipathetic social systems. They fear—and with reason—that despite Stalinist counter-revolutionary policy, the very existence of the USSR and its expansion are progressively undermining their social system and endangering its very existence.

It is well to recall today that Roosevelt and Churchill agreed to predominant Soviet influence in the Balkans at the Teheran Conference in 1943. For its part, the Kremlin promised to preserve capitalism and to join with Britain and the United States in crushing the revolutionary manifestations. It is our impression that the Kremlin had every intention of living up to its agreement of preserving capitalism in Eastern Europe. However that may be, in at least two countries, Poland and Jugoslavia, capitalism is already badly undermined. And in the case of Rumania, Bulgaria, Eastern Germany, etc., a closed economy is being built up which ties these countries completely to the USSR and by the same token excludes the possibility of economic infiltration and therefore influence of Western imperialism. In this sense Churchill was entirely correct when he said that Europe is divided by an iron curtain that extends from Stettin to Trieste and has divided the continent into two distinct parts.

While the Kremlin is not living up to its agreement to preserve intact the social structure of Eastern Europe, it carried out, unfortunately, only too faithfully its promise to crush the revolution. Without Stalin, without Stalinist treachery in sidetracking the revolutionary mass movement in Western Europe, and Stalinist treachery plus direct counter-revolutionary terror and violence on the part of Red Army troops in Eastern Europe ---without that, Western imperialism could never have even hoped to pacify the revolutionary upsurge and prop up the sagging capitalist regimes. In other words, Roosevelt and Churchill did not succumb to Stalin's craftiness at Teheran, they did not toss the Balkans to Stalin because of humanitarian softheadedness, they did not give anything away. They simply had to make the necessary concessions to secure the Kremlin's indispensable aid in preserving capitalism on a continent that they knew would be torn by revolutionary upheavals. After the revolutionary onrush was successfully repulsed, they could turn their attention to bringing these countries again under the imperialist sway. This may have been a bitter pill for Churchill, as the head of a crumbling empire, to swallow. But Roosevelt was sanguine that the concession was only of a temporary character; that at the next stage, American imperialism, with its incalculable wealth, its unrivalled industrial machine and its military might would break down all doors that stood in the path of its world domination. It is clear today that Roosevelt saw further than Stalin at Teheran in 1943. American imperialism has already cashed in on the first, decisive half of its bargain with Stalin. The revolutionary flood-tide, for the time being, has been halted and sluiced off in Europe. Now Washington is moving aggressively to its next task: Opening up Eastern Europe and bending it to its imperialist purposes; plus isolating the Soviet Union and mobilizing the world against it. That is the real balance sheet of Teheran.

Why, we may ask, is the Kremlin oligarchy, which displayed such timidity and caution in its foreign policy of pre-war days, now embarked on a course which throws it into such irreconcilable contest with Britain and America? Why is the Kremlin persisting in a policy so fraught with danger, which can only hasten the military clash between itself and its capitalist world opponents? What precisely is it doing in Eastern Europe and what kind of economies and states are being created there?

**Soviet Policy** 

It is easiest to understand Soviet policy and the developments in its "sphere of influence" by reviewing the events in chronological order.

The approach of the Red Army in Eastern Europe in 1944-45, in the case of every country, gave an impetus to the revolutionary uprising. The masses, believing in their ignorance that the Red Army was still the banner-bearer of the socialist revolution, took over the factories and various governmental institutions, upon the retreat of the Nazi armies, confident of the support of the approaching troops. By the same token, most of the big capitalists and landlords, who had all collaborated to one degree or another with the Nazis, fled before the Red Army, fearful not only for their property but their lives.

In the existing circumstances, with the absolute breakdown of the capitalist apparati, it would have been almost child's play for the Red Army to consolidate the people's victory, to protect and secure newly-created Soviet states and thus to set all of Europe aflame. But alas, the Red Army entered Eastern Europe as an executor of the counter-revolutionary politics of the Kremlin. It did not support the uprisings of the masses; it suppressed them.

In April 1944 as the Red Army was moving eastward toward Rumania, Molotov issued a statement assuring the capitalists of the world that "the existing social structure of Rumania" would not be interfered with. The CBS picked up a broadcast from Moscow on September 20 at a time when the Red Army was already in Eastern Europe, which similarly declared: "The Soviet Union will not introduce its order into other states and it does not change the existing order in them."

The Balkan masses paid no attention to these stern warnings. and very likely were unaware of them. They rose up against their agelong tryants and oppressors and trustingly believed that the Red Army would help them take their destiny into their own hands.

The Western correspondents reported that a great revolutionary upsurge occurred in Rumania coincident with the approach and entrance of the Red Army. With their rule desperately menaced by the mass revolt from one side and the avenging Red Army from the other, the Rumanian capitalists and landlords organized a coup d'etat in August 23, 1944 under the leadership of King Michael. The king suddenly appeared in the guise of a great "democrat"; he denounced the previous pro-German policy of the government and set up a new coalition People's Front cabinet, composed of the traditional Rumanian parties, headed by a reactionary army general, Constantin Senatescu. The Stalinists and Social Democrats hastened

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to enter the Cabinet; and through their able assistance, the revolutionary upheaval was successfully quelled. The old ruling cliques were permitted to reestablish themselves, and the creaking, half-expiring landlord-capitalist regime of Rumania was provided with a new lease on life. Isolated workers' groups, who persisted in defying or seeking to upset the reestablished "law and order," were quickly suppressed by the Red Army authority and later by the reestablished internal police, which was likewise headed and manned by the Stalinists.

In Bulgaria, the entrance of the Red troops was the signal for a full-scale revolutionary uprising. The dispatches stated that in the Capital, the Red flag was flying over all the government buildings as well as over thousands of homes. We read of the immediate arrests of fascists by the armed masses; of huge demonstrations in the major cities; of a railway strike that paralyzed the government; of the military authorities losing all effective control over the situation. Civil war had started. The Bulgarian masses were preparing for the new Red dawn.

#### **Stalinist Reaction**

But all the revolutionary hopes aroused in the masses were quickly dashed to the ground. The local Stalinist leaders working hand in hand with the Red Army authorities stamped out the fires of the civil war. Joseph M. Levy, correspondent for the *New York Times*, telephoned from Sophia on September 21 that "In a few of the provinces . . . pillaging and even killing of the suspected fascists occurred, but these acts were soon stopped by the militia, composed of strictly disciplined young men and women." He continued that "Communist (Stalinist) leaders are doing everything they can to prevent extremists in the party from agitating for Sovietization of the country."

When the local Stalinists were unequal to the counter-revolutionary task at hand, the Red Army stepped into the breach. Levy stated:

On several occasions when local Communists in the provinces tried to displace city officials and take matters into their own hands they were ordered by the Russian military authorities to return the jobs to the old officials until orders were received from the Fatherland Front government in Sophia.

A quisling People's Front regime, similar to the one in Rumania, was set up under the title of the Fatherland Front Government. The Cabinet, including its quota of Stalinists and Social Democrats, was headed by Premier Kimon Georgieff and War Minister Damian Velcheff, both members of the so-called Zveno Group, a semi-fascist military clique.

The new government, propped up by the bayonets of the Red Army, proceeded immediately to "pacify" the turbulency of the masses and reestablish "order." John Chamley, special correspondent of the London News Chronicle reported that the government printed an appeal ordering Bulgarian soldiers to return to their barracks. They promised that part of the antifascist militia would be absorbed into the regular army. They furthermore instructed all armed civilians to report to designated places and surrender their arms. Thus the new government, a bloc of traditional capitalist politicians, semi-fascist Bulgarian militarists, and Stalinist Social Democratic quislings, supported by the Kremlin, began its work of governing in the classic manner of all counter-revolutions-the disarming of the insurgent masses. Anton Yugoff, the Stalinist Minister of the Interior, in charge of the police, went out of his way to reassure the capitalists that they had nothing to fear, that the Stalinists were absolutely "reliable." He said: "The government of which I am a member and on whose behalf I speak, categorically

denies that it has any intention of establishing a Communist regime in Bulgaria. There is no truth in rumors that the government intends to nationalize any private enterprise in the country."

In Czechoslovakia, the approach of the Red Army produced a sweeping overturn. The Prague correspondent of the London *Economist* (February 9, 1946) reported that Czechoslovakia was the scene of a "revolution" in May 1945, that "Councils were established in every town, village and hamlet"; that "the committees, which took over control in practically every factory during the Revolution, were mainly the achievements of underground Communist fighters." When the country was "liberated," the Councils and Committees possessed, in reality, far more actual power than did the central government which had no armed forces at its disposal and which came in from abroad on the heels of the victorious Russian troops.

Here too the Kremlin authority, employing both the prestige of the native Stalinists and its own power, propped up a fourparty coalition regime of the pro-Allied Czech bourgeoisie plus the Stalinists and Social Democrats, in accordance with the agreement which Stalin had previously worked out with Benes. The Stalinists, as usual, made use of their prestige as Communist underground fighters and as spokesmen of the Russian Revolution to gradually drain the Workers' Committees of their power and transfer all power to the Coalition regime. Bohumil Lausman, the Minister of Industry, told the representatives of the Factory Committees immediately upon his return from a trip to Moscow that they were exceeding their authority and pointed out that in the Soviet Union he found that the factory manager is supreme! Antonin Zapatocki, Stalinist head of the trade union movement, immediately began making speeches in the manner of a British Labor Party "statesman." At a trade union meeting in Prague, he advised the workers that "although working morale has definitely improved and in some sectors great results have been achieved, total results are far from satisfactory. More efficient work and greater efforts are necessary for the speedy rebuilding of our state."

Even in Poland, despite the debacle of the Warsaw uprising, the entrance of the Red Army stimulated a revolutionary movement with workers taking over the factories and peasants seizing the land. The developments in both Poland and Jugoslavia, however, proceeded along somewhat individual lines and will therefore be discussed in a separate connection.

Even in Eastern Germany, despite Goebbels' campaign to incite fear of the Russian forces and the Kremlin's own chauvinist anti-German tirades, the approach of the Red Army stimulated the revolutionary actions of the working masses. "Here, as elsewhere," the London *Economist* reports, "the collapse of Nazism was followed by demonstrations of a socially revolutionary spirit. Workers seized factories and settled accounts with Nazi or Nazified managements." The *Economist* contrasts "the revolutionary myth that preceded the Red Army, the certainty of whose arrival encouraged radical elements among the working class to revolutionary acts" and "the myth of social conservatism which preceded the British and American armies in the West . . . discouraging the radical elements."

We can sum up the first stage in Eastern Europe after the retreat of the Nazis and the entrance of the Red Armies as follows: Everywhere, the approach of the Red Army stimulated and inspired mass uprisings. The old state apparati collapsed. Many of the big industrialists and landlords fled. The workers took over the factories. Armed militia bands sought to arrest the old officials and collaborators and to wipe out fascism by direct methods. To a greater or lesser extent, organizations of dual power sprang up, under conditions of the utter crumbling of the capitalist institutions. The path was thus wide open for the extension of the Workers Committees, toward the establishment of Soviet power.

The Kremlin stepped into the breach to refurbish the old capitalist apparati and prop them up with its bayonets. Utilizing the combination of native Stalinist influence and its own direct military authority, the Kremlin everywhere sidetracked and quelled the mass uprisings, proceeded to disarm the irregular militias and armed bands, moved to bureaucratize and housebreak the independent organizations of dual power and impose on the masses hand-picked, subservient People's Front regimes. In this earliest stage of "liberation," the Kremlin occupation authorities played a role not too dissimilar from the Anglo-American "liberators" in the West. But once the Kremlin broke the back of the mass uprisings, restored a modicum of equilibrium and guaranteed the authority of their newly-hatched Coalition governments, the similarity with the West abruptly came to an end.

#### A Different Course

Now, the native Stalinist leaders pursued a far different course from that of the West-European Stalinists, and the Kremlin organization of its "sphere of influence" diverged sharply from the policies and methods of the Western imperialists. The reasons are obvious: They derived from the different social basis of the USSR and the consequently different needs and aims of the USSR under its present rule of the Stalinist oligarchy.

The peculiar way in which the Nazi power declined and then crumbled provided the Kremlin with its unparalleled opportunity to move its legions into half of Europe. The mouths of the Stalinist satraps must have watered as they saw one country after another fall, like a ripe plum, into its hungry maw. The Kremlin saw in this blessed newly-opened backyard the opportunity of overcoming many of its internal difficulties and solving many of its growing problems. Of course, their vision being strictly circumscribed by national considerations, not to speak of bureaucratic cynicism, prejudices and narrow-mindedness, they could only view these countries as milch cows to be milked dry.

At first, the Kremlin oligarchs marched their armies into Eastern Europe like the marauding armies of ancient days. They pillaged and looted and raped. It was truly as if a horde of barbarians had descended on the land. This pillaging and picking the countries clean was not limited to the "enemy" countries; it was practiced impartially on "enemy" and "ally" alike. The barbaric conduct of the Red Army soldiers is scarcely surprising. What other results could have been expected? Under Stalin's rule, these soldiers have been brought up in constant want and penury, living under conditions of indescribable brutality and violence, and subjected especially during the war years to the fiercest kind of chauvinist propaganda and incitement for *revanche*.

Then the mortifying reports began coming in that the Red Army authorities were dismantling plants and shipping them to the USSR. This became an increasingly common practice again in both "enemy" and "ally" countries alike. No reliable figures exist as to the number of such plants that have been dismantled. But estimates have run as high as 20 per cent of Czech industry, 30 per cent of Polish industry, a third of the industrial equipment of Eastern Germany.

It was unquestionably this policy of plunder and violence

which turned the anger of the peoples upon the Red Army and was responsible for the trouncing that the Stalinists received in the elections in Hungary and Austria. The motive for this incredibly shortsighted and reactionary conduct is obvious. Russia was starved for consumers' goods; the country was horribly ravaged and desperately short of all industrial tools and products. The temptation to steal everything it could lay its hands on to alleviate its own raging internal crisis was too great for the Kremlin to resist. It was only after the anger of the masses rose to a furious pitch and the Kremlin bureaucrats feared that by their ruthlessness they were killing the goose that they were intending should lay golden eggs for them, that they put a halt to their wholesale looting, even returning here and there a dismantled plant, and made other gestures to mollify the antagonize working masses.

Using the four defeated Axis satellite countries as their wedge, the Kremlin soon installed itself as the overlord of all of Eastern Europe, reorganized its economy to serve its needs. tied it firmly to the economy of the USSR as a serf is tied to the land of his lord, and closed it to Western capital. Russia signed Armistice terms with Rumania on September 12, 1944; with Finland on September 19, 1944; with Bulgaria on October 28, 1944; and with Hungary on January 20, 1945. All the Armistice terms followed the same general pattern: They provided for an Allied Control Commission under Soviet direction, which meant in practice a Kremlin overlordship. The Control Commission was granted authority over all communications, transportation and censorship. The four countries undertook to repeal all Fascist legislation, purge the pro-Nazi elements and restore all stolen allied property. In addition Rumania, Hungary and Finland were obligated to pay reparations to Russia of \$300,000,000 to be paid out over a period of six years.

These reparation sums represent considerable percentages of the total wealth of these countries, as they have to be squeezed out of economies that have been sucked dry by the Nazis, and in addition, thoroughly shattered by the war. The sums furthermore are larger than the figures would indicate as reparations are based not on present but on 1938 prices. Furthermore these countries are groaning under the weight of Red Army occupation, an army which lives off the land and voraciously eats up the substance of its wealth.

Through these means the four countries have been rendered completely dependent on the Soviet Union and tied to its economic needs.

In the case of Austria the same result was achieved by military pressure and plunder. Although the Moscow Conference of 1943 guaranteed a "free and independent Austria," the Kremlin maintains an army of occupation of 60,000 soldiers and has been seizing for its own, whole segments of industry under the clause of the Potsdam agreement which permits it to confiscate Nazi-owned wealth.

Thus by a combination of military pressure, the exercise of conqueror's "rights," looting, and maintenance of huge armies of occupation, the Kremlin has placed virtually all of Eastern Europe at its mercy and has converted it into a vast hinterland subservient to the economy of the USSR. As a consequence the Soviet Union occupies the place in Eastern Europe that was held recently by Germany and after the last world war by France.

No sooner did the East-European regimes achieve a kind of equilibrium with the passing of the first revolutionary wave, than the capitalist politicians in the People's Front combinations began to balk at the Kremlin's ruthless economic demands and to intrigue against Stalinist control of the governmental machinery as well as the social-revolutionary measures which the Stalinists were carrying through. Their actions against Kremlin military rule were, of course, encouraged and often instigated by the Western imperialists. The United States and Britain were by this time viewing with increasing alarm the conversion of Eastern Europe into a closed preserve of the Russian colossus. Anglo-American imperialism felt that the time had come to "get tough" with Russia. That is why they embarked on an energetic policy of building up points of political support within every one of these countries in the Soviet sphere. And because the Kremlin's policy was so unashamedly predatory, fascist and semi-fascist Balkan politicians, allied with Western imperialism, could pose as democratic knights-in-armor and carry on their pro-capitalist struggle under the banner of "democracy," "free elections," "freedom of the press," etc., etc.

Confronted with this growing resistance from the native capitalist elements from within, and on the part of imperialism from without, the Kremlin sought refuge in tightening its stranglehold upon these countries. They forced the recalcitrant bourgeois politicians out of the governments, they harassed the "non-cooperative" political organizations, arresting their leaders and suppressing their papers; they bought off other leaders who set up new rival parties, etc., etc. Thus in a short space of time, the East-European People's Fronts, while retaining their formal coalition character, were converted into outright Stalinist-dominated police dictatorships, that ruled by terror and repression and rested on secret police systems modelled after the Russian.

#### **Governmental Evolution**

A few examples will illustrate this process. The first People's Front Cabinet set up in Bulgaria in September 1944 was broadly representative of the leading capitalist parties plus the Stalinists and Social Democrats. Soon the Kremlin was alarmed by the attitude of Dr. G. M. Dimitrov, the leader of the Agrarian National Union, probably the most influential party in Bulgaria. Dimitrov did not wish to integrate himself in the Kremlin-dominated government and insisted on retaining his close and friendly connections with the Western powers. A political struggle developed between the Stalinists and the Agrarians, which, for a while, became the central axis of Bulgarian politics. In January 1945, the Stalinists forced Dimitrov's resignation from the secretaryship of his party, and when his successor continued to follow Dimitrov's policy, the Fatherland Front sponsored a rival Agrarian party under the dissident leader Alexander Obboy. When the Social-Democrats followed suit in opposing the Fatherland Front Cabinet, they were promptly deprived of their newspaper which was handed to a minority group. The latter blossomed forth immediately as the Social Democratic party. It condemned the Social Democratic Ministers and pledged allegiance to the Fatherland Front Government.

Encouraged by the attitude of Britain and the United States, who were making use of this Kremlin terror to scandalize and discredit the Soviet Union, and emboldened especially by the Yalta declaration, all four Agrarian members of the Cabinet, and one of the two Social Democrats resigned in July and August 1945 in protest against the electoral law which made mandatory the single Fatherland Front ticket. The reign of terror unleashed by the Stalinists in Bulgaria at that time has not yet ceased.

The evolution of the government followed a very similar course in Rumania. The first People's Front Cabinet was set up after the coup d'etat of King Michael in August 1944. This Cabinet included practically all important "non-collaborationist" bourgeois groups and the Stalinists and Social Democrats. Within a few months the National Peasant Party headed by Juliu Maniu, and the National Liberal Party headed by Constantin Bratianu, began to complain and balk at the Cabinet's policy, for the same general reasons that animated the opposition in Bulgaria. This led to the break-up of the National Democratic Bloc. The Rumanian bourgeoisie, acting through King Michael, displayed considerable truculence toward the Kremlin, encouraged as they were by the Western powers and feeling that Britain and the United States were determined not to permit Rumania to get sucked into Russia's orbit. But the Kremlin was in no mood for shilly-shallying. Vyshinsky, Soviet Foreign Vice-Commissar, immediately arrived in Bucharest and delivered an ultimatum to King Michael. The latter, powerless to resist, approved the new Cabinet as proposed by Vyshinsky, and the Groza government came into being on March 6, 1945. The Peasant and Liberal parties were now excluded from the government and their press was suppressed; only the pro-Kremlin Social Democrats were included in the Cabinet. The Social Democratic Party itself was subjected to increasing attack and finally on March 1946, Petrescu was ousted from its leadership in favor of the pro-Stalinist leader Stefan Voitec. The Groza government is a Stalinist police dictatorship ruling by terror, although according to the reports, it has never approached the Bulgarian bloodbath in ferocity.

The Hungarian government which signed the Armistice was established in December 1944. It followed the general pattern of the other East-European coalition governments and included the four principle Hungarian parties; the Smallholders representing the middle classes, Stalinists, Social Democrats and the National Peasant Party. As we shall see later on, the economic and social evolution of Hungary follows very closely along the same lines as the other countries in the Soviet sphere. But although the Stalinists are powerful in the government and control the political police, the regime has been much milder and the original coalition bloc has been retained. Hungary was the one country in the Soviet sphere which was permitted to hold a more or less free election, which resulted in a big victory for the Small Landowners party and a defeat for the Stalinists. Nevertheless, whether due to fear of the West or other reasons, the Kremlin has not disturbed the existing coalition and is relying on integrating Hungary into its sphere by means of reparations and an economic squeeze.

Poland, Jugoslavia and Czechoslovakia fall into the same general pattern of development as the rest of the Soviet sphere. Nevertheless the development of each of these countries has been peculiar to itself and will have to be discussed individually.

First on Czechoslovakia. Here, German capital even before the war played the decisive role. All the leading sections of the capitalists went over to the Nazis after the Munich agreement. Benes, representing the pro-Allied Czech capitalists and middle classes (in much the same way that de Gaulle represented the Pro-Allied French capitalists and middle classes) organized in London a government-in-exile after the Germans had overrun the country. But unlike all the other governments-in-exile, Benes and his supporters, from the first, demonstratively adopted a pro-Russian orientation. The Czech liberal bourgeoisie proved itself far-sighted enough to understand that it could survive only by agreement with and by making all the necessary concessions to Moscow. Unlike the other governments, Benes set up in London a broad People's Front Cabinet, which included the Stalinists. As soon as the Red Army began moving eastward, Benes hastened to Moscow and then to Kosice in Slovakia where in April 1945 a new People's Front Cabinet was set up along lines similar to the first cabinets of Rumania, Bulgaria etc. Benes'

whole policy has been one of not crossing Moscow and in holding firm to the alliance with the Czech Stalinists. He has gone along with the Stalinist social program; when the Kremlin demanded the cession of Carpatho-Ukraine, it was given up without a murmur. Benes did not even quarrel when a sizable segment of Czech industry was dismantled and shipped to Russia, under the legalism that it was Nazi-owned property. He has displayed such a spirit of exemplary "cooperativeness" that he succeeded in securing at an early stage the withdrawal of practically all the Red Army occupation troops, and recently, according to the London *Economist*, the Kremlin has "generously presented as a free gift" to Czechoslovakia "the big German synthetic petrol works at Baix in Bohemia."

Because the Czech liberal bourgeoisie is bending over backwards to keep on friendly terms with the Kremlin, the People's Front government has survived in Czechoslovakia in more or less its original form. Another key factor, of course, is that the country is far richer, far more industrially developed, far less devastated by the war than the rest of its Eastern neighbors. Its recovery has therefore been more rapid, and has made somewhat easier the government's problems. The Stalinists, who were powerful even in the pre-war days, have now emerged as the strongest single party. The regime, therefore, while by no means liberal in the traditional sense, has been far milder than that of its neighbors, and the Stalinists felt sufficiently secure to permit recently the holding of a more or less free election from which they emerged as the leading party.

In sharp contrast to Benes and his policy, the Polish government-in-exile in London, dominated by the same "colonels" who controlled Polish politics for two decades, remained obdurately anti-Soviet. Even in exile, they continued their mad, adventuristic game of trying to play off the Western powers against Russia. The Kremlin constantly grew more hostile to this government and increasingly suspicious of its intentions. Finally in 1943, when the Anti-Soviet orientation of the London government was dramatically flaunted, the Kremlin broke off diplomatic relations, and set up its own rival puppet Polish government-in-exile. In the winter of 1944, in agreement with the Kremlin, a new provisional government was set up in Lublin composed of the Polish Democrats (PPS), the Stalinists, the Peasant Party and the Democratic Party, on the basis that all participants favored "friendly relations" with Russia, were willing to collaborate with the Polish Stalinists, and agreed to the partition of Poland, that is the giving up of Poland's prewar eastern frontier.

#### The Polish Regime

This new government, while formally a coalition of the same type as elsewhere in Eastern Europe, constituted in reality little more than a Stalinist-front government, composed of obscure Polish Stalinists, outright GPU agents, Social Democrats with no political past and a variegated assortment of reactionary bureaucrats and generals of the pre-war Polish regimes. As usual, the police was in the hands of a reliable Stalinist, M. Stanyslaw Radkiewicz, a GPU agent, who assumed in the new government the Ministry of the Interior. The Kremlin could not help itself: All the leading, well-known Polish Stalinists had long since been liquidated in the blood purges. So were many of the prominent Social Democrats. The rest had fled abroad. As for the prominent and influential bourgeois politiciansthey were adhering to the London government. The new Polish government was thus strictly a handpicked proposition resting on the bayonets of the foreigner: with little support in the native population. It must be recalled that Stalin felt so unsure of his

position and was so fearful of the London government, that he did not want it to have any share in "liberating" the country and that he permitted the Warsaw uprising to be drowned in blood by the Nazis, rather than conquer Warsaw in partnership with General Bor.

The savage character of the Polish regime was determined by its negligible influence in the population and the unrestrained campaign which the exiled Polish leaders were directing against it. Three distinct military organizations operate on Polish soil today and fight the existing Polish government: the Polish Home Army (Armja Krajova), the National Military Force (NSZ) led by Bielicki of the London Government, and the National Democrats. All three constitute semi-fascist or fascist formations, with their own underground press, political organization etc. The Polish Government-an unalloyed police dictatorship -thus has its hands full sending out constant punitive expeditions, arresting thousands of oppositionists, etc. In the early days, the Red Army itself arrested thousands of dissidents and deported them to Russia. According to Radkiewicz these numbered about 5,000. The bourgeois correspondents give far higher figures. As this evoked tremendous indignation among the highly nationalistic Poles and redounded against the government, the practice was discontinued, and the Polish Security Police took over the job of "pacifying" the population.

After the Yalta Conference, where Britain and America demanded that the Polish regime be "democratized," the Cabinet was enlarged to include several prominent bourgeois political figures headed by Mikolaczyk, leader of the Peasant party, and including Jan Stanczyk, prominent Social Democrat. But the attempt to stabilize a Coalition between the representatives of the bourgeoisie and the Stalinists was no more successful in Poland than in Bulgaria or Rumania. The two divergent social trends that the two contending sides espouse proved incompatible. Soon Mikolaczyk became the rallying point for all the variegated groups which constitute the capitalist opposition to the government: The fascist military formations; the Catholic Church hierarchy, which is headed in Poland by the Pilsudskist politician, Cardinal Hlond; the dispossessed landlord and factory owners; elements of the middle class and peasantry, who are suffering grave hardships and are outraged by the seizures of the Red Army and the brutalities of the police regime which governs over them. While formally Mikolaczyk is still part of the governmental bloc, in practice he is leading this capitalistreactionary opposition to the government. Encouraged by the world diplomatic offensive against the USSR, and the demonstrative applause of the Western press, the opposition has renewed its attack with great vigor. The government for its part still feels too weak to chance an election in which Mikolaczyk would run in opposition.

The Tito regime of Jugoslavia has a considerably different origin than the other East-European governments. Tito, a veteran Stalinist functionary, was the leader of the Jugoslav Partisan movement, which was organized in 1941 to harass the German armies, in support of the Soviet Union. This so-called National Liberation Movement grew to stormy proportions and assumed, in the cause of the war, the character of a social revolutionary movement. It not only fought the Nazi and Fascist invaders, but fought the armies of Mikhailovich, which represented the old landlord-capitalist classes. The march of its armies through the country took on the character of a social revolution. The old landlord and capitalist classes were driven out and Committees representing the workers and peasants took over government administrative organs, the factories, the land. Tito, as well as a number of other Stalinist leaders, became legendary figures. The new government began to rule under far different circumstances than its Polish counterpart. It unquestionably enjoyed tremendous support among broad layers of the population. It was, as a matter of fact, the one government in Eastern Europe not installed or directly propped up by the Red Army.

Nevertheless, during the war, Stalinist bureaucratization and suppression must have proceeded apace along with the growth of the popular movement and the promulgation of the social revolutionary measures. For no sooner was the present Tito government installed than it began to emulate all the other East-European police regimes in its savagery and terror. The correspondents reported that an atmosphere of fear pervaded the Capital and that the dreaded secret police, the OZNA, were operating everywhere. Tito is imitating Stalinist Russia even to copying the elegantly cut uniforms of the Kremlin bureaucrats and weighing down his military tunic with countless shining medals. The black reactionary character of Stalinism is exposed by its need of a police dictatorship in Jugoslavia-a country where it enjoyed tremendous popularity and support. This development cannot be explained solely on the grounds of the horrible economic dislocations. It was unquestionably bred by Tito's twin needs of not only suppressing the old counterrevolutionary classes but at the same time keeping an iron hand on the working class and preventing their emergence as an independent non-bureaucratized-and therefore anti-Stalinist -force.

As in the case of the other countries, Britain and the United States attempted to secure the "broadening" of the Tito regime in order to strengthen the capitalist forces inside Jugoslavia. To this end the Yalta Conference recommended that a new government be formed on the basis of the Moscow agreement between Tito and Dr. Subasich, the head of the Jugoslav government-in-exile in London. But this forced marriage proved no more successful than the one in Poland. Subasich and his supporters were soon clashing sharply with the Tito government. Finally Dr. Milan Grol, the Serb leader demonstratively resigned, followed on October 11, 1945, by Subasich's resignation as Foreign Minister. The whole opposition thereupon decided to boycott the scheduled elections. Jugoslavia, in its present political administration, is similar in essentials to Stalinist Russia: a police regime headed by an individual leader; a Stalinist-led army, courts, secret police, and a totalitarian press and educational system.

Thus throughout Eastern Europe we find a common political pattern: The establishment upon "liberation" or soon afterwards of a Coalition regime with important Stalinist participation. This broad coalition is soon narrowed down to the point where the coalition becomes a facade for essentially Stalinistdominated police governments. (Finland is a special case and lies outside the framework of this study.) Only in Czechoslovakia and Hungary can one speak of actual Coalition regimes which still enjoy a measure of popular support.

#### The Kremlin Master Plan

The Kremlin master plan to convert Eastern Europe into a pro-Russian hinterland is not exhausted by its lootings, its policy of extracting the maximum in reparations and plunder, or its imposition of reactionary police regimes. In addition, the Red Armies entered Europe as carriers of new socio-economic relations. This has been demonstrated by the social revolutionary program that the Stalinists led in carrying out throughout the Soviet sphere, exemplified in the land reform and the nationalization of industry. In 1939 Trotsky explained that the Kremlin would be forced to extend its social-economic basis to the newly incorporated territories in Eastern Poland and the Baltics. Not because of the Kremlin's devotion to Sovietization, but because it could not tolerate the existence of another ruling class within its borders. To safeguard its own regime, it was compelled to expropriate the landlords and capitalists of the newly-incorporated lands, and nationalize both land and industry, to conform with the economy of the rest of the USSR.

The Kremlin, however, did not dare attempt to incorporate half of Europe into the USSR at the conclusion of this war. For obvious reasons. First, it might disrupt dangerously its own police control over the Soviet peoples and saddle the regime with insoluble national difficulties. Secondly, and what is decisive, it dared not—in the face of the opposition of Western imperialism.

But while it found itself unable to incorporate the East-European countries into the USSR, it also could not tolerate the continued existence of the old, bitterly anti-Soviet ruling classes, who were firmly tied to the apron strings of the West. The Kremlin oligarchs attempted to solve this dilemma by encouraging and setting into motion a managed and partial revolution in the occupied territories. The revolution, and the new socioeconomic relations that it brought into being, was intended to wipe out the old ruling groups; create an independent yeomanry on the countryside tied to the new regimes and grateful to them (in the manner of the French peasantry after the great French revolution); place the main levers of economic power in the hands of the new States and build up new bureaucracies dependent upon and loyal to the Kremlin. Stalin, as the years go by, has gained more and more faith in his ability to flout the historical process; and where he possesses the military or police power, to directly manipulate and control it. By setting into motion this controlled and partial revolutionary wave, Stalin believed he could have his cake and eat it too. The old ruling cliques would be destroyed; new States-neither capitalist, nor Soviet-would come into being completely dependent upon and firmly tied to the Kremlin-and Western imperialism would be sufficiently confused and bamboozled to acquiesce in the fait accompli. It is clear from the uniformity of the measures adopted in purging the old pro-fascist bureaucracies, in expropriating the landed estates and parcelling out the land to the peasantry, in setting up coalition Cabinets, in nationalizing the banks and credit institutions, that the Red Army occupation authorities and the native Stalinists were working from a previously-conceived master plan. Only in the case of the nationalization of industry has there appeared a wide disparity from country to country; only here have the Kremlin governments proceeded empirically, suiting their actions to the particular developments and needs.

The different class approach in the East as against the West was exhibited from the start in the carrying through of the purge of the pro-fascist bureaucracies and collaborators. Throughout Western Europe, the bourgeois-dominated governments stifled the "purge"; the courts run by the old bureaucracies procrastinated and dragged out matters to the utmost, and leaned over backwards in their leniency toward the pro-fascists. And as soon as the masses were tired out and their anger had abated, the whole "purge" was abruptly discontinued. The case was qualitatively different in Eastern Europe. Here, the State institutions cooperated fully with the militias and Resistance groups. The guilty ones were promptly brought to trial and sentences were swiftly carried out. In Bulgaria for instance 11,000 "war criminals" were brought to trial. Almost 3,000 of these, including former Regents, Cabinet ministers and numerous deputies, received death sentences, which were promptly executed. The clear-cut class difference between the "purges" in Eastern Europe and Western Europe should not be lost sight of, because here, as in all cases and spheres, the Stalinists made amalgams, shot down worker-oppositionists along with real fascist collaborators, shielded other fascists and gave them high government offices, carried through the whole offensive under sickening nationalistic formulas, and utilized the purges to consolidate its own police regimes. In the West, despite all the hullabaloo about "purging" the "collaborators," the big

The Land Reforms

Concomitant with the purge of the old capitalist bureaucracies, all the new governments expropriated the landed estates, and thereby destroyed the semi-feudal landlord class of Eastern Europe. This agrarian revolution—a task of the bourgeois revolution—the East-European ruling classes proved incapable of accomplishing, despite agitation for land reform which lasted half a century. It was now finally accomplished by the masses under Stalinist leadership, in the tempest of the Second World War. The importance of the agrarian revolution in Eastern Europe is underlined by the fact that agriculture still remains the most important segment of its economy.

In Poland, the Lublin government issued a decree as early as September 6, 1944 confiscating all large estates, wiping out the landlord class and guaranteeing property rights to the individual farmer. Premier Osubka-Morawski informed Edgar Snow in an interview that "there wouldn't be any large estates left in Poland, except for land owned by the Church. . . . Land of the Germans, traitors to the Polish people, and landed estates of over 50 hectares (123 acres) were confiscated. . . . In the case of lands taken from the Reich, individual landowners would be permitted to retain estates as large as 100 hectares . . . the bulk was divided among small and middle peasants, small tenant farmers with large families and agricultural laborers . . . taking as a basis five hectares of arable land for the average family."

The Land Reform Act affected 9,000 big estates covering about 5 million acres of land, which represents approximately one-seventh of Poland's present farmland, excluding the new western territories. About 3¾ million acres have been parcelled out to poor peasants, involving about 2 million people. About 1 million acres have been set aside for special government use. The remainder is still to be distributed. Poland possesses, in addition, some 20 million acres of land in the new western regions. But much of this land is unarable, and the whole territory is today barren and war-scarred. No reliable figures exist as to the number of Polish farm settlers who have entered these lands.

In an important policy speech at the Ninth session of the Polish National Council (December 29, 1945) Hilary Minc, the Stalinist Minister of Industry and Commerce contrasted the government's policies in industry and agriculture. "This is not a socialist revolution," he declared, "and therefore like Czechoslovakia, France or Britain, we pay indemnities. The agrarian reform, on the other hand, was a revolution, an agrarian revolution, that has long been overdue in our country where our obsolete system kept us far behind the other countries of the West. In 1945 the system of feudal overlordship was abolished in Poland in much the same way as was a similar system in the France of the Nineteenth Century."

Czechoslovakia followed the same course. No sooner was the

capitalists felt safe and continued their machinations and intrigues against the people. In the East, the big capitalists and landlords fled before the Red Armies.

In this is revealed once again the two-sided character of the Stalinist bureaucracy. On the one hand, it cannot tolerate the existence of powerful capitalist groups; it undermines the capitalist class structure. On the other hand, it must stifle the masses and impose over them a dictatorial rule. Under the different conditions of Eastern Europe, the Kremlin duplicates the essential mechanism of its rule inside the USSR.

new government set up at Kosice in Slovakia than it promulgated a land decree on April 5, 1945. The Prague radio announced that a National Land Fund was created which was to consist of "all land, buildings, live stock and implements formerly belonging to the German and Hungarian gentry or large estate owners irrespective of their citizenship, or citizens of enemy countries . . . or to Czechoslovak citizens of German or Hungarian nationality who actively assisted in the dismemberment and occupation of Czechoslovakia, and of citizens who betrayed the nation by actively supporting the occupation forces. ... All of these estates and holdings will be confiscated without compensation" and their temporary administration will be entrusted to regional committees until a distribution method is perfected to allocate the land. "For land given in full ownership to the farmers, the payment must not exceed the value of the average harvest of one to two years and actual payment will be spread over a period up to fifteen years." (News Flashes From Czechoslovakia, June 15, 1945.) The maximum for land holding was fixed at 50 hectares (123 acres). Approximately 2,300,000 hectares of forest and arable land are available for distribution to peasants who may receive from 8 to 13 hectares per family.

The gold of the "agrarian revolution" in Czechoslovakia was generously compounded with the alloys and dross of rampant chauvinism, which seems to characterize every feature of the new Czechoslovak Republic. In addition to landlords, tens of thousands of Hungarian and German farmers had their lands confiscated and were driven out of the country for no other crimes but that of belonging to "enemy nations."

In Rumania, the original Sanatescu government announced almost immediately after its formation that it would break up all estates exceeding 50 hectares, including Church, royal and all other properties (with the exception of model farms). In addition, all lands belonging to German and Rumanian collaborators were to be confiscated in full. The Moscow Radio announced that the lands of over 500 estates consisting of 1,000 or more hectares each have been distributed to landless peasants who received land parcels of up to five hectares per family.

Bulgaria was the only country in the Soviet sphere where very little has been heard about land confiscation or redistribution. The reason, probably, is that Bulgaria has been a chronic sufferer from rural over-population, the smallness of the individual plots of land, and the backwardness of its agricultural technique, rather than from the existence of large estates. This would explain the agricultural law passed by the Fatherland Front Government shortly after Bulgaria's "liberation" in November 1944. This law called for the cooperative cultivation of the soil. It aimed at increasing production and modernizing farm methods—where the peasants of a given region agreed to join a cooperative. The law pointed in the correct direction to a solution of Bulgaria's ills in agriculture. But Stalinist brutality plus the fears of the peasantry that they were faced with a repetition of the 1929 horrors of "Stalinist collectivization" in the USSR, led to serious unrest in the countryside and the government was forced to suspend the enforcement of the law.

#### Agrarian Reform in Hungary

Of all the East-European countries, Hungary was the one where the agrarian revolution was most overdue. Here too, no sooner was the first People's Front regime constructed than it initiated land reforms, first publicly announced on March 17, 1945. This law decreed that all lands owned by individuals of pro-fascist record would be confiscated. In addition all estates larger than 142 acres, comprising a total of 7 million acres, would be expropriated. It was expected that 4 to 5 million acres would be distributed to some 600,000 peasants in lots of five to twenty acres each. The remainder of the land would be assigned to local communities or held by the state. The International Federation of Trade Unions Bulletin carried the information in its August 1, 1945 issue, which it received from the official Hungarian radio service, that local committees operating in 3,000 municipalities were dividing up the big estates, and that out of 682,000 agricultural workers and peasants who had made application up to that time, 524,000 had received their allotments. It was estimated that the final number of applicants would be 800,000. The radio announcement also stated that there had been numerous attempts to circumvent or sabotage the land reforms, but that it was nevertheless being speedily carried through.

In line with the other Eastern states, the Tito government issued a Land and Colonization Act which proposed to break up the big estates into units of 25 and 30 hectares (60 to 75 acres), including specifically the Church lands and the properties of banks and other institutions. The law further proposed to confiscate the properties of collaborators. But the land problem in Jugoslavia is somewhat analogous to Bulgaria. Jugoslavia, throughout the pre-war period suffered from overpopulation in the rural areas—the lack of land plus its poor fertility. A special study on Jugoslavia appearing in *Business Week* (August 25, 1945), informs us "that the far-reaching land reforms have not yet satisfied land-hungry peasants, 75 per cent of whom own less than twelve acres of exceedingly poor soil."

Finally, in Germany, the Soviet authority, by special decrees, confiscated in its zone the big land estates (Saxony, Mecklenburg and Brandenburg) of all "war criminals," big landowners and Junkers (possessing holdings of over 100 hectares). The confiscated lands were parcelled out among the small farmers and landless workers to permit them to work holdings of from 5 to 10 hectares ( $12\frac{1}{2}$  to 25 acres). The Director of Land and Forest Economy for the Russian Zone, Edwin Hoernle, estimated that about 4,250,000 acres had been confiscated and distributed among the small farmers. "Even with division of all these estates there will still not be enough land for those who want it," he explained.

The AP provided an interesting description of the actual

process of this land redistribution in the province of Mecklenburg. Its dispatch of September 9, 1945 states: "The Soviet land reform in Meckenburg will be relatively easy, it was believed, partly because many of the feudal owners fled with the approach of the Red Army, and most of those who remained were killed during a peasant revolt in the province when the Hitler regime fell."

We can sum up the land reforms by stating that throughout Kremlin-dominated Europe, the old landlord class is no more. It has been wiped out. Regardless of the future development in these countries, it is doubtful that the old landowners can ever return. Nevertheless this so-necessary and basic reform has not achieved any popularity for the Stalinists. The peasantry of Eastern Europe has been land-hungry for decades. The Kremlindesigned measures have undoubtedly satisfied the peasant's landhunger at least in Hungary, Rumania and Slovakia and to some extent in Poland. Still nowhere has the peasantry turned to the Stalinists. In Poland it remains virulently hostile to the present regime. In Hungary, the peasantry voted overwhelmingly for the Conservative small Landowner Party. In Rumania and Bulgaria it continues in sullen opposition to the government. Even in Czechoslovakia where the Stalinists emerged as the first party, their support came from industrialized Bohemia-Moravia. They were badly defeated in Slovakia, the agricultural section.

Undoubtedly this is to be explained by the fact that the land redistribution has not solved the present problems of the countryside. Agricultural conditions throughout Eastern Europe are in a state bordering on the catastrophic. The peasants, furthermore, are forced to sell approximately a quarter of their produce to the government at extremely low fixed prices. They have been subjected for years to military requisitions, to war destruction, to looting, and at the very last, the wholesale seizures of the Red Army. To this day, the Kremlin maintains, according to American military intelligence reports, 750,000 troops in Germany, 450,000 in Poland, 10,000 in Czechoslovakia, 60,000 in Hungary, 300,000 in Rumania, 7,000 in Jugoslavia, 90,000 in Bulgaria. And all these vast armies of human locusts continue to live off the countryside. Small wonder that the Stalinists are not very popular among the peasantry.

To really improve conditions in agriculture it would be necessary to either fuse or group together the small holdings to provide agricultural machinery, seed, fertilizers, research stations and industrial goods. But the USSR is itself desperately short of these very same things. The mere acquisition of increased land holdings-pitifully small at that-does not at all alleviate the crisis. The peasant lacks livestock, machinery, seed, fertilizer. Previously Germany supplied these as well as manufactured goods to Eastern Europe. But Russia cannot take Germany's place in this regard for a long time. The USSR itself lacks all these goods. Local capital is likewise lacking and Western capital cannot and will not come in under the present political conditions. Agriculture thus continues to dangerously stagnate and no hope exists for its rapid improvement. It is undoubtedly this economic blind alley that the East-European peasantry is in that accounts for the peasant's opposition to the Stalinists.

### Nationalization of Industry

The industrial policy of the Kremlin in Eastern Europe and Germany has to be approached very cautiously as the information is still fragmentary, the pattern is not completed or fixed, considerable differences are to be found from country to country and the governments themselves are putting into effect their rehabilitation schemes very cautiously and evolving their policies in empiric fashion.

In the course of the war, German capital became dominant

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throughout Eastern Europe, so much so, that every major industrial or banking enterprise was in the grip of the German banks and cartels. This prison-unification and integration of European economy effected by the Nazis could have served as a starting point for a vast socialization of the economy and its harmonious unification—the first step in the organization of the Socialist United States of Europe. The Kremlin, however, viewed these countries not as potential allies in the struggle for socialism, but as victims who were now at its mercy and could be turned into serfs of the Russian overlords. This German predominance in the majority of the economic and financial enterprises served for the Kremlin as the legal starting point and justification for its policy of large scale plunder.

First, let us review the events in the "enemy" countries— Rumania, Hungary and Bulgaria. By the collection of big reparations in kind, the extraction of additional huge sums for costs to maintain the occupation troops and by additional seizures of "German" property, the Kremlin has bled these countries white and has gained complete domination of their economies. According to a recent American estimate, the Kremlin in the course of two years has extracted about \$2,200,000,000 in property and services from these three countries and Finland.

On May 8, 1945, Rumania signed a treaty of economic collaboration with the USSR which guarantees Russian hegemony of Rumanian economy. This treaty provides that 1) the two countries will set up joint companies in various economic fields. 2) Each country will put up one-half the capital, the board of directors will be made up of equal numbers of Russians and Rumanians, but in each case the manager of the company will be a Russian. 3) Russia's capital contribution will come from former German property in Rumania seized by Moscow for reparations. 4) The companies will operate as strict capitalist enterprises.

Already four such joint enterprises have been set up: Sovrom Transport, a joint shipping company, Sovrom Petrol, for petroleum production and distribution, Sovrom bank, comprising a merger of three Soviet industrial and foreign trade financial institutions and a group of Rumanian banks and an insurance society, which is designed to finance trade between the USSR and Rumania and to develop Rumanian industries. The fourth joint company is Tars, an air transport enterprise, to establish Rumanian air services with connecting lines to the USSR and the neighboring Balkan countries. Three more similar jointstock enterprises are planned for forest products, chemicals and insurance.

Rumania, wracked by a galloping inflation, with its economy creaking at every joint, thus finds itself helplessly reduced to that of an economic dependency of the Kremlin. In 1945, its steel output was barely half of 1937 production. This year's production is still lower. Last year petroleum totalled 65 per cent of 1937 output (and in the last quarter 68 per cent went to the USSR as reparations). Coal and lignite were only 70 per cent of 1937 output. Its basic equipment has been ruined by the war and its trade has been reduced to pitiably low levels.

In its present bankrupt condition it is desperately in need of loans and manufactured goods. But the Kremlin's expansionism is predicated on poverty, not wealth, on shortages, not surpluses. As for the West, it will not make loans given the present political set-up.

The situation is very similar in Hungary. On top of the war depradations which ruined the country, Hungary must pay out 37 per cent of all present expenditures as reparation costs. Together with occupation costs these total 65 per cent of all its State expenditures. The poverty-stricken country does not have the wherewithal to meet these onerous demands, and thus is constantly falling behind in its payments. And as the reparations agreement carries a penalty of 6 per cent a month for arrears, Hungary is sinking deeper and deeper into the quagmire. Its present income is estimated at half its pre-war level. On top of that, all of the country's gold as well as its shipping is held by the United States.

The Kremlin has seized hold of Hungarian economy in much the same manner as Rumanian. In October 1946 a "50-50" Russo-Hungarian economic pact was signed in Moscow under identical terms as the Rumanian agreement. Under its proposed conditions, which are to run for five years, joint-stock companies will be set up in the bauxite, oil, coal, chemical, river transport, civil aircraft, and other fields. Thus the Kremlin in five years will be the absolute economic master of Hungary. All of the key levers of Hungarian economy including the National Bank, which issues currency, and the National Credit Bank, which owns a third of all Hungarian industry, will rest securely in its hands.

Bulgaria is very weak industrially; only 10 per cent of its population is engaged in industry. While the Kremlin has not yet exacted any reparations from her, the country nevertheless, has fallen into the status of an economic dependency of Russia by its necessity of paying out the huge occupation costs to Russia, and the latter's seizure of German-owned properties in its territories. A Bulgarian-Soviet trade pact was concluded in March 1945 which, it may be presumed, guarantees Russian hegemony of Bulgaria's economy.

Thus we see how in these "ex-enemy countries," the Kremlin, by means of reparations, occupation costs and seizures of German-owned properties has installed itself as the major owner and controlling power of the whole economy. By means of this control, it is now redirecting all efforts to dovetail the economies of these countries with its own. It has displaced pre-war Germany as the foreign master of the Balkans. But the USSR is not able to play the role of the industrially powerful prewar Germany. Especially now after these normally poor countries have been ruined by the war, they stand in dire need of capital and manufactured goods. But, as we have seen, the USSR stands in need of the very same things. The USSR is not a capital-exporting country. It is a country desperately in need of capital. The USSR is not an exporter of manufactured goods. It is desperately short of all varieties of manufactured goods. Hence it cannot gain the support of the Balkan ruling classes or gain control of its economies by "normal" economic pressures or loans. The Kremlin is unable to organize harmonious economic and commercial relations with these countries. It has sought to get around this difficulty by converting the Balkans into its dependency and holding sway over its economy primarily by military and bureaucratic means. This explains its desperate need to shut off the entrance of Western capital and convert Eastern Europe into a closed economy.

#### The Balkan States

How has this Kremlin overlordship affected the class character of these Balkan states? To all appearances, the basic capitalist relations have been left undisturbed. The land distributions, as we have seen, were on a capitalist basis. The old semifeudal landowning class has been wiped out. But agriculture continues under the ownership of petty proprietors who enter the market on a capitalist basis.

In industry, the capitalist relations likewise continue. The individual entrepreneurs, managers and bond holders of old remain. No nationalization of industry has taken place in either Rumania or Bulgaria, although in Rumania certain industries were State-owned before the war.

But even in Hungary, where because of the absolute breakdown of the economy, the State has instituted rigid controls and undertaken to nationalize coal, bauxite, oil wells and refineries, electric plants and metal works, this will be carried out on a capitalist basis as in Czechoslovakia, or for that matter, in England. The industries will continue to operate with capitalist managements on a capitalist foundation, to be supervised by a capitalist bureaucracy; and the State will continue paying out profits in the form of interest on State bonds.

The capitalist nature of the Hungarian nationalization is furthermore made clear by an interesting side-light. As in Austria, but for somewhat different reasons, many of the Hungarian capitalist representatives even took the lead in advocating the nationalization measures. The Kremlin thus enters into *Balkan* economic relations today as a capitalist partner, drawing its 50 per cent profits from industry on the basis of capitalist ownership.

The Kremlin certainly gathered together its "primitive accumulation" of capital, which furnish the basis for its 50 per cent ownership of Balkan industry, in a violent and roughshod manner. In this it is emulating the great-grandfathers of the present British Tories, who likewise achieved their "primitive accumulation" by means none too pacific or gentle.

It is of course true that these Balkan countries by no means present a picture of classical capitalist relations. It is a rather bizarre capitalism, where a Soviet bureaucracy owns half the capital of the key sectors of the economy, where the countries are under occupation by Soviet armies, where the Stalinistcontrolled police governments are in control, and where bureaucratized, Stalinist-controlled factory committees continue to exercise a measure of influence over industry.

But the period of the death agony of capitalism is obviously not favorable for the flourishing of classical capitalism. Even once mighty England, home of "free trade" and "laissez faire" has had to bend before the storm to the extent of permitting the State to take over some of its key industries. It is certainly a sickening as well as a bizarre spectacle to see the usurpers of the proud State that was formed by the Russian Revolution emerge as the caretakers of this neo-capitalism in the Balkans. But all normality and normal concepts have been swept off this planet in the period of capitalism's death agony. And so yellow "socialists" step forth to try to hold back the revolutionary tide and hold together the perfidious British empire. And Stalinist oligarchs enter the Balkans to quell the mass insurgence and to prop up on their bayonets a sickly, scarcely recognizable but nonetheless authentic capitalism.

From the defeated Balkan countries, let us proceed to Czechoslovakia. This country was the most industrialized and prosperous in the pre-war days of Eastern, or as this particular area used to be called, Central Europe. Czechoslovakia was particularly fortunate in rapidly ridding itself of all occupation armies, and being an "ally," it has to pay no indemnities to its "liberators."

The springing up of Factory Committees and Councils, their seizure of the factories and establishment of a *de facto* dual power in the first phase of "liberation," which occurred to one extent or another throughout Eastern Europe—this movement swept through Czechoslovakia with more power and effectiveness and on a larger scale than anywhere else. Here the Factory Committees established themselves more securely, exercised more real control, disposed of more real power and held on longer. To this day, vestiges of this workers' control of production remain.

The four major parties that made up the first Coalition Government agreed even in April 1945 in Kosice to the principle of nationalizing industry. But no one anticipated at that time that fully 70 per cent of all industry would be converted into State property. The revolution that took place in May 1945 was expected by all the parties, but no one anticipated its great sweep. All the big industrial undertakings and many small ones were taken over from their owners by the Workers' Committees. The workers of Czechoslovakia had put through a genuine overturn. The fact that their Workers' Committees have gradually been drained of their power; that the nationalization is being drained of its socialist content, that capitalism has again succeeded in restoring itself in Czechoslovakia-all this is due exclusively to the treachery of the Stalinists who enjoyed the confidence of the masses, and who used this confidence to betray them.

The nationalization of Czech industry was furthermore forced upon the government by the fact that in its decisive sectors industry was in German hands. A vacuum of ownership was thus created in nearly two-thirds of Czech industry after the German defeat. In some industries, the proportion of German ownership was even higher. Practically the whole of the porcelain industry, 90 per cent of the paper industry, 75 per cent of the chemical works were German-owned.

Next, the government faced the compelling necessity of overhauling the whole structure of the economy, as the most important industries, such as aircraft, synthetic oil, etc., were monstrously expanded for German war needs, and either had to be sharply reduced or eliminated altogether.

#### **A Farsighted Bourgeois**

Eduard Benes, the farsighted Czech bourgeois, the President of the newly reconstituted Republic, wrote an article in the December 15, 1945 issue of the *Manchester Guardian*, (and a similar article in the April 1946 *Foreign Affairs*), wherein he tried to make clear to Western capitalism that the nationalization measures were unavoidable, but that nevertheless the Western capitalists need have no fear, that despite the thoroughness and far-reaching character of the nationalization law, the country would continue to move within capitalist grooves.

When, after the liberation of Czechoslovakia, we made an economic war balance sheet in our principle industries and banks [Benes wrote] we ascertained that the banks had been totally plundered and ruined by this German procedure and industries either alienated or expropriated from the hands of the original owners, for they were to a large extent in the hands of the people of German origin. To return this property and the banks into the hands of Czech individuals or to consolidate them without considerable state assistance and without new financial guarantees was simply impossible. The State had to step in, partly in order to save labor and employment for the large masses of the people and partly to save people's savings in the looted Czechoslovak banks. . . . But what to do with the big German industries and banks in Czechoslovakia? We confiscated this property as the property of traitors. Are we now to divide it among Czech capitalists and industrialists in accordance with some arbitrarily chosen principle and criterion, or is not better to give it to the State and nation, also as a partial reparation for the enormous war damages caused by Germany?

Benes further calls attention to the great leftward swing throughout Europe: "This can also be seen in Czechoslovakia," he states. "Perhaps in our case there is a difference because we are one of those states which are mature enough and whose citizens are sufficiently enlightened and do not need to be forced into any Socialist measures by strikes, revolts, and conflicts, or even by a civil war, but who try to avoid all this by a wise and progressive policy." Benes adds significantly: "The French rightly say, 'Gouverner c'est prevoir' (To govern is to foresee), and that is what we are doing."

By his policy of "rolling with the punch," Benes hoped to drag out things interminably and reduce the final nationalizations to a minimum; and with the help of his Stalinist and Social Democratic allies, housebreak the obstreperous Factory Councils. But the pressure of the unions and Workers' Committees proved too strong. In October 1945, just before the first meeting of the Provisional National Assembly, Benes reluctantly had to sign the far-reaching nationalization decrees, saying publicly that he wished the Government had proceeded more gradually, but it was they and not he, who had decided on the thorough-going nationalization measures. This law provides for State ownership of commercial banks, insurance companies, mines, mineral deposits, defense industries, steel plants, the Bata Shoe factories, manufacturies of drugs and phonograph records, glass, chemical, power plants, gas works, and flour mills. It also includes paper industries with more than 300 workers, spinning mills with more than 400 workers and clothing factories with more than 500 workers.

Over 10,000 concerns including all the key industries and plants had already been nationalized by the end of 1945. These State enterprises, Benes assured the West, will be run strictly "according to the principles of private enterprise." All these enterprises are being placed under managers; most of them remaining, as a matter of fact, under their old managements. They are formally run by the manager and a managing committee—the Works Administration. The members of this body are one-third elected by the employees, one-third nominated by the Central Authority for the industry, and one-third selected by the government. The over-all plan for the country as a whole is drawn up by the Economic Council, which is composed of six cabinet Ministers and the representatives of the Trade Unions and Cooperatives.

As the workers' organs of *dual control* have been largely suppressed and their initiative stifled, the new State industries now fall increasingly under the sway of a growing bureaucracy composed of the old owners, managers, capitalist officials and functionaries, plus a new crop of Stalinist and Social Democratic functionaries and bureaucrats. We have previously quoted Lausman who approvingly pointed to the Russian example and informed the Factory Committees that in Russia the manager rules supreme. The Works Councils are now required to concern themselves exclusively with workers' welfare problems and leave the running of the factories to the managers.

The capitalist character of this nationalization was further guaranteed by the issuance of State bonds, in lieu of the previous individual shares, to all former owners (except enemies whose property was confiscated), and interest on these bonds will be the first charge on the profits of these works. All State concerns, moreover, will be run independently, subject only to the direction of the State planning authority. In many cases the former owners will be consulted as to the running of their works, even to the extent of permitting them to appoint managers.

The foreign (non-enemy) owners of Czech industry are being treated with no less generosity. *Business Week* of August 31, 1946, announces that "the Czech Cabinet has finally approved the conditions for compensating foreign owners. . . . Principal American companies involved are Socony-Vacuum and I. T. & T. ... Terms of the offer about to be made by Prague are said to be acceptable to the American companies, but Unilever of Britain is reported to be asking a price that Czech officials consider exorbitant." (Unilever is demanding a modest \$44,000,-000 compensation for the Schlicht Margarine factories which have been nationalized.) Business Week attributes "the sudden outbreak of good will in Prague" to its desperate need of loans from the United States. The Western imperialists know how to collect their pound of flesh. In June, "our" Ambassador to Prague, the outstanding "democrat," Laurence Steinhardt, wrote a letter to Harold Sheets, Chairman of the Board of Directors of the Socony Vacuum Company, where he expressed the hope that the Stalinists would be defeated and "it should be possible to get under way very soon thereafter in discussing claims for American nationalized property. Should you hear reports of an Export-Import Bank reconstruction loan to Czechoslovakia, do not let this alarm you, as one of the conditions of the loan will be adequate and effective compensation for American nationalized properties."

Steinhardt's hopes for a Stalinist set-back did not materialize. Nevertheless, as we see, "American interests" have been fully taken care of even under the Stalinist-dominated government.

#### **State Capitalism**

Czechoslovakia is today the exemplar of State capitalism. Privately-run and managed establishments now comprise only 1/3 of the smaller works, the cooperatives and agriculture. Nevertheless, the Czechoslovak nationalizations, despite their sweeping character, can be compared in their essentials, with the nationalizations in England.

It is true, of course, that the Czech nationalizations took place under far different conditions, and the actual state of political and social affairs is far more left in Czechoslovakia than England. First, nationalization was decreed while workers' control existed throughout industry. Next, the Stalinists dominated the government. Last, the country was under Red Army occupation. But the Stalinists succeeded in pressing back the revolutionary tide and infusing the socialist forms with capitalist content.

If the Stalinists succeeded in preserving the capitalist system in Czechoslovakia on the basis of State capitalism, the same bald statement cannot be made in the case of Poland and Jugoslavia. In these two countries the situation is far more chaotic and unsettled, and capitalism has been far more seriously undermined.

If we begin with Poland, we find that here as throughout Eastern Europe, the workers took over the factories in the first flush of "liberation." If the factory committees were but anemic counterparts of the virile committees in Czechoslovakia, let us not be surprised. After all the Polish workers had probably still not forgotten how the Red Army commanders in 1939 had arrested the leaders of the newly-formed Soviets and had replaced them with hand-picked party representatives; they had probably not forgotten the murder of Ehrlich and Alter and countless other working class leaders of Poland; they had probably not forgotten how the Red Army permitted their uprising in Warsaw to be drowned in blood, after the Kremlin had urged them to rise up against the Nazis, arms in hand.

Poland, like Czechoslovakia, was confronted with a herculean task of reconstruction, after the "liberation" but—in the case of Poland—many, many times more difficult. Nationalization of industry was the only way to get industry in motion at all after the war. The German retreat left the bulk of Polish industry with neither owners nor managers. They had all fled. Poland was one of the worst devastated of all countries. Warsaw, Poland's Capital, with a pre-war population of over a million, was demolished block by block. Many factories, as a consequence, were either burned or shattered, but still contained much machinery that was repairable or usable. Furthermore, the whole of the newly acquired western territories was an economic no-man's land, with most of the industries similarly without managers or owners. Under these circumstances it was not only a simple matter to carry through the nationalization projects. It was also mandatory.

Throughout 1945 the government was taking over plants and industries and operating them under improvized methods of production. The workers played a tremendous role in this work of reconstruction. Irving Brant, Polish correspondent for the *Chicago Sun*, wrote in the fall of 1945: "Among the workers themselves, the feeling of social revolution is strong. It has run Polish labor unions up to a membership of more than 1,100,-000. . . When Minister of Industry Minc, a Communist, shows himself ready to deal with old factory owners and managers in order to get production going, the workers are likely to say to him: 'Who repaired this factory? We did. We will operate it. Give us a manager from our own ranks.'"

Only on January 2, 1946—fully a year later—was the law adopted authorizing nationalization of key industries. The nationalization measures followed very closely along the lines of those in Czechoslovakia. The works of all Germans or "enemy aliens" was confiscated. Compensation was to be paid out to all Poles or "Allied aliens" whose establishments were taken over by the State. The motivation for full compensation was likewise the same as in Czechoslovakia: "We are in favor of maintaining normal economic relations with the Western countries by indemnifying foreign capitalists justly and adequately for their property." (Report of Hilary Minc to Polish National Council, *Poland of Today*, May 1946.) In a word, Poland, even more desperately than Czechoslovakia, needs American loans.

In Poland the nationalization law applies to all enterprises employing 50 or more workers per shift. Although this sounds more sweeping even than Czechoslovakia's law, in actuality a far smaller proportion of industry has been nationalized. According to the pre-war figures, 2,775 plants would fall into this category; almost 2,000 of these employ from 50 to 200 workers. 20,-014 plants in Poland employ less than 50 workers and thus remain in private hands. In the absence of new statistics, it is impossible to analyze any later data on what the nationalization decrees mean in practice. According to the report of Minc, the Minister of Industry and Commerce, private industry will continue to absorb 60 per cent of all employees in trade and industry, while the nationalized sector will employ 40 per cent. The industries to be nationalized will employ about 25 per cent of all industrial wage earners, while the total percentage of persons involved in the whole nationalization program will amount to 10 per cent of all wage earners.

Thus, according to the figures, the sector of State property, although including all the key and decisive portions of the economy in industry, finance, transportation etc., will comprise a far smaller proportion of total property than was the case in Czechoslovakia. It must be remembered that pre-war Poland was far less industrialized than its Czechoslovak neighbor and that the greater part of its industry was carried on in small shops and plants. In the pre-war days, 40 per cent of total capital investments in Poland lay in foreign hands, and the most important industries were completely foreign-controlled. For example, foreign capital owned 52 per cent of mining and smelting, 57 per cent of petroleum, 66 per cent of the electrical industry, 60 per cent of chemical, 52 per cent of lumber, 81 per cent of public utilities, 59 per cent of insurance companies etc. The bulk of these holdings were German-owned. Thus Minc estimated that under the principles previously outlined, three-fourths of all enterprises will be confiscated outright, while one-fourth will be indemnified.

In many important respects Poland has not proceeded as drastically as Czechoslovakia in its nationalization measures, and Polish private capital continues to dominate a far larger segment of the economy. The statistics, however, while probably accurate enough in and of themselves, do not tell the whole story. The first important difference between Poland and Czechoslovakia is that in the latter country the bourgeoisie is working in agreement with the Stalinists; the bourgeois cliques and bureaucracy have survived and continue to play a dominant role in industry as government officers and State *rentiers*. In Poland, the bourgeoisie is in opposition to the regime. The leading capitalist cliques are abroad intriguing and organizing military forays against the government. The Stalinists are unable to lean upon any of the pillars of the old "colonels" administrations.

#### A New Dual Power

In addition, a kind of *dual power* can be said to exist in the country today, but it is wholly unlike the classical Marxist conception of dual power. The government, the police, the army, the courts, the press, public education are in the hands of the Stalinists. The clandestine, illegal, dual power, in the form of military formations, the Catholic hierarchy etc., is in the hands of the bourgeoisie. Thus if Czechoslovakia could be defined with absolute precision as State capitalism, the definition of Poland will have to be more involved and lengthy, if it is to correspond to the complex, contradictory and baffling reality. Poland is ruled by a Stalinist police regime, engaged in a savage war with the fascist-minded Polish bourgeoisie, which has brought the devastated country to the brink of civil war. The Stalinist regime is acting, to the best of its abilities, as the care-taker for the oppositionist bourgeoisie and has laid the legal groundwork for the recreation of a Polish State on State capitalist lines similar to Czechoslovakia. Why do we say that the present trend of the Polish nationalizations is one of establishing a State capitalism, based on a mixed economy (State capitalist and private property) such as in Czechoslovakia and not toward a workers' state such as the USSR?

He is a poor Marxist who permits himself to be dazzled by a common formula and neglects to examine the essence of the process. We have seen in the past year nationalizations in England, France and in Eastern Europe. In their totality they constitute an unanswerable demonstration that society cannot go on in the old capitalist manner and is straining at the leash to socialize economy; that the whole trend of modern society is toward an unavoidable collectivization. This, of course, the Comintern pointed out as far back as 1919 in its first Manifesto to the workers of the world. But what class is to carry out this State-ization of economy? And in whose interests is it to be accomplished? In the interests of the capitalists? Or in the interests of the working class, and therefore of all humanity?

In England, as we know, it is being done in the interests of the capitalists. To weather the storm, the capitalists are permitting large scale nationalizations. But these are so arranged as to empty the measures of all real content. The *form* is there; but the essence is gone. In other words, basically, the measures are a fraud, and the old capitalist relations and exploitation continue as before, with only the administrative forms modified and altered. That is why Marxists explain that the nationalizations in England are not socialist measures at all, but simply measures of State capitalism.

As we have demonstrated, the same process is taking place in Czechoslovakia, in its fundamental aspects. In Poland, the pattern is not as clear, because the country is in a state of latent civil war, and therefore the State forms have not jelled to the degree that they have in Czechoslovakia. But the policies and aims are the same and the legal structure is the same. The policy of the Stalinists is pointed toward arriving at an agreement with the bourgeoisie; it has bureaucratized the Factory Committees and is attempting to operate nationalized industry along capitalist lines; it is acting as a caretaker of capitalist property; it is seeking to encourage the development of private capital in small industry and trade; it has preserved capitalist relations in agriculture; it is seeking to build up a new bourgeoisie which will consent to cooperate with it. The Polish Stalinists are, with might and main, trying to duplicate the achievement of the Czech Stalinists-thus far not too successfully.

The State in Eastern Europe which is modelling itself most closely after the USSR is Jugoslavia. In Poland, the Kremlin entered as a foreign conqueror and installed by force, in defiance of the major cliques of the Polish bourgeoisie, an unpopular government. In Jugoslavia, the government took power in the normal course of creating a massive people's revolutionary movement, driving out the foreign invaders, and destroying the armies of the old ruling classes. The government, in its origin, rested on broad popular support, and the masses had wiped out the power of the old ruling groups in the course of a fiercely-fought civil war.

Despite its present savage repressions and unrestricted police rule, the Tito regime displays in many characteristics its socialrevolutionary origin. The actual content of its nationalization and reconstruction measures scarcely differ from those of Poland or Czechoslovakia. But they were carried through under socialistic and not exclusively nationalistic motivations. Andria Hebrang, Minister for Industry, explained in the early part of this year the purposes of the "State General Economic Plan," since adopted, to the People's *Skupehina*, employing the following arguments:

1. As planned economy has defeated the anarchic economy of the capitalist world, as it has proven its superiority in the USSR, it should be adopted by Jugoslavia.

2. Since private industry and commerce still exist, and there are 2 million small peasant proprietors, the full program of State planning cannot be immediately introduced completely and effectively. But the present should be considered a transitory stage toward planned economy.

3. The General State Plan is intended to apply not only to industry and husbandry, but cultural development, education, science, art, public health, social insurance, etc.

Of course, the reality, the actual prospects for genuine State planning are far less radiant in Jugoslavia. The country is one of the worst sufferers of the war. It emerges from the conflict minus a *third* of its industry, a *fourth* of its peasants' households, a *tenth* of its population. It has drawn up a reparation bill for damages totalling 61 billions. The country has always been weak industrially; 75 per cent of its population are on the land. According to the most reliable figures, industrial production stands today at about 40 per cent of 1938. And whereas the bulk of 1938 productive effort was devoted to consumer goods or to raw materials that could readily be exchanged for consumer goods, Jugoslavia is now compelled to devote a major part of its productive labors to repair and reconstruction.

As "enemy" property is confiscated by the government for war booty, the State will run and operate more than 50 per cent of all industry and practically all of heavy industry. In addition, the government issued a decree in August 1945 cancelling all existing mining concessions and nationalizing all mines. This involves especially the French-owned Bor Copper mines, and the British-owned Trepca lead and zinc mines. Although the principle of compensation has been accepted, unlike Czechoslovakia, Jugoslavia has not yet come to terms with the foreign owners.

As in Czechoslovakia or Poland, private property is permitted by law, and continues to function in small industry, trading and agriculture. Even for foreign trade, the policy is not to conduct State barter but to license private importers and exporters. Tito himself declared at a reception of foreign correspondents "that private property was respected in Jugoslavia."

#### **Resembles USSR**

Jugoslavia, however, resembles the USSR far more than any other East-European country, because, arising on the crest of a social revolutionary movement which wiped out the power of the capitalists and landlords, it proceeded to consolidate its rule by bureaucratizing the mass movement, destroying the democratic rights of the toiling masses, suppressing the workers' committees and independent organs of expression, and ruling by police measures and terror. Because of its origins, so dissimilar from Poland, or any other East-European country, it was able to totalitarianize every phase of Jugoslav life in far more thorough-going and widespread fashion. Nevertheless, despite the fact that the power of the old landlord-capitalist classes has been broken, Jugoslavia must still be considered as being in the capitalist orbit, because of the following facts: The continued existence of capitalist property in agriculture, in half of industry, in trade and commerce, including foreign commerce. Furthermore, the creation of a huge capitalist-like governmental bureaucracy composed of old pre-war bureaucrats, dispossessed landlords and factory owners, Stalinist functionaries, "reconstructed" Fascists, monarchists, generals and the like. No clear information exists as to the precise manner in which State-owned industry is being operated. In the absence of functioning factory committees and workers' control, it can be assumed that the methods are very similar to those employed in Czechoslovakia or Poland.

In the Soviet sphere of Germany, the ambiguity of economic forms, the provisional character of economy, has been commented upon by all the leading correspondents. The correspondent of the London *Economist* asks the question (March 1946): "What social system are the Russians establishing in Eastern Germany? Has private enterprise been abolished there? Is a socialist economy, on the Soviet model, being set up? Conditions are still too fluctuating for any definite answers to be given to all these questions."

. The New York Times correspondent, Dana Adams Schmidt conveys the same impression. Writing in July 8, 1946, he states:

The evidence of this tendency (public ownership or control) contained in key measures—land reform, the confiscation of businesses allegedly belonging to active Nazis and war criminals and the freezing of all old bank accounts—was, however, frequently ambiguous. It led me to conclude that the developments, instigated in the final analysis by the Russian occupation administration, were not intended to socialize economic life in the Russian sense. Rather they appeared primarily designed by various devices to give dominance, in the economic as in the political sphere, to elements that the Russians would consider dependable and could control. The steps in this direction during more than a year of occupation have been progressive and circumspect, taking local traditions into careful consideration.

While Russia, like Britain and the United States, exercises naked military control over its sphere of Germany, and while it has the "legal right" to plunder Germany, the economic measures undertaken have not been as radical as in a number of East-European countries. While all "Nazi-owned" industries have been confiscated and turned over to the State or municipal authorities for operation, the final disposition of these enterprises, whether they would pass into State ownership or be turned over to new private owners, has been left open. Outside of the land expropriations previously discussed, the Russian administration has not carried out a single act of expropriation in industry comparable to the British expropriation of the coal mines of the Ruhr. In addition, owners of medium and small plants who did not flee before the Red Army have been left in possession and permitted to continue operating their plants.

The large factories are mostly managed by four directors,

### Summary of Developments

We are ready to summarize the developments: The Red Armies occupied half of Europe-a Europe absolutely shattered by the war. They moved to break the power of the old ruling classes by expropriating landed estates, confiscating industries owned by "war criminals," and turning them over to States run by loyal puppet governments, or setting up joint economic enterprises under their own control. If a social revolution signifies the transfer of power from one class to another, than certainly a social revolution was set in motion in Eastern Europe after "liberation." But these revolutionary developments were not the direct consequence of mass uprisings, but were in every case dominated and controlled by the iron bureaucratic hand of the Kremlin conqueror. The upsurge of the peoples was stamped out. Their initiative was thwarted and prohibited. While Stalin for his own purposes and security, was determined to crush the old ruling cliques, he was equally determined to crush the revolutionary mass movements and to preserve the capitalist structure, in order to appease Western imperialism. Thus these revolutionary developments were in every case cut short of their goal. The consequent results are bastard formations; so-called "mixed economies," resting on capitalist juridical foundations, and with the emergence of new capitalist groups in small-scale industry, agriculture, trade, the governmental bureaucracy, etc. This development, directly attributable to the counter-revolutionary Kremlin policy, demonstrates that the Stalin bureaucracy has no historical perspective, that it rests on no firm ground. It cannot tolerate Sovietization, as it showed in Eastern Europe. At the same time, it fears to the death and cannot tolerate capitalism. That is why Stalinism is a doomed ruling clique. It has no historical future. It will be engulfed in the coming events.

But perchance the Kremlin has created some new State forms, which represent its peculiar mode of production? The facts do not bear out such a hypothesis. The East-European countries reveal no new modes of production. The facts demonstrate very conclusively that the new States represent the atoften representatives of the political parties, with the technical directors of the old managements often retained. The directors are supposed to work in close contact with the Works Councils, which are very similar to the set-up in Czechoslovakia. Because East-Germany is geared to the economy of the USSR, which does not fear German competition and is desperately hungry for all manner of goods, the German plants have been showered with Russian orders and have been experiencing a false prosperity. In contrast to Western Germany, the wheels of industry are turning ever more rapidly, but most of the goods are carried away to Russia as reparations. No official data are available, but business representatives claim that at least 50 per cent of all products go to Russia.

Recently the Kremlin has established legal relations with part of German industry in its sphere along lines that closely resemble the joint stock companies set up in Rumania and Hungary. According to *Time* magazine (August 26, 1946), a joint trust has been set up in Soviet-controlled Germany called Sowjetische Industrie A.G., owned 51 per cent by the USSR and 49 per cent by Germans. The corporation is to be officially capitalized at over 8 billion marks (\$800,000,000) and to employ nearly 400,000 workers. Its plants are said to embrace 30 per cent of German industry in the Soviet zone, including I.G. Farben. The trust is headed by a Russian, Alexei Resnikov.

tempt at unnatural union between the Soviet property forms and capitalist property. Stalin's power may seem unlimited to him wherever his armies hold sway. Nevertheless, it is not given to him to create a new historical class, neither in the USSR, where his regime still rests on the property relations founded by

attempting to act as the caretaker and beneficiary of capitalism. Here is the balance sheet of Stalinism in Eastern Europe. By the Kremlin's sell-outs and dirty maneuvers, their crushing of the revolution, their destruction of the organs of workers' dual power, their preservation and legalization of capitalist property, their looting and marauding, the Kremlin has succeeded in antagonizing and earning the enmity of the bulk of the working masses. As for their agreements with the East-European capitalists-these are of the flimsiest kind, destined to be broken at the first real crisis. And the Kremlin's hopes for friendship with the Western imperialists have already gone up in smoke. Stalin's treacheries and crimes against the working class invariably deal blows to the world revolution and undermine the Soviet Union. But they cannot win for him friendship with the Western world. Because the USSR-despite the Stalinist counter-revolutionary ruling clique-represents by its very existence a mortal threat and a disintegrating influence upon world capitalism. That is why America and England refuse to reconcile themselves to Stalinist control of half of Europe and are bent upon wiping out this threat to their reign.

the Bolshevik revolution, nor in Eastern Europe, where Stalin is

All these little Eastern States, wracked and ruined by the war, are now caught in the swirl of the raging battle between the USSR and world imperialism. They are all in a state of most acute crisis; their economies are obviously of a *makeshift*, *episodic* and *transitional* character; their regimes are jerry-built. They are geared to the economy of the USSR by main force. But they can secure capital, manufactured goods, loans, only from the West. And the United States is already putting on a murderous squeeze. It is holding Hungary's gold. It has captured most of the fleets plying the Danube, and will not return

them until the Danube is opened up and made "free." UNRRA is ending, and all the East-European governments will be forced to come to Washington, begging for loans, to arrest the famine. The Kremlin's policy of "closing" Eastern Europe to Western capital will thus be far more difficult to enforce, than is the case with its own monopoly of foreign trade. We have already witnessed many small breaks in the "iron curtain," as witness Czechoslovakia's compensation agreement, Poland's concessions to secure two small loans, etc. The fate of all the small countries in the Balkans, the Danubian area, and what used to be called Central Europe, cannot be gleaned by riveting one's gaze upon these small dependent countries themselves. Their fate, and the evolution of their State and property forms, will be determined not through their own internal independent developments, but by the outcome of the world struggle between the giants-Anglo-American imperialism and the USSR and the course of the socialist revolution.

In 1939 Trotsky observed that if the Kremlin did not incorporate its newly secured border areas into the Soviet Union, but attempted to exercise control over them after the Nazi manner, this could become the starting point for new profound changes inside the USSR. Given an extended period of development, the new Kremlin-owned capitalist trusts in Eastern Europe, plus the emergence of a new Stalinist bureaucracy resting on capitalist foundations, would undoubtedly lead to decisive conflicts and changes in the structure of the USSR. But the present conflict between the Kremlin and Western imperialism has grown so sharp, and dominates so completely the international scene, it seems most likely that the further evolution of the East-European states, as of the Soviet Union itself, will be determined in the main by the outcome of this monstrous tug-of-war.

It might be objected that this analysis tends to give too much credit to the Stalinists; that there might be the implication that Stalinism can fulfill a progressive function in the capitalist world. Of course, the overturns in Eastern Europe possess many highly progressive features—the redistribution of land; the confiscation and nationalization of industry. World Trotskyism has already taken an unambiguous stand in defending these progressive measures from all attempts at capitalist reaction and restoration of the status quo ante bellum. But just as Trotsky pointed out in 1939 that the progressivism of Stalinist nationalizations in Eastern Poland and the Baltics were far outweighed by the Kremlin's antagonizing the masses of the world and thereby weakening the world socialist movement, so today we must declare that the progressive aspects of Stalinist land redistributions and nationalizations of industry do not compensate by a tenth the mortal blows the Stalinists have dealt the proletarian revolution, the socialist cause. Their unspeakable treacheries, their stamping out of mass uprisings, their counter-revolutionary terror, their depradations and plunderings-these are discrediting in the eyes of the toilers the very word, the very idea of communism. How weighty are the East-European nationalizations on the scales as against Stalin's crimes against the working class? The Stalinist counter-revolutionary adventures in Eastern Europe, rather than endowing it with the aura of a progressive mission in history, have made more urgent the necessity of crushing this bloody fiend, and preventing it from doing any more damage than it already has done to the world working class and its struggle for emancipation.

The blindness of Stalinism, its unutterably reactionary character, its historical bankruptcy is exposed glaringly above all in Eastern Europe. For the sake of paltry loot, for the sake of the small change of reparations—completely meaningless so far as solving the USSR's economic needs—the Kremlin has raised against itself a wall of hatred throughout Eastern Europe and the world. For the sake of military control over the povertystricken, bankrupt Balkans, the Kremlin has helped the Anglo-American imperialists crush the revolution and prop up decaying capitalism. And now having done this butcher's work for imperialism, the Kremlin is face to face with the Wall Street colossus, which is already mobilizing its world resources to crush the USSR.

### An Open Letter to the Editor of "New International"

#### By E. GERMAIN

I have just seen the May 1946 issue of your magazine in which you reprint an article as well as political theses which I authored.

In general, I have no objection in principle against the reprinting of my articles in the workers' press. But I must strongly protest against the method you constantly employ, a method which consists in printing articles written by people outside your organization, in order to create the impression by affirming "complete" agreement with these articles—that there exists complete agreement, if only on the concrete subject, between your party and the author. So first of all, I wish to state very explicitly that neither I, nor to my knowledge, any member of the Belgian Section of the Fourth International, is in agreement with the position of the Workers Party on the national question, the role of democratic slogans, and the strategy for the present stage in Europe, to the extent that your position differs from that of the Socialist Workers Party.

Moreover it is not very difficult to understand that you attempt to utilize this article is a polemic solely against sectarian tendencies, and not a complete exposition of the role of democratic slogans, as a means of demonstrating the "contradiction" between the political line of various European sections and that of the leadership of the Socialist Workers Party. Know then that this maneuver is too obvious to take in anybody who is aware of the facts of the case. Tactical differences will exist and do exist inside the Fourth International, but they have only a secondary importance compared to the programmatic differences which separate the whole International from the conceptions defended by the Workers Party and the A.K. of the I.K.D. Know moreover that there does not exist, to my knowledge, any serious differences on the question of democratic slogans between the leadership of the SWP and the Belgian Section of the Fourth International. In any case both organizations have expressed complete agreement with the formulations on the role of democratic slogans in the political Resolutions at the April 1946 International Conference of the Fourth International.

The articles you printed were written during the discussions with sectarian tendencies, ultra-leftists, who condemned our movement to sterility at the time when it was emerging into "legality." Without claiming that the struggle against sectarianism has from this moment on been "terminated,"—unfortunately it will never be ended before the complete victory of our cause; and will continue, even then, a long time after it it is necessary to observe, however, that at the present time the struggle against opportunist tendencies is posed with the development of our organizations and their penetration into the masses.

You would have acted much more loyally if you had first asked the opinion of the author concerning the publication of his articles in your magazine, and if you would have permitted him to introduce them with an explanatory note, reviewing his general conceptions in relation to the subject. Having failed to act in this fashion you have forced me to trace the line of demarcation between Leninism and opportunism on the sub-

ject in question in greater detail. But since the organizations which vegetate on the periphery of the Fourth International have not yet reached the same physiognomy on the question of the utilization of democratic slogans, all the opportunist traits which I denounce in the following article are not yet united in any one tendency or in any one person but are held by different organizations. That is why, without wanting to create "amalgams," I prefer to fight opportunism "in general," without citing names. Do not think, for this reason, that I am simply fighting windmills. The implacable logic of opportunism, like all other deviations, is consistent only in its errors. Every tendency which is characterized by the defense of this or that argument whose opportunist character I am trying to show, will evolve more and more to the defense of all the arguments, if it continues on the road on which it has started. Brussels, July 5, 1946.

## On the Opportunist Utilization of Democratic Slogans

#### By E. GERMAIN

Opportunism and sectarianism appear as symmetrical tendencies in the revolutionary movement and arise from the same incomprehension of the relations between Leninist strategy and Leninist tactics. Moreover, they have the unhappy characteristic of favoring each other's growth. All past revolutionary parties witnessed the generation of centrist deviations in the course of the struggle against sectarianism, and vice versa. The history of the Third International between 1919 and 1923 is only a tragic repetition of successive experiences of this kind. Our movement will be unable to escape the same experience. The task of its leadership is to carefully educate the cadres, in order to prevent individual members from paying the costs of going through once again all the dolorous experiences of the past, and in order to check the infection when it appears.

The sectarians often use Leninist arguments against opportunism in order to smuggle into the revolutionary movement their own incomprehension of consistent Marxist politics. The opportunists, for their part, often hide their own theoretical nakedness behind a fig leaf of Leninist arguments against sectarianism. Obviously that does not lessen in the least the correctness of these arguments when used by a Bolshevik party, that is to say, in the framework of a correct political orientation and program of action. But it does impose on the revolutionary polemicist the obligation, when explaining a tactical problem, to carefully weigh his general argument in order to accompany each blow against ultra-leftism with a blow against the right. Otherwise, he himself runs the danger of moving too far in the opposite direction. The history of the workers' movement teaches us that this danger is particularly great for those tendencies and people who specialize in the "struggle against sectarianism." For if it is true that "sectarianism complements opportunism like a shadow," there are many people who, starting to war with this shadow, soon find themselves allied with opportunism of the worst kind—in struggle against the revolutionary program itself.

The Leninist, in approaching the question of the utilization of democratic slogans, proceeds from his general objective estimate of the epoch in which we live, and from the program of the socialist revolution which flows from it. The tactical question involves solely the way in which the masses must be led to accept *this* program . . . and not how to occupy them in another way as long as they do not "understand" this program! For the Leninist, democratic slogans are viewed solely as instruments for the *mobilization* of the working masses.

The opportunist poses the question of democratic slogans in an entirely different way. "For the moment," the question of proletarian revolution "is not yet posed," or "is no longer posed." It would be better "to stop talking about it for sev-eral years," and turn toward "more concrete" problems. Then, these "more concrete" problems must not be constantly posed in relation to the proletarian revolution, as the Leninist tactic demands, but are to be posed independently of the revolutionary program. In other words, for the whole of this period, the masses, incapable of struggling for revolutionary demands, will struggle solely for democratic demands, at least on the terrain of politics. Later, when the consciousness of the masses will have "matured," once more the proletarian revolution will again be placed on the agenda. A little excursion to Europe will show the opportunists across the Atlantic that their argument is, on every point, similar to that of the Stalinist leaders-the faithful echo of which is also heard in the ranks of the Continental centrists.

Thus, the fundamental difference between the Leninist conception and the opportunist conception of democratic slogans consists in this: For the Leninist, democratic slogans are only instruments to promote the unleashing of revolutionary actions of the masses, with the aim of creating dual power; for the opportunist, these slogans serve as pretexts for shelving *sine die*, the revolutionary mobilization of the masses, and replacing this with clever, electoral, parliamentary, and faction maneuvers inside the "mass organizations." The Leninist characterizes the present stage as one of propagandistic and organizational preparation of the masses for revolutionary tasks; the opportunist characterizes the period as a "vacuum," an "interlude," a necessary "intermediate stage," and so forth.

#### "Democratic Illusions" of the Masses

From these different premises flow different conclusions. For the Leninist, the democratic illusions of the masses, secondary products of conjunctural, accidental historical factors, cannot to any degree constitute obstacles to their revolutionary *action*. On the contrary, the special possibility of utilizing democratic slogans flows at present from the fact, that in face of the authoritarian tendencies of the bourgeoisie, these slogans *facilitate* the mobilization of the masses *against capitalist property and the capitalist state*... that is to say, for the final objectives of the proletarian revolution! The opportunist, on the other hand, interprets the existence of democratic illusions among the masses as signifying that they will for a whole period have their "eyes fixed" on the Parliaments, and will refuse to act outside the parliamentary framework. As far as the opportunist is concerned, the democratic illusions of the masses renders them incapable of carrying through revolutionary actions.

All the experience of the past two years in Europe has clearly shown how mistaken are the opportunists in posing the question in this way. After a short "honeymoon" with a parliamentary regime—more decadent, rotten and paralytic than ever before, the masses have everywhere completely lost interest in what transpires within the precincts of the "Roman senators." Not one important issue arose in Europe, and *above all a democratic* issue, toward which the masses were not ready to spontaneously take the road of *extra-parliamentary actions*, embryonic revolutionary actions. Of course, the Stalinists and Reformists wanted to prevent the unleashing of these actions. But it devolves on our opportunists to explain why, as a result of the "incomprehension" of the masses, these movements must be maintained within the framework of bourgeois democracy. . . .

When Humbert of Savoy hesitated to abdicate, the workers of Milan wanted to reply with direct action. Criminal would have been the sectarian who in face of royal hesitations would have launched the slogan, "Neither Monarchy Nor Republic, Long Live the Soviets!" In practice this would have meant saying to the masses: "Do not concern yourself with the fact that they are preparing a hempen noose for your throat. Study our literature patiently and act only when you understand that we, we alone, possess the monopoly of science." But all the more criminal would have been the slogan: "Demand rapid action from the Constituent Assembly. Let the Communist and Socialist Parties immediately vote for the dismissal of the king," etc., etc. That would have meant to stifle in its infancy the masses' will to action, to push them back into the parliamentary framework, after they themselves had already emerged from it. The only precise way to pose the problem was to call upon the masses for a general strike and the organization of committees of struggle against Humbert and the monarchy, for the Republic; that is to say, call upon them to create organs of revolutionary power proceeding from democratic slogans. Whoever, under such conditions, refuses to formulate slogans of action, refuses to tie the democratic slogans to the slogan for committees, is not a leader, but a dead weight on the movement. Malicious opportunists will object: "But you yourself, in your struggle against the sectarians, have insisted on the absence of political maturity of the masses at the present stage; on their incapacity to consciously pose the problem of passing to the struggle for soviets." That is true. But the whole task of the Fourth International consists in resolving and not simply posing . . . the contradiction between the objectively revolutionary situation and the backward consciousness of the masses in relation to this situation. False as it is to close one's eyes to this contradiction (as the sectarians do), and continue to recite communist litanies; it is just as false to permit oneself to be hypnotized by a transitory state of mind of the masses (as the opportunists do), and to base a political line not on the task of helping the masses raise themselves to the height of their historic tasks, but on the necessity of descending with one's program to the level of the most backward layers of the masses.

A particular expression of the contradiction between the maturity of the objective conditions and the lack of maturity in the subjective conditions for the proletarian revolution is the contradiction between the consciousness and the experience of the masses, between the way they think and the way they act. The level of political consciousness of the Italian proletariat is certainly lower than in 1920, when the ideas of internationalism and proletarian dictatorship were much more widespread and accepted by the masses than they are at present. On the other hand the actions of the masses occur on a much higher level than those after the first world war, having taken at their beginning, in 1943 the form of the creation of soviets and armed militias. The masses continue to vote for the SP and CP, they continue to belong to these organizations, to the extent that they do not relapse into a political skepticism; but when the moment of action comes, whether it be against Mussolini, against the high cost of living, or against the monarchy, they act much more in accordance with the Trotskyist program than with the directives of their treacherous "leaders." Of course, as long as this contradiction remains unresolved, even the broadest and most decisive actions are condemned, in advance, to failure. But it is not the "democratic illusions" which block the road toward the Fourth International for the masses, but, in reality, the whole past heritage of the workers' movement, their illusions about the "revolutionary" role of their present "leaders," the weight of inertia and tradition, the material weakness of the Trotskyist organizations and their narrow field of operationsit is all these factors combined which prevents a quick passage of the masses toward the European sections of the Fourth International. We ourselves are firmly convinced that during the present period of workers' struggles, the revolutionary party will strengthen itself with sufficient rapidity and firmness to guide the proletariat to victory, before it will be decisively beaten. But in order to arrive at this goal the party must, above all, maintain its own physiognomy and its own banner, without becoming mixed up in any way with the sycophants of rotten bourgeois democracy.

#### Algebraic Character of Democratic Slogans

Consistent with themselves, the opportunists who proceed from the impossibility of struggling at the present stage for the proletarian revolution, deduce from this that the immediate struggle must be for "the defense of bourgeois democracy" against the authoritarian attempts of the bourgeoisie. The death agony of bourgeois democracy simply incites the opportunists to try to keep it alive with the help of insipid and charlatanistic recipes; whereas, such being the case, for the Leninist it is a question of finishing off the dying with the help of democratic slogans.

In his tenacious struggle against the Stalinist sectarians of the *Third Period*, Trotsky did not fail to note, in passing, that in no way was the question involved of defending the "rotten democracy of Weimar" against the Nazis; it was precisely the decay of this "democracy" that produced and will always produce new Hitlers. It was solely a question of defending the nuclei of *workers democracy* which existed within the framework of bourgeois "democracy," of proceeding from this defense as from a springboard, in order to pass over to the offensive, with the aim of finishing off, after Hitler, the Weimar regime, after Kornilov, Kerensky.

It seems superfluous to repeat all this, but it is precisely from these considerations that the *algebraic* character of the democratic slogans flows. When we try to mobilize the masses against the monarchy, an obstacle on the road to the complete disintegration of bourgeois power, we do not tell them that a bourgeois republic is "preferable" to a bourgeois monarchy. The class nature of the republic for which we call upon the masses to struggle is deliberately left open-not because we are thinking of the "possibility" of creating a republic "neither bourgeois nor working class"-but because this category of slogans corresponds exactly to one stage of the real struggle, the stage in which the masses already consciously launch themselves against an obstacle without clearly knowing for what they are struggling. We attempt to facilitate their understanding of the positive goal of their struggle by tying the slogan for the Republic to the whole of the transitional program, that is to say, to a series of slogans which pass beyond the framework of capitalist society. The following stage will be given by the living historic process itself. If, in the course of the struggle for the "Republic," committees appear, we will oppose the power of these committees to any "democratic republic"; then we will be for the "Republic of the committees." If committees are not constituted in this phase of the struggle, we will immediately separate ourselves from the attempt to stabilize any bourgeois republic, we will show the masses that it was not the continuation of their misery under a new label that they had desired, and they will understand us very well. But in launching at each stage the appropriate slogan, we remain irreconcilably hostile to every form of the bourgeois state, and to each one of its institutions, without ever concealing this hostility, without ever veiling it in the name of any "tactic" whatever.

The opportunists, on the other hand, clearly indicate the origin of their conceptions when they invoke the principle of "lesser evil," and seriously suggest that a bourgeois republic "is better" than a monarchy, or that a state with a single chamber is "preferable" to a state with both a Chamber and a Senate. It is obvious that during the discussions on constitutional questions we must always popularize the most radical and the most advanced solutions—just as in a debate upon a military budget, we will criticize details, demand a decrease of the length of service, an increase in pay, etc. But that doesn't prevent us from rejecting the *whole* bourgeois constitution just as we will always reject the *whole* military budget, whatever "reforms" are introduced into it.

It is very true that it is "easier" for the proletariat and for its party to make progress under a republic than under a monarchy, with one parliamentary assembly than with two. But the problem which poses itself to the proletariat at present is not one of choosing "easy" and ideal frameworks for its struggle; but a problem of defending itself, of defending its very existence as a class, against the cataclysms causing growing misery, unemployment, fascism, and war. These cataclysms oppressing the working class stem from one fundamental cause, capitalist decadence, as much in a monarchial country like Italy as in the Spanish Republic, as much in a regime with two assemblies (the majority of Balkan countries before the war) as under a one-assembly regime (as in Germany). Those who, when confronted with these cataclysms endemic in decadent capitalism, appeal to the masses to spend their precious energies solely to create a different framework in which they will be bled, do not deserve the name of revolutionists. Firmness of principles, the adoption of a tactic which, whatever its flexibility, remains a principled tactic, this is what characterizes Leninism as opposed to unprincipled opportunism which by a series of "tactical" salto mortale lands outside of the revolutionary program.

Since the opportunists, by attaching an "intrinsic, progressive" value to decadent bourgeois democracy, consider the democratic slogans as a parliamentary or programmatic platform to rally the votes or sympathy of the masses, rather than as means designed to unleash actions of the masses, they naturally end up with abandoning the political independence of the proletariat. It is upon this question that the separation of the Leninists from the opportunists best expresses itself. For the Leninists the fundamental strategy remains that of the class struggle. The democratic slogans take on a new importance solely in the measure that they aid the revolutionary party to mobilize the proletariat against the bourgeoisie; where they serve as a supplementary means, the importance of which we are the first to recognize, of widening the gulf which ideologically separates the workers from the capitalists. Also of exposing the whole infamy of the putrefying capitalist regime, one of whose most abject traits consists precisely in the more pronounced disappearance of the most elementary democratic rights. But all this is valid only on the condition that the democratic slogans are included in open propaganda and agitation against capitalism as such, that the proletariat guards its political independence, and that it resolutely attacks the bourgeoisie as the class responsible for the absence of liberties.

The opportunists, on the contrary, proceeding from their analysis of a "retreat" or of a "lack of maturity," see in the proletariat no more than an empty "cement" of "all the people" struggling for the "most elementary democracy," while keeping carefully silent about its class character. They do not mention the responsibility of the bourgeoisie, of capitalism as such, and send the masses into action against some scapegoat, whether it be foreign "imperialism," the "reaction," or the king. At a time when even the bourgeoisie of backward and colonial countries is incapable of struggling for even a minimum of "democracy," and installs under the benevolent eye of foreign imperialism the most ferocious dictatorship when the masses are too weak to resist, the opportunists try to find bourgeois "fellow travelers" in the imperialist countries themselves, which are moving supposedly in the direction of "genuine democracy." To try to unite under the same banner, in the epoch of decadent capitalism, the capitalist who struggles for the "liberty" to exploit unhampered "his" workers, and the worker who struggles for the liberty to cast off all exploitation, is, as the transitional program states, to transform the democratic slogans into a noose about the neck of the proletariat. In practice this "noose" materializes as a "bloc," or a "front," or a "popular movement," in the name of which the proletariat is invited to join with his class enemy "for the defense of democratic rights." It is sad to have to repeat elementary truths of this kind to "revolutionists" who continue to call themselves "Trotskyists" . . .

#### **Opportunism and Sectarianism**

How can we avoid noticing the striking symmetry between the reasoning methods of the sectarians and the opportunists on the question of democratic slogans? For the sectarian, the "present epoch" does not permit the use of these slogans; for the opportunist, the "present epoch" permits, on the political plane, only the use of these slogans. For the sectarian democratic slogans are to be rejected as such; for the opportunist they are in and of themselves "progressive." For the sectarian, democratic slogans "reenforce" the democratic illusions of the masses; for the opportunist these illusions again burnish the crest of the democratic slogans because they render the struggle for the revolution impossible "for the moment." The sectarian accuses the Leninist of "preferring" democratic slogans to soviets; the opportunist accuses him of "tying" the democratic slogans to the soviets. For the sectarian the task consists in "first educating the masses" while avoiding action; the opportunist, fundamentally, repeats the same idea, but instead of proposing an antidote as the remedy, he proposes the homoeopathic method; he will "educate" the masses by repeating their own errors. In practice, the sectarian will escape to his study chamber and the opportunist to the parliamentary tribune. When it is too late both will charge the masses with their own sins. Full of self-satisfaction, both will accuse the masses of a chronic incapacity to understand an "intelligent" tactic, and will never themselves learn anything from events.

These mechanical and schematic conceptions, common both to sectarianism and opportunism, are fundamentally opposed to the dialectical method of the Bolsheviks, which expresses the elementary law of contemporary history, that of combined development. The struggle for the proletarian revolution is passing, even in the most advanced countries at present, through the struggle for the most elementary democratic demands; but these demands can be realized, even in the most backward countries, only through the victory of the proletariat and the overthrow of capitalism.

However, as long as one establishes only the existence of contradictory factors in reality, one does not pass beyond the empirical stage of thought-itself the source of so many opportunist errors. Marxism begins where thought discovers the fundamental tendency under the surface of innumerable contradictory movements. That is why the Marxists recognize the importance of democratic slogans, even in the most advanced countries, when they are integrated into the whole of the transitional program. That is why a Marxist must subordinate these slogans to the whole program in the sense that one subordinates a supplementary task to a fundamental task. That is why he recognizes the episodic and transitory character of these slogans, which can transform themselves, in twenty-four hours, from motors into brakes on the mass movement. On the other hand, as long as we live under the regime of decadent capitalism, in pre-revolutionary conditions, the mobilization of the masses for the creation of dual power remains the principal task. For us, democratic slogans are only one means among others for solving this task-and nothing more. July 1, 1946

Correspondence from Malaya

The wealthy imperialists of Great Britain must be feeling very happy with the Labor Government's rule of the British Colonics. The whizzing of bullets and thud of a baton on the head of a hungry worker is good music to their ears. Without a doubt the old pre-war imperialist policies are in full swing, and Churchill need have no fear of his Majesty's Government liquidating the Empire.

The situation in Malaya is a study picture of the Labor Party in action. The entry of the British Military Administration in September 1945 set the tone for future Imperial policy. British and Allied troops were welcomed as an army of liberation. For a few weeks large sections of the masses maintained this illusion until requests were made for cheap food, a living wage and the elementary freedoms. Since then, the country has been plunged into a sharp struggle between the representatives of British Imperialism and the downtrodden population. For the first time in Malayan history all sections of the community stand in opposition to the British Administration. The result has been a splendid growth of a trade union movement, increasing interest in politics, the formation of nationalist parties and organizations of professional elements. The old bubble that Malaya was the quietest spot in the Empire has burst with a vengeance.

A brief survey on the makeup of the country will provide the necessary background to the present struggles. The natives of Malaya, the Malays, are in a minority and number a little over 2 million as against 2 million Chinese, 3⁄4 million Indians, 19,000 Europeans and 30,000 Eurasians. These are the war figures. 99 per cent of the population are descendants from immigrants of recent centuries. The original inhabitants are the aboriginals numbering 30,000 who live in the jungle and scrape out a miserable existence.

Malaya has been a gold mine for the imperialists. The country's two main commodities are tin and rubber. The former accounted for 40 per cent of the world's output and the latter fed half the consumption of the globe. The rubber plantations were so profitable that as much as \$220 million were invested there alone. The imperialist whisky-swilling class were not content with trade profits alone. In addition, they voted themselves handsome pensions. From 1925-35 the costs of these pensions rose from \$2½ million to nearly \$6 million.

The results of British administration is an undernourished population with not a vestige of security. The laws of Malaya do not differ essentially from those of a Fascist state. Before the war, the trade unions and working class parties were banned. Left-wing literature was not allowed inside the colony and deportations of militant workers was a normal affair.

The following Acts are regularly employed: "Banishment Ordinance and the Banishment Enactments." Section 4 of the Ordinance provides "that whenever it appears to the Governor in Council, after such inquiry as he deems necessary, that the removal from the colony of any person not being a national born subject of the King, is conducive to the public good, the Governor in Council may issue an order banishing such person from the colony for such a period and generally in such a manner as the Governor in Council deems expedient. A Banishment Order can be made against a person who has become naturalized in the colony."

It can be seen how easy it is for the Governor to intimidate the working class. To simply go to the plantations to help the illiterate natives in a minor struggle results in deportation. And deportation carries with it a likely threat of death for Chinese when handed over to the Kuomintang or imprisonment for Indians. Yet despite this persecution, countless numbers of militant workers organized illegally, risking their very lives in the attempt.

The recently issued White Paper on the Malayan Union aroused a certain amount of interest, mainly among the middle class. The British Government realizes that the masses in their colonies are on the move for independence. The imperialists hope to win over the middle class by granting them a number of seats in the Assemblies, and thus split the native populations. Whitehall, at the same time, is centralizing its hold over Malaya. In place of the old three distinct groupings of rule: the Federated States, the Unfederated States, and the Straits Settlements, a cumbersome method which involved the utilization of British Residents etc., the White Paper carves the country into two parts, the Malayan Union, and Singapore and important islands of military value. According to the official legend, the mainland is approaching some form of self-government (Malayan Union), but Singapore must remain under direct rule. In practice, both areas will be controlled as before -by British imperialism.

Before 1942, the native Sultans were draped with imaginary powers to rule over the masses. The White Paper now confines them to religious matters only. The Sultans first agreed to this. What set them to oppose the proposal later were the intrigues of British planters and capitalists. The Empire holders are scared stiff at the rise of popular leaders among the Malays and are attempting to prop up the Sultans to act as a brake on this mass awakening.

Great play was made by the Malayan press on the number of seats to be given to elected nominees in the Legislative and Assembly Councils. Singapore for instance will have an equal balance between elected and nominated candidates in the Legislative Council. This body will have 22 members: four ex-official members, seven nominated officials, two nominated non-officials and nine elected members. The fundamental issue is that regardless of the number of elected nominees, the real power is still vested in the British Governor, who retains the power of veto. To make matters worse, the latest news relates that only a small section of the population, considered to be sufficiently educated, will have the right to vote. In Singapore, a successful candidate must be able to speak good English.

For the advisory Councils in the Malayan Union and Singapore, the White Paper mentions the election of nine members "in a manner to be prescribed." Adult suffrage is not even mentioned. British residents, however, automatically get a vote. Such is the sum and substance of the British "reforms" in Malaya.

The weaknesses shown by the British rulers in face of the Japanese in 1942 and the experiences gained during the Japanese occupation have roused the Malays. A great opportunity was present for a revolutionary Marxist party to tear the Malay peasantry from the Sultans. In the absence of such a party the road was clear for the Stalinists to sidetrack the political struggle. In November 1945, the Stalinists organized the "Malayan National Party," with a vague, ambiguous and class collaborationist program. A key section reads: "To cooperate with Britain, United States of America, Soviet Union and China and all countries where freedom is enjoyed." A report in the Stalinist Malayan Standard states: "The Congress also made a decision to unite with all Sultans and Royal families in order to achieve mutual understanding between the parties. Moreover, the Malayan National Party decided that if the people and the Sultans were disunited, such disunity would provide a great weapon for a third party to use it to the detriment of the Malays."

At first the British Military Administration gave the Stalinist MNP its blessings. But as this movement began increasingly to serve Stalin's foreign policies, the Sultans and the British Military Administration proceeded to set up the "United Malays National Organization" in March 1946. The object was to undermine the MNP, to prevent the rise of popular leaders inside the country opposed both to the Stalinists and the Sultans, and to organize the Malays on a racial basis for the purpose of dividing the oppressed masses in the town and countryside. These are the aims of both the BMA and the Sultans.

The gloves were definitely off at the March 1946 Congress. A reactionary bureaucracy ruled the platform and despite the strength of the MNP, very little representation was given it in the form of delegates. Practically unknown groupings had more delegates than the MNP.

The motion was made to grant citizenship rights to the Chinese and Indians. Instead, the President, Dato Onn bin Jafaar of Johore, who is linked with the Sultans, proposed going back to the pre-1941 days. The Singapore Sunday Times quotes him as saying: "... to stand united as Malays of the Peninsula and not as pawns in the hands of Chinese Communists or Indonesian-cum-Malay nationalists. We recognize the fact that we are at the moment not ready for selfgovernment let alone complete independence." Just like the voice of an Indian Prince, abject

and servile before his foreign master!

The British policy of dividing the Malays from the other nationalities can result in racial riots. Racial riots have already occurred in some areas of the country. One disturbance caused 30 deaths.

The Malays are mainly farmers of small holdings. The Chinese and Indians are not encouraged to hold agricultural land. The Malays are squeezed flat by the Sultans and the rich trader. Food production was not encouraged before the war. (The Japanese sponsored food production and cleared large tracts of jungle for cultivation.) It is like India. Before the British overran these countries they were self-sufficient in food. The imperialists forged a new economy and led these nations into starvation. Malaya and India ultimately had to import 2½ million tons of rice annually from Burma. Before the war, food imports to Malaya amounted to 60-70 per cent of consumption.

Hunger is most acute in the cities. In Singapore, 63 persons died from beri-beri in April. This is the official figure taken from the Municipal findings. Thousands more are on the fringe of death from the same cause. Hunger and death are not something new in Malaya. Hungry bellies were a common feature before the war despite the immense wealth extracted from the country. An official Government Report: "Nutrition in the Colonial Empire" published in 1939, says of Malaya: "Beri-beri, xerophthalmia and other gross deficiency diseases are not infrequently reported."

At the present time the black market is causing untold misery to the poor. Available food stuffs are cornered by the rich merchants without serious opposition from the government and sold at prices far above the earnings of the average person. Army food and luxury items, obviously stolen, are in full view on stalls.

The cost of living is sky high. The Malaya Tribune in May published the following table:

Sugar (per Katie)	Pre-War . <b>\$</b> .05	<i>Today</i> \$1.70
Soya Sauce (per Katie)	12	1.80
Bread (1 lb.)	04	.20
Pork (per Katie)	32	3.80
Eggs (Single)	02½	.30

The Straits Times published an official list of the Municipality: May

1	941	1946
Beef Steak	45	\$1.50
Vegetables:		
Bamboo shoots (pr. Kt.)	04	.20
Green beans (pr. Kt.)	03	.40
Cabbage (pr. Kt.)	12	1.60
Potatoes (pr. Kt.)	10	.30
White Rice (inferior quality)		.50
Evaporated Tin Milk (1 lb. tin)	98-\$1.55	3.40
Fish	70	2.80
(A Katie = $1 \frac{1}{3}$ lb.)		

As foodstuffs are scarce the black market sends these prices still higher. The basic meal of rice has been cut again in May so the ration is now at the pitifully low level: Adult males from  $2\frac{14}{14}$ Kt. to 3. Women from  $1\frac{14}{2}$  to  $2\frac{14}{2}$  and children from  $\frac{34}{4}$  to  $1\frac{14}{2}$  per week.

No wonder a doctor in the Singapore advisory Council was forced to point out that out of a population of over ½ million in this city there are 100,000 cases of tuberculosis. About an average of one in each working class and middle class home!

Despite the vileness of British rule and the fierce repressions, a trade union movement was built in a short period and from October to May the workers fought in 127 strikes. A general strike was called in Singapore during December and good gains were made. The dockers had previously struck in favor of the Indonesians. The Indians now get a wage equal to local nationalities because of union action.

The Stalinists continue to dominate the union organizations and actions. A general strike was held in January to demand the release of a Stalinist leader of the guerilla movement who had been sentenced to 4 years rigorous imprisonment for alleged extortion. It succeeded in its aim after 3 days and soon the Stalinist leader, Kwang, was turned loose. In all, 10 trade union leaders have thus far been arrested and deported without trial.

An important development in the class struggle here is the way in which Service men helped the unions. During the strikes, leaflets were issued appealing to the soldiers to maintain class solidarity. Money was collected in the barracks for the strikes. Feeling is so strong in favor of the unions that on May Day the authorities would not permit Service men to listen to the speeches. The military Police warned these workers in uniform that it was a court martial charge to enter the Stadium where the meeting took place. A Cameronian soldier was much sought after by the MP's in case he wormed his way into the meeting. This soldier was to represent the British workers on the platform and the day prior to the meeting the civilian police sent him a warning not to participate in this affair or in future to enter trade union premises. A Committee of Service men had been cooperating with the union to organize a successful May Day. It comprised Trotskyists, Stalinists (who criticize the CP leadership), and militant non-party workers. The Revolutionary Communist Party of Great Britain was the only political party to send greetings to the Malayan workers.

Civil liberties are non-existent in Malaya. The unions are hounded and their leaders deported. Right now, open offers of money prizes are made to trade union leaders to form break-away unions.

At the time of the expected invasion, the BMA issued a proclamation punishing speech or writing detrimental to the BMA with a maximum penalty of 7 years' rigorous imprisonment. Individuals are still arrested under this edict. Open air meetings result in baton charge, and the intervention of the military. The police are Malays under European leadership. The working class in Singapore are chiefly Straits Chinese.

per lb. and today it is 1/. While the fight

goes on between the Planters Association and

the Government for a higher price for rubber,

no thought is given to the slavery that exists

on the plantations. These areas are literally cut

off from the outside world and a stranger is

automatically suspect as being an agitator. The

workers live in hovels owned by the employers

and forced to buy from shops inside the com-

pound. It is the slave trade all over again.

The labor is imported from poor areas in South-

ern India with promises of decent jobs, and

forced to sign a contract for so many years

service. Henceforth these illiterate natives are

The poor workers and peasants of all na-

tionalities in Malaya are united in their poverty.

The trade union movement represents the workers

of all the nationalities and fights the racial policy

of the government. The Malays, Chinese, Indians,

Eurasian and other workers can be united on

class lines in a movement against Imperialism.

All nationalities work side by side on their daily

tasks and politically everything is in their favor

for unity. The march of the Malayan workers

is a part of the great upsurge that is now sweep-

prisoners of the white sahib.

The Indians are participating very actively in the unions and politically they have been roused to a high degree by the building of the Indian National Army during the Japanese occupation. Large sections of the Indian intellectuals here hotly oppose the compromising leadership of Gandhi. The way is open for a revolutionary Communist party to harness this splendid spirit behind a militant policy.

The Malayan Stalinist party was formed in 1925. As all over the world, it expelled members for siding with Trotsky. The remarkable fact is the CP has formed a variety of parties in this country. All brands, except a real communist party. They have sponsored the Malay National Party, the Malayan Democratic Union, New Democratic Youth Leagues, Ex-Servicemen's Associations, Women's Societies, and a myriad of other groupings. It was the Stalinists who plastered Malaya with posters calling upon the people to welcome the army of British Imperialism as liberators. Stalinist members co-operated with the fascist-minded BMA on food councils instead of making an independent appeal to the working class. This, at a time when the BMA was deporting their fellow members for trade union activity and firing on unarmed workers.

While the working class movement is being hounded, the CP and trade union premises sport the "Union Jack" and the "Stars and Stripes."

The fierce struggle between capital and labor has not abated in all the months since the Japanese surrender. The efforts of a British Labor party official, a Mr. Brazier, to take politics out of the trade unions and to tame the movement, has failed. Unemployment remains high and the outlook for this outpost of the British Empire is not a bright one. The two main industries, rubber and tin, are losing their former pre-eminence in the world market. Mr. C. T. Pyke, Economic Adviser to Singapore and the Malayan Union stated recently: "In the course of the next two years or so production of rubber in the world-both natural and synthetic-would probably be twice the consumption. There is a deficiency of tin in the world at the moment. But in the long term view there was probably more tin than the world could absorb." None of the 120 dredges that were in operation before the war are working today. Out of more than 100 open cast mines about 50 are working at present.

The price of rubber has dropped catastrophically. In 1910, it cost 12/9 per lb.; 1929 6%

### Egyptian Notes

#### By L. SOLIMAN

Cairo, April 25—With the cessation of hostilities and the resumption of international trade, the Egyptian bourgeoisie finds it impossible to maintain its profits at the level attained during the war, without lowering wages still further, increasing tariffs, and obtaining foreign markets. The employers declare themselves unable to continue production unless the workers agree to one of the three following conditions: either a 25 per cent reduction in wages; or the reduction of working hours from 8 to 5 per day with the corresponding reduction in wages; or the disemployment of 30 per cent of the workers employed in each factory.

When the workers refused to accept any one of these conditions some employers declared their intention to close down their factories altogether. Thus, for instance, the Choubra-El-Kheima textile mills, employing 20,000 workers, have announced a shut-down.

Asked to intervene, the Ministry of Labor declared that it was powerless to do anything, "the situation of the employers is especially serious." This was accompanied by veiled suggestions that the workers themselves should demand the increase of customs tariffs.

The Egyptian bourgeoisie wants the Arab League to adopt the principle of common citizenship and the abolition of customs barriers between the various member-states of the League. Egypt being the most industrialized of these it is clear that the Egyptian bourgeois hopes to mask its designs in the Middle East by means of this manoeuver. The proposal for common citizenship and for the abolition of customs barriers between the member states was formulated by King Farouk himself in his message to the last Congress of the League.

In this situation the Internationalist Communist Group of Egypt has taken the following measures:—

1. It has aided in establishing a "League for the struggle against unemployment" which has published its first manifesto.

ing the East.

2. It has called for the formation of "Workers' Committees for the struggle against unemployment." These committees have already been formed in Cairo, in the sections most threatened by unemployment: In the workers' quarter of Abbasieh, among workers in the military workshops, at the suburb of Choubra-El-Kheima, among the workers of the textile industry which aer today bearing the brunt of the employers' pressure.

3. The Internationalist Communist Group has addressed an appeal for the formation of a United Front to the various Stalinist groups for the realization of the following program:

a) No lockouts. Nationalization of all factories whose proprietors do not comply with this demand. b) No reduction in wages. c) Purchase by the Government of the mechanics' workshops installed by the Allied Military authorities, and their transformation for peacetime production. d) Abolition of overtime. e) Reduction of the work day to 7 hours and the work week to 40 hours without reduction in pay. f) Increase native production. g) Increase the purchasing power of the masses by increasing wages. Immediate establishment of the electrification project of the Assuan Reservoir to create the energy indispensable to the industrialization of the country.

Two of the Stalinist groups answered the appeal of the Internationalist Communists and a committee has been formed in which the three organizations are equally represented.

The I.C. group is carrying on agitation in all the factories and is active in the "Congress of Industrial Workers," the strongest trade union organization in Egypt.

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