

# Fourth International

## Wall Street's Program for Latin America

*By Charles Cornell*

- 1. Manifesto of Peruvian Trotskyists**
- 2. Revolutionary Upsurge in Bolivia**

## The Nathan Report

*By Warren Creel*

**Zionism, Moscow Conference, English Crisis**

*March 1947*

*25 Cents*

## Manager's Column

FOURTH INTERNATIONAL agents secured 475 subscriptions during the first two months of the national three-month campaign for 1,000 new readers. In other words, they have achieved 48 per cent of their goal.

Minneapolis tops the scoreboard, having gone over its goal with 120 per cent. Pittsburgh and St. Paul tie for second place, each with 110 per cent. Milwaukee, Boston, Flint, Reading, Cleveland, Calumet, and Connecticut State, are taking the campaign in good stride. Other branches will have to put a little steam behind their local campaigns in order to complete their quotas on schedule.

The scoreboard shows subscriptions obtained through February 15:

### SCOREBOARD

City	Quota	Subs	Per Cent
Minneapolis	50	60	120
Pittsburgh	10	11	110
St. Paul	20	22	110
Milwaukee	15	14	94
Boston	20	15	75
Flint	30	21	70
Reading	10	7	70
Cleveland	15	10	66
Calumet	5	3	60
Connecticut State	10	6	60
Chicago	80	40	50
San Diego	10	5	50
San Francisco	40	19	48
Akron	20	9	45
Oakland	15	6	40
Portland	5	2	40
St. Louis	5	2	40
New York Local	200	76	38
Toledo	30	11	36
Youngstown	30	9	30
Newark	40	11	28
Detroit	70	19	27
Philadelphia	40	11	27
Buffalo	40	10	25
Los Angeles	120	27	23
Rochester	5	1	20
Seattle	30	3	10
Allentown	5	0	0
Bayonne	15	0	0
Tacoma	10	0	0
Texas	5	0	0
General	45	—	—
Total	1000	475	48%

Dick Carlson tells us about the method that put Minneapolis in the lead: "We had these 30 subs two weeks, but I delayed sending them to you in hope that a few more would come in. I think that the main reason for our achieving our quota so soon was that the campaign was constantly brought to the

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Managing Editor: E. R. FRANK

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attention of the branch. Every meeting we had a report and a discussion on the progress of the campaign. A chart was posted in the front of the meeting hall showing the number of subs each person had to his credit. At the top of the chart was our slogan, 'EVERY TROTSKY-IST A SUB-GETTER'—the importance of this slogan should not be overlooked. Names of certain contacts were assigned the comrades at each meeting. Two sub blanks and a letter concerning the importance of the campaign were sent to every member of the branch.

"I see," he continues, "that many

of the branches have divided themselves into two teams for the campaign. Good idea. The division of the Minneapolis Branch was quite simple. The Carlsons in the branch challenged the non-Carlsons. So far the Carlsons have 28 subs and the non-Carlsons have 32."

Pittsburgh is "quite proud of completing our goal so soon," writes Justine Lang, "and now we can go ahead and over-subscribe our goal."

"We are now over the top with 22 FI subs," states Winifred Nelson, Campaign Director of the St. Paul

Branch. "We are doing quite well in this campaign, and if we can continue the pace, we may double our quota!" Comrade Nelson is St. Paul's Pace-Setter with 5½ subs to her credit. Second is Paul Shell with 2½ subs to his credit.

Mary Steele reports for Newark: "We are sure now that our quota will be met. Comrade Joe Harris is in charge of the campaign. He is the spark plug of our campaign and is doing a fine job."

Clara Kaye of Seattle says: "We're going to start putting the pressure on now and expect to achieve our quota of 30."

"I realize we have a long way to go to get 40 subs," says R. Riley of Buffalo, "but feel confident that we will net 40 before the deadline of March 15 is reached."

As a fitting conclusion to this month's column we cite the following letter from J.G.B. of Canada: "Received the January issue of FI and have read the appeal for more subscribers. I would rather miss a meal than the FI and want to help to maintain it in the present size or bigger. I am sending \$10 for my renewal and two new subscribers. The balance is a donation. Best wishes for a successful sub campaign."

Virginia Barrett, FI Agent for Milwaukee, says: "We are now positive of going over our quota of 15 subs. We have 14 and we feel confident of at least 6 more in the month left before the drive is over. At the present time we have two Pace-Setters, Sam Taylor and Robert Henderson, with four subs each."

Other agents assure us that their quotas will be fulfilled. Beverley Wise of Oakland states: "We are making a real effort to try to make our quota, and we think we will."

Miriam Braverman of Youngstown writes: "We are now putting steam on our FI campaign and expect to certainly make our quota by the end of the campaign."

"The Chicago members are getting up steam behind the drive," writes Leon Forth. "We are out for our goal. Frank F. is leading the race with four subs."

San Francisco too will fulfill its quota, according to F. Lester. "We have divided the branch into teams and thereby have injected a little competitive spirit into our FI campaign. We are doing our darndest to fulfill our quota."

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# FOURTH INTERNATIONAL

VOLUME 8

MARCH 1947

NUMBER 4

## REVIEW OF THE MONTH

*Peacemakers' Gather in Moscow—The Only Way Out for Germany and Europe—Lessons of the Economic Breakdown in Great Britain—Documents from Peru and Bolivia*

### The Moscow Conference of the Big Four Foreign Ministers

#### BELlicOSE

The first peace settlement after World War I was the infamous Versailles Treaty dictated to conquered Germany by the victorious Allies. This time the drafting of terms for defeated Germany has had to be placed last on the agenda of the Allied "peace" plans for Europe. This testifies to the irreconcilable antagonism among the victors in the Second World War. Their respective aims and interests are mutually exclusive. So far as their respective economic and political schemes for the reconstruction of Germany are concerned, they are all bankrupts.

When the Foreign Ministers of the Big Four meet on March 10 in Moscow to discuss peace terms for Germany and Austria, their first and principal concern must be to arrive at a peace settlement amongst themselves. The secret conference in Potsdam in July-August 1945, which laid down the conditions for the present savage treatment of Germany became the starting point for growing divergences and sharper clashes between the peacemakers. Since then their disagreements have become more acute and the sources of friction have multiplied. Their discussions have become more bellicose in tone with each successive meeting of the Council of Foreign Ministers from the London Conference in November 1945 to the Paris Conference last September.

Now at Moscow all these contradictions will be brought to a head, not alone because this is the final and decisive "peace" conference but also because of the key position of Germany. Germany is the heart and nerve center of Europe. There all the difficulties and problems harassing the tortured peoples of Europe are tied in a single knot. There the interests and aims of the two contending power blocs, headed by the United States on the one side and the Kremlin oligarchy on the other, clash most violently.

Each of the Big Four governments will enter the parleys at Moscow determined to gain the maximum advantages for their utterly reactionary programs in Europe.

#### MILITARY BOOTS DICTATE TERMS

At the head of the imperialist gang will be the United States, represented by Secretary of State Marshall, the five-star General and former Chief of Staff who drafted Wall Street's war plans and participated in all

the Allied conferences of World War II. This General of the Army is the epitome of Wall Street's imperialist diplomacy. He travels to Moscow after a year in China. There behind a smoke-screen of impartial arbitration he worked to buttress that advance post of U.S. militarism in Asia by propping up Chiang Kai-shek's shaken dictatorship, reorganizing the Kuomintang armies and supervising the military campaign against the forces of the Stalin-dominated Yen'an regime. Now he will proceed to dispose of the question of Germany, key sector in the West for welding a ring of steel around the Kremlin's "buffer zone" in Eastern Europe and around the Soviet Union itself.

Surrounding Marshall will be a galaxy of brass-hat diplomats: General Mark Clark from Austria, General Clay from Germany, and his own former aide, Bedell Smith, now Ambassador to the USSR. While these American representatives may continue to speak the language of diplomacy, they will negotiate at this "peace" table as commanders of the mightiest military power on earth and monopolizers of the atom bomb. Thus armed, these military men intend to exert the utmost pressure upon Stalin and force him to retreat while Wall Street promotes its plans for the subjugation of Europe.

Now that Germany has been totally crushed and eliminated as a competitor on the world market, Washington seeks to integrate that shattered country into its system of vassal states. To enable monopolies like duPont, General Electric and General Motors to take over strategic branches of German industry, to facilitate the investment of American capital, and pare down heavy occupation costs, the United States must now permit a restricted revival of German economic life and a regulated consolidation of its regime. In this way the American imperialists hope to build up a base in Central Europe for their counter-revolutionary control of the rest of the European continent and for their eventual assault upon the Soviet Union.

#### LABORITE FLUNKIES OF IMPERIALISM

Bevin, as the spokesman for the Laborite flunkies of British imperialism, will be guided by similar motives. The program of all the Attlees and Bevins for Germany does not contain a trace of working class internationalism. Their policy is in all essentials identical with that of the British Tories. They cynically trample on the democratic right of nations to independence and self-determination. They want to bring Germany into a political and economic bloc of Western European countries in order to revive England's waning markets, vanishing prestige and power

and to construct an anti-Soviet bulwark.

These are the reasons behind the reversal in Anglo-American policy toward Germany signalized by Byrnes' demands in his Stuttgart speech last September 6 for a centralized government and amalgamation of the separate areas. The recent merger of the English and American economic zones in the first step toward this goal. After tearing Germany to pieces at Potsdam, the Anglo-American imperialists now propose to patch the country together the better to fit it into their reactionary designs.

The French imperialists, however, are bent upon dismembering Germany still further. They expect to pump new blood into the senile body of capitalist France by severing the Ruhr and Rhineland as well as the Saar region from the Germany. Most of the smaller neighbors of the Germans—Holland, Belgium, Czechoslovakia, Denmark and even tiny Luxembourg—have likewise put in their bid for slices of German territory.

After almost two years of military rule by their conquerors, the prostrated German people, the most advanced in Europe, still find themselves an object of attack by the imperialist vultures. Is it any wonder capitalist "democracy," brought in on bayonet points, has made so few converts there?

## STALIN'S CRIMES IN GERMANY

If the German people had been given a helping hand from the East, if the workers had been assured of solidarity and support from the Soviet Union, Moscow would today be an irresistible pole of attraction for the German masses. But the Stalinist bureaucracy has collaborated so closely with the Anglo-American imperialists, and inflicted such injuries upon Germany that the masses are more and more repelled from the USSR which they tend to identify with the despotic Kremlin rulers.

The list of the Kremlin's crimes against the German people is almost endless. It has sanctioned the partition of Germany; removed and plundered machinery and livestock, factories and entire branches of industry; enslaved millions of war-prisoners and engaged in brutal transfers of whole populations. It has deprived the German people of elementary democratic rights, bureaucratized and held down the labor movement. In brief, it has done everything in its power to discredit the very idea of communism.

Despite the agrarian reforms it has encouraged and despite its cynical attempts to win sympathy in the Soviet-occupied areas, the Kremlin regime does not appear to the German people in any better light than the imperialist beasts of prey. The Stalinist bureaucracy approaches the problem of Germany, not from the standpoint of promoting the common welfare of the German and Soviet peoples, but exclusively from the standpoint of safeguarding its own caste privileges. It participates in power politics without regard for either the national sentiments and aspirations of the German people or for the interests of the working class.

## THE KREMLIN'S DILEMMA

As the forthcoming conference in their capital approaches, the rulers in the Kremlin are torn by conflicting considerations. On the one hand, they fear the specter of a resurgent capitalist Germany which with the backing of the Anglo-American powers might again become a sword aimed at the vitals of the USSR. But in its present weak and lacerated state Germany cannot supply the goods desired by the Kremlin to repair its own devastated economy.

Thus Stalin wavers between two policies: one tending toward a head on collision with the U.S. in an attempt to keep Germany

divided and enfeebled; the other envisaging a new agreement with the United States in which German industry will be restored by American aid sufficiently to provide many manufactures Russia needs. Russia has asked for 10 billion dollars in reparations from Germany. This colossal claim could be traded off as part of such a deal, along with Germany's future.

Neither Germany nor Austria will have a voice or vote at the Moscow conference. Their destinies will be decided by the Big Four, actually by the Big Two, in accordance with the requirements of power politics. The Moscow conference will continue and aggravate the evil work started at Potsdam.

Thanks first to the imperialist war and now to the imperialist "peace," most of the German nation today is starving, jobless, homeless, hopeless, and helpless. Tuberculosis and diseases of malnutrition have struck tens of thousands. In the House of Commons on February 5 Richard Law, spokesman for the British Conservatives, acknowledged the appalling effects of their own actions: "We have there in the heart of Western Europe twenty to thirty million human beings rotting to death before our eyes."

## 'DEMOCRACY' IN ACTION

Under the present military regimes of starvation and repression, the promises of democracy sound like a grim joke to the German masses. Instead of a thoroughgoing denazification, they see amnesty extended to hordes of fascists. Thousands of highly-placed Nazis have become advisers to the occupying authorities; Schacht and Von Papen have been acquitted in the Nuremberg Trials. They see the Allied conquerors monopolize the choicest dwellings and reserve the best transportation for themselves. They see quisling parties and politicians patronized while any free political activity is rigorously prohibited and independent trade union action forbidden.

The situation is no better in Austria, which was explicitly guaranteed independence by the Allied powers.

The treaties already drafted for the satellite countries are an infallible indication of what is in store for the German and Austrian peoples. Whatever else the Council of Foreign Ministers may disagree upon at Moscow, their final "peace" terms will mean the continued ruination, impoverishment, degradation and oppression of Germany and Austria.

The workers of America cannot be partners to these abominable crimes against Germany and Austria. Instead of being dominated by foreign powers, the peoples themselves have the right to determine their own conditions of life and labor. Byrnes has declared in the name of the U.S. Government that American occupation forces will remain indefinitely in Germany. The labor movement should answer by demanding that all occupation troops be withdrawn from Europe and the soldiers brought back home.

The projected annexations and reparations threaten to drain the very life blood from Germany. These too must be vigorously opposed. The workers of the United States must proclaim their solidarity with the people of Germany and Austria in defiance of their common oppressors.

Not only the fate of Germany and Austria is at stake in Moscow. The future of all Europe is being decided there.

## EUROPE'S MORTAL ENEMIES

The European continent cannot hope to emerge from its present devastation and decay without the revival of Germany, the central power station of European industry. The Big Four, however,

aim to remould German economy and reshape the map of Europe in accord with their special strategic interests. These conflict all along the line with the vital needs of the European masses and with the realities of European economy. Europe is not only a geographical but an economic unit. Yet today it is cut up into forty states of assorted sizes and strengths. None of these nations, carved out of the body of Europe, have any real independence. In the last analysis they will all be compelled to enter either the orbit of the United States or that of the Soviet Union.

This politically divided Europe is an anachronism. It must unite or perish. None of the countries can withstand the tremendous pressures exerted by the world powers: Under the prevailing chaos of small competing and mutually hostile states, with their own customs barriers, armies, and petty ambitions, the European peoples are doomed to be driven ever deeper into despair and decay.

The governments meeting in March at Moscow are deadly foes of any genuine unification of Europe. They cannot, and do not intend, to provide peace, security, or prosperity for Europe. While the present setup remains, Europe can only go from bad to worse, with its impoverished and vassalized countries condemned to be the prey of rival capitalist cliques and pawns in the struggle for supremacy between the great powers.

The peoples of that unhappy continent have a way out of their misery. This solution of their problem is neither easy nor simple but it alone can achieve enduring and fruitful results. That is the road of revolutionary struggle directed toward the abolition of capitalism and the establishment of socialism.

**THE ONLY ROAD** Europe can throw off its chains and be united in a progressive manner only through the revolutionary action of the exploited masses led by the working class. Their joint war against all their oppressors conducted under the banner of socialist emancipation can enable the European peoples to defend themselves against the encroachments of Anglo-American imperialism and the depredations of the counter-revolutionary Kremlin oligarchy.

To the false and reactionary "peace" of the Big Four, we Trotskyists counterpose the revolutionary program summarized in the slogan: "Socialist United States of Europe." The Resolution adopted by the Conference of the Fourth International in April 1946 correctly shows what the accomplishment of this urgent task can mean for tormented Europe and the rest of the world.

A Socialist Europe will be based on the economic unification of the continent, suppressing all tariff walls, planning its economy, and at the same time presenting the best framework for the development and flourishing of its national civilizations and cultures. National borders in the new Socialist Europe will be determined democratically according to language, national culture and the freely expressed sympathies of the populations.

A Socialist Europe will grant complete independence to all the colonies, establishing friendly economic relations with them and leading them progressively, without the use of violence and by example and collaboration, toward a Socialist World Federation.

The USSR, freed of its directing bureaucratic caste, will join the Socialist European Federation, which will aid in solving its difficulties, and attain a level of prosperity and culture never before achieved. The slogan of the *Socialist United States of Europe* is the only realistic alternative to the plans of reaction which are leading the continent toward barbarism and chaos.

## The Economic Breakdown of Great Britain

### GREAT EXPECTATIONS

If any capitalist country in Europe seemed certain of a prolonged and uninterrupted period of industrial activity, that country was surely England. Was there anything left undone to assure every condition necessary for stabilizing her economic life on capitalist foundations? Wall Street propped up England's tottering financial system with credits of more than 4 billion dollars. This line of credit was drawn upon far more rapidly than was originally envisaged.

At home the mass of the English people were cajoled, deceived and driven by the Laborite flunkies of capitalism to carry out to the letter the economic program of the ruling class.

Exports were pushed up to figures above those of 1938, a period of relative prosperity. Imports were cut to the bone, far below original estimates. These cuts in imports came at the expense of primary necessities that would have alleviated to some measure the plight of the population already on the verge of exhaustion from the strain of war years. For the sole purpose of preventing capitalism from dying in England, the workers and the people as a whole were asked to tighten their belts a few more notches and compelled to accept scantier rations and harsher living conditions than in wartime. But for the capitalists the times remained lush.

Scarcities of fuel and raw materials and shortages of manpower seemed to be the only limits upon expanding production. Exports boomed; profits poured in. If there were any signs of nervousness in the London stockmarket, these came not in response to conditions at home but rather from fears lest the postwar boom in the United States terminate in another "untimely" bust, which would unflinchingly drag down England with it.

### SUDDEN PARALYSIS

The English capitalists had vivid recollections of the post-World War I era when the economic catastrophes began each time in the United States (the crisis of 1920-21; the crash of 1929). Furthest from their minds was the thought that their own economy was threatened with a breakdown. Yet this is precisely what happened.

In the space of a few days England's economic life became paralyzed. A country which only yesterday was suffering from an acute labor shortage (while maintaining a huge army), witnessed virtually overnight the greatest army of unemployed in its history—more than 5 million. More than a million and a half found themselves forced to apply for the dole.

Most astounding of all is the official explanation for this sudden paralysis. The blame was placed on cold winter weather. The profound thinkers who enriched the science of economics by seeking in sun spots the explanation for booms and crises have been at last outstripped by geniuses who proffer meteorological maps by way of explanation.

It turns out that English capitalism which ruled the world for centuries and which still remains the second strongest capitalist power has become too frail to withstand the blasts of a blizzard.

But what brought about this rather unexpected delicate condition?

Again, to believe official explanations, the root cause is the shortage of coal. Yet the coal crisis in England has existed for years. Why hasn't it produced a similar breakdown before?

If anything, the condition in the coal industry has hardly worsened in the last period. The capitalist "planners" with the unstinting aid of their Laborite flunkies set as their target for home requirements—188 million tons, with a projected export quota of 8 million tons. (In her heyday, before World War I, Great Britain produced more than 225 million tons of coal, exporting as much as one-third of her output. Average exports of that period amounted to 50 million tons a year, leaving around 175 million tons for home consumption.) The actual production was 182.8 million tons for 1945 and 189.3 million tons for 1946. This is not too far away from the target figures. Besides, since only 4½ million tons were exported in 1946, there was more coal left last year for home consumption than has been the case in recent times.

## A CHRONIC CONDITION

Moreover, the condition of the coal industry is such that the most authoritative bourgeois experts have for a long time discounted any radical improvements in the near future.

Thus, in connection with the impending transfer of the coal mines to "national ownership" under the National Coal Board, the authoritative London *Economist* flatly stated on November 23, 1946:

To expect the Board to make much difference to the coal position in the coal year 1947-48 would be unreasonable. It will take several years before its efforts towards greater efficiency and output in industry bear fruit.

Yet there were no cries of alarm in the face of this perspective of continued stagnation of the coal industry.

That the breakdown of England's economic machinery goes far deeper than severe winter weather or the fuel shortage by itself, is tacitly admitted by government spokesmen who now warn that it will take "several months" to ameliorate the situation. American analysts and observers are far more outspoken. Thus correspondent John Allen May sums up conservative opinion in this country when he writes that England's "industrial situation is not a question of immediate remedies, even if conditions were favorable" (*Christian Science Monitor*, February 11).

It is unquestionable that the entire "industrial situation" is indeed involved here. And we can get an approximation of what this situation is by inspecting at closer range the condition of English transport, which is more characteristic of the existing state of affairs than the chronic coal "crisis."

It is no longer a secret that the English railroads have collapsed. This collapse, however, has been blamed on the weather and on the fuel shortage. This is not exactly the case. There are other and far deeper causes.

Last year, months before the collapse, the London *Economist*, November 16, 1946, warned: "Shortages of coal, timber, steel and power this winter are being supplemented by a shortage of railway transport."

## HOW 'SHORTAGES' DEVELOP

The nature of this "shortage" was rather fully clarified by a report issued at the time by the London, Midland and Scottish Railway (LMS). This major road admitted its inability to maintain its tracks. Its locomotives were failing and the rolling stock was deteriorating at a rate far beyond the capacity of the repair shops. Although handling much heavier traffic, the LMS operated with less rolling stock than before the war: 175,000 freight cars were awaiting repairs, along with hundreds of locomotives.

Citing this report the *Economist* grimly noted: "This is a picture of incipient breakdown, and there is plenty of evidence that the LMS is by no means the worst placed of the three steam (railway) lines," and then went on to add:

These were the conditions prevailing before the winter weather. There is every prospect that a further deterioration will occur, even if the weather is reasonably kind.

"Incipient breakdown," "further deterioration"—that was the condition of the main branches of English industry long before the snowstorm started blowing. Obsolete in some of its sectors, worn threadbare in many others, England's industrial machinery, strained to its limits in wartime, was in dire need of reorganization and replacements. It had to be overhauled and in many instances renovated from top to bottom. The English capitalists, however, were not too greatly concerned about this unpostponable task. Their primary concern, as always, was with profits. And here was indeed a golden opportunity to squeeze out maximum profits from existing plants, no matter how antiquated or dilapidated. It was with this objective in mind that they plunged the country into an export boom, demanding sacrifices and still more sacrifices from the English people. The official Laborite leadership, betrayed the trust of the people who voted them into power, and played, as they still do, the game of the monopolists.

## NO GROUNDS FOR OPTIMISM

It is still impossible to estimate just how deep-going and lasting the breakdown is. Some capitalist observers in this country, including the *New York Times*, are quite pessimistic. For example, Saville R. Davis estimates that even with the active aid of the United States "the economic squeeze (in England) won't be fully overcome for another five years" (*Christian Science Monitor*, February 12).

At all events, one thing is clear: there are no grounds whatever for optimistic prognoses concerning the prospects of English capitalism.

Ninety-nine years ago Karl Marx and Friedrich Engels pointed out in the *Communist Manifesto* that the capitalist system was self-destructive, leading inexorably to catastrophes that must drag the most advanced peoples to lower and lower depths.

Commenting on the remarkable accuracy with which Marx and Engels predicted this future development of capitalism, Leon Trotsky wrote in 1938:

As against the *Manifesto*, which depicted commercial and industrial crises as a series of ever more extensive catastrophes, the revisionists asserted that the national and international trusts would assure control over the market, and lead gradually to the abolition of crises. The close of the last century and the beginning of the present one were marked by so tempestuous a development of capitalism as made crises seem only "accidental" stoppages. But this epoch has gone beyond return. In the last analysis, truth proved to be on Marx's side in this question as well. (*90 Years of the Communist Manifesto*.)

The English people are once again learning on their backs the suicidal nature of capitalism. Even before the current situation has been ameliorated, the Laborite traitors in the government are rushing "warnings" that further sacrifices will be demanded.

## LIFE VERIFIES PREDICTION

Perpetuation of capitalism in England is possible only on progressively lower levels. The prospects in England are dimmer and dimmer for a return to the living levels of 1939, let alone the levels achieved before 1914. This



tendency, too, as Marx and Engels pointed out, is inherent in capitalism:

A heavy barrage has been fired at the proposition in the *Manifesto* concerning the tendency of capitalism to lower the living standards of the workers, and even to transform them into paupers. Priests, professors, ministers, journalists, social democratic theoreticians and trade union leaders came to the front against the so-called "theory of impoverishment." They invariably discovered signs of growing prosperity among the toilers, palming off the labor aristocracy as the proletariat, or taking a fleeting tendency as universal. Meanwhile, even the development of the mightiest capitalism in the world, namely, U.S. capitalism, has transformed millions of workers into paupers who are maintained at the expense of federal, municipal or private charity. (Leon Trotsky, *90 Years of the Communist Manifesto*.)

Today we are witnessing on the European continent, and in England as well, the pauperization not alone of unemployed but of whole layers of the population.

It is not necessary to explain to the English people that they cannot emerge from the situation in which they find themselves without heroic exertions and sacrifices. They understand this only too well. The whole point is that they are now sacrificing in order to perpetuate the old order. They expressed their desire and will to strike out on the socialist path when they voted the Tories out of office in 1945. But they have been duped by the official Laborite leadership who, instead of abolishing capitalism, continues to patch it up.

All the Attlees and the Bevins cannot long sustain this insolvent bankrupt. The bankruptcy of English capitalism must entail the bankruptcy of the Laborites in office. The English workers now squarely confront the alternative: They must either break out of the straitjacket of Laborite gradualism, or be dragged down, despite untold sacrifices, to the most abject economic and political enslavement.

## The Nathan Report

By WARREN CREEL

"Millions of low income families find themselves priced out of the market. The demand for most goods is very high because of the backlog of wants and the high incomes and liquid savings of those in the middle and higher income brackets. These demands cannot form the basis of continuing prosperity. Long term prosperity must be based on expanded mass buying power. It cannot be achieved by shrinking the buying power of the workers in order that profits may rise beyond reasonable and stable levels."

This is the theme of the report\* which the CIO commissioned the Nathan firm of economists to prepare. It deals with the wages that U.S. industry can afford to pay out of its superprofits. The union officials released it as their opening move in wage negotiations for this year. The employers countered with a barrage of answers to the Nathan report from their leading economic experts and editorial writers.

The Nathan report contains some excellent statistics but it

\*A NATIONAL WAGE POLICY FOR 1947, by Robert R. Nathan and Oscar Gass, December 1946; 71 pages. Price by mail, fifty cents, from Robert R. Nathan Associates, Inc., No. 3 Thomas Circle, Washington, D. C.

## Important Documents from Latin America

We call special attention of our readers to the material contained in this issue, dealing with Latin American developments. The article by Charles Cornell on Wall Street's program for Latin America provides an excellent background for the documents from Bolivia and Peru.

We are proud to publish the splendid Manifesto issued by a group of our Peruvian co-thinkers. It is still another proof of the power and vitality of the Trotskyist program which is sinking its roots deeply in colonial and semi-colonial countries, whose peoples bear the brunt of imperialist oppression.

The Trotskyists in Peru launched their organization last year with this Manifesto. They plan to hold their first National Conference sometime this year, and in preparation for it are elaborating their full programmatic position. The consistent and clear principled line of their first public document augurs well for the future of the Peruvian Trotskyist movement.

The article from Bolivia was written shortly after the overthrow of the Villarroel government last July. In the space of a few months after the dictator was hung from a lamp-post in La Paz, the Revolutionary Workers Party (Trotskyists) experienced a rapid growth. It initiated the formation of a Proletarian United Front which presented its own slate in the January 5, 1947 elections to the Bolivian Parliament. Of the eight candidates elected on this slate, four were miners and four were representatives of the RWP (three Deputies and one Senator).

Juan Valverde's dispatch reporting this important electoral victory, concludes with the words: "The RWP is converting itself into a mass party. And this is undoubtedly the most salient fact about present political developments in Bolivia." (For the complete text of this dispatch see *The Militant*, February 1.)

We salute our co-thinkers in Peru and Bolivia. The future belongs to them.

does not follow them very far. On the whole it is not a strong report. Even so, it is a step by the labor movement toward exposing the basic policy of the employers. Necessarily it brings out some of the facts, it tells some of the truth. Therefore the employers have good reason to fear it.

The Nathan report itself begins with a discussion of the profits of American industry and takes up later the primary factor of production, which gives rise to the profits. We shall follow the logical order, beginning with production. This will emphasize the fundamental situation. Then we can compare the Nathan program and the employers' program, the two ways proposed for dealing with the same situation.

The very good series of charts in the Nathan report does begin with production. The first chart shows that national production has "more than doubled between 1939 and the peak war years." Production dropped a little at the end of the war, but rose again, until by the end of 1946 it was back to the war peak.

This means that peacetime production today is more than twice as much as peacetime production before the war, counting in dollar values. Even counting in actual physical goods, American output right now is nearly twice as great as before the war.

*The statistics:* In 1939 production amounted to 88 billion dollars a year. It rose to about 200 billion dollars in the war years 1944 and 1945. At the end of the war production fell off to a rate of 180 billion, but this "low point" was still double the pre-war figure of 88 billion. By the last quarter of 1946 production was back to the 200 billion rate again, this time in peace.

It may be difficult to find a suit of clothes, or a house to live in, or a car, or a piece of meat. Millions of us can't find goods. We just find shortages and high prices. But these shortages do not come from low production.

The steel industry before the war had capacity to produce sixty million tons a year, and much of that capacity remained idle. Steel came out of the war with capacity to produce 90 million tons a year, all of it working. Even so, they manage a "steel shortage."

Total aluminum capacity before the war was 160 thousand tons a year. Today it is a million and a quarter tons. And so it goes, in material after material, in industry after industry. Capacity is at higher levels than U.S. industry ever knew, and output is huge.

Where then is the output going? Not to the workers. They are being "priced out of the market," as another chart illustrates pointedly. This chart compares average weekly wages, and the weekly cost of a minimum budget. With the termination of hostilities, in September 1945, the average weekly wage of a production worker sufficed for only about two-thirds of a minimum budget for a family of four. It fell short of this minimum living standard by \$21.13 a week. Thirteen months later, in October 1946, the gap between wages and the minimum budget had widened. Wages were up, but prices were up even more, so the average wage dropped \$24.69 a week below the cost of a minimum family budget. The workers were getting little goods, and each month they were getting less in goods, although this took place during the last quarter of 1946 when production climbed back to the wartime rate of 200 billion dollars a year.

## Minimum Budget

*The figures:* The Nathan report uses the cost of living budget of the Heller Committee of the University of California. The Heller budget gives the cost of a minimum of goods for a level of health and decency for a family of four, and minimum here really means rock-bottom. For the father, the Heller budget allows a new suit every three years, an overcoat every six or seven years, two regular shirts and three work shirts a year. For the mother it allows, per year, two house dresses, two regular dresses, one pair of work shoes and one pair of street shoes. On other items the budget follows similar meager standards. It allows for no choice foods, no steaks, no savings. It makes no allowance for income tax or social security deductions, which are an unavoidable part of the cost of living today. In September 1945, the Heller budget for a family of four cost \$62.00 a week; the average wage of production workers stood at \$40.87, which was short of the budget by \$21.13. In October 1946, the Heller budget cost \$70.52 a week. The average production wage was \$45.83, which was below the budget by \$24.69.

To sum it up: Industry is producing an unheard-of volume of goods; it is paying out to the workers only enough to buy very little goods. What then happens to the remainder? In the first place, this remainder makes up the profits of the capitalists, an unheard-of flood of profits. The Nathan report hardly goes a step beyond this point. It starts with an estimate of profits and ends in the same way. It proves, over and over, that the

capitalists are making fabulous profits, with greater profits in prospect and concludes that they could easily afford to pay higher wages and still have plenty of profits left.

The basic facts are clear—says the report in its summary—. . . In manufacturing industries alone, the end of 1946 level of corporate profits after taxes will support a 21 per cent increase in the earnings of production workers, without any further increase in productivity, without any further expansion in volume, and without reducing the return after taxes on net worth to a rate below that of 1936-39. In *total corporate enterprise*, the profit position is less precise statistically but clearly much more favorable than in manufacturing alone, in comparison with pre-war; it may reasonably be conjectured that total corporate business can support a 25 per cent increase in wages on the same basis that manufacturing can support a 21 per cent increase.

"It is obviously futile," to imagine that businessmen will correct this trend by cutting prices. "On the contrary, the business community has first pushed aside price controls and then raised prices rapidly in the face of already huge profits."

## Wages and Profits

It is not higher wages that caused price rises; instead prices have gone so far beyond wages that the workers are absolutely unable to buy the output of industry, or any healthy share of the output. "The present imbalance between wages and profits is unsound." And again, "Unless there is an immediate increase in wages or a sharp drop in prices, we are flirting with collapse."

It would not do labor or the public or business any good for labor to forego the needed wage increases. Rather, raising wages without any increase in prices appears to offer the only currently possible means of bringing about the kind of relationship which will avoid a serious decline in business activity. Such a policy would step up buying power, and bring back into the market for many categories of goods those millions of working families who have been removed from the market by rising prices. Such a policy should appeal to business as well as labor as a sound way to restore the basic economic strength, which will in turn bring optimism and a sense of security to replace the present pessimism and insecurity.

It would appear statesmanlike for both labor and management to look the facts in the face and arrive at peaceful conclusions with respect to sizable wage increases immediately. Through such a policy we can have industrial peace; we can have gradually increasing production accompanied by increasing efficiency and productivity; and finally we can have stable prosperity.

So runs the Nathan report: The capitalists can afford high wages and should pay them to avoid a collapse.

The capitalists do not answer with their real argument—that their sole concern is profits—because that can't stand the light of day. Instead, they counter by casting doubts and laying down a smoke-screen.

Thus the economists for the U.S. Chamber of Commerce, the National Association of Manufacturers, etc., in issuing press releases against Nathan, regularly charge that he stretches his statistics, that he takes an "abnormal period" as a base for comparison, and so on.

In fact, Nathan bent over backwards in the vain hope of avoiding precisely such charges. He took doctored capitalist statistics at their face value, but even so he was able to make a good case because all the doctoring could not hide the truth.

And the truth is that even a low level of profits for the year 1946 would have represented good business. Why? Because 1946 was the reconversion year in the course of which industry changed over from war production and tooled up for peacetime output. Tooling up builds for the future and it is not supposed to be profitable while under way. Had the industries



managed to break even while changing over to new products, they could have counted that, too, as a "good year."

Instead they were able to show the highest profits on record, and this on top of covering all the costs of reconversion and on top of faking billion-dollar losses. These "reconversion losses" were footed by the federal government, each "loss" being covered by a tax rebate to the corporations. In addition to being good propaganda to show losses (business, you see, was suffering along with everybody else), it also poured additional millions into the corporation coffers. The best corporations showed losses.

For example, Westinghouse Electric reported a fifty million dollar loss for 1946, which they lamented as being twice as large as their total losses during the three worst depression years. Hard times! They omitted to mention that the government made good all this "loss." And so, after collecting their tax rebate, they somehow ended up with a profit of 4½ million dollars.

## Hidden Profits

These and other "losses" had, of course, nothing to do with a low level of production. On the contrary, as Westinghouse admitted, their production was the highest in any previous peacetime year, except 1941. They rebuilt, tooled up for new products, charged it all off in a single year and sent the bill to the government. In addition, they fought the union through a long strike and sent that bill to the government too. On top of all this, they rigged their books in every way to show greater "losses" so as to collect more from the government.

Other corporations did exactly the same. After they had paid all the costs of reconversion and had hidden all the profits they could, the part they could not hide showed up in their statistics. And this reported fraction of their profits turned out so big as to set a new high record!

The Nathan report does not breathe a word about the hidden profits of 1946. It argues only from the figures admitted by the corporations themselves.

Another favorite charge against Nathan is that he took the total profit margin in the economic system, and calculated as if it could all be used for 25 per cent wage raises in manufacturing alone, without an increase in prices. The corporation experts argue that a general 25 per cent wage increase would add 25 per cent to the cost of raw materials, another 25 per cent to manufacturing costs, and still another 25 per cent to distribution costs. So what Nathan calls 25 per cent increase would really raise costs 75 per cent, they say, which of course would just make things worse. To be sure, none of them has formulated a law that a 25 per cent increase in wages requires a 75 per cent increase in prices, but such a law would follow from their logic.

This has become a standard anti-Nathan argument. Even Harold Stassen used it in a radio appearance against Nathan. Stassen used as an illustration the case of a small boy who has twenty cents. He could give 10 cents to any one of three different people and still have ten cents left. Stassen said Nathan argues that he could give 10 cents to all of them, making thirty cents paid out, and still have 10 cents left.

This argument is sheer invention. Nathan, in fact, took extra pains to avoid precisely such an error, but naturally he gets no thanks.

Let us examine Stassen's illustration in the light of a few facts. For example, just what is the relation between, say, the price of cigarettes and the wages of workers in this industry?

Before the war, standard brands sold, with matches, for 14 or 15 cents, and sometimes, two packages for a quarter. Today they are up to 16 cents and as high as 20 cents. At a conservative estimate, we can set the increase at two cents a pack, without taking into account the concealed increase resulting from the removal of the ten-cent brands off the market.

What went up? Was it labor costs? Material costs? Distribution costs?

## Low Costs—High Prices

According to the Twentieth Century Fund figures, the total cost of leaf tobacco in a package of cigarettes before the war was two cents. The total cost of labor, plus packaging, plus everything else in manufacturing came to less than one cent a package. Thus the total labor and material costs, all along the line, amounted to three cents. The tax was six cents a package. This made nine cents, leaving five cents out of a fourteen cent pack for advertising, sellers' margins, and so on.

They have raised prices and they want us to believe that higher wages forced them to. The Nathan report reveals that, on the average, wage rates in industry last year went up only 8 per cent (not 18 per cent, as we are often told). If the tobacco industry raised wages 8 per cent, and if the package material people also raised their prices 8 per cent, they would still be raising only that one cent a package which covers labor and material costs. This 8 per cent increase would raise the cost of a pack of cigarettes by one-twelfth of a cent.

Perhaps distribution costs are higher, or other costs have gone up? On the contrary, the industry is selling 56 per cent more cigarettes than before the war, and this larger volume cuts the cost per unit.

Or let us take Westinghouse. Their total labor bill on an electric refrigerator that used to sell for \$150 is only \$17. Westinghouse, like other industries at the end of the war, reduced hours to stop paying overtime premiums, which cut their over-all labor rate by 9 per cent, averaged over the whole week. The Westinghouse workers, like others winning the 18½ per cent pattern increase, after losing overtime premiums, really got only a 9½ per cent increase over the old rate. 9½ per cent of \$17 makes an increased labor cost of \$1.62 per refrigerator. A genuine 18½ per cent increase would have added only \$3.15 to labor cost.

Would wage raises in raw materials perhaps account for this? No, the total cost, labor and material, of a refrigerator comes to \$58. And 18½ per cent of that amounts to a trifle over ten dollars. No, the little boy is not quite so careless with his dimes as Stassen pretends.

The corporations are quick to minimize the effects of price changes in raw materials whenever it suits their purpose. When the price of nylon yarn was reduced recently, the industry hastened to warn the public not to expect lower prices for stockings, because, after all, the cost of nylon yarn in average stockings is only 11 cents! Yet 11 cents worth of nylon knitted up sells for \$1.50 to \$2.95. The knitting is a very rapid and cheap mechanical process. Distribution expenses cannot be very high for goods that are snapped up the moment they reach the counter. Plainly, the biggest part of the profit margin is collected in distribution.

Nathan makes this point quite clearly: "This more moderate rise in the rate of manufacturers' returns compared with those of all corporations reflects particularly the present lush margins at all levels of distribution." However, he says, adequate statistics are not available to make a full analysis of the distribution field. To be super-accurate he limits his analysis to manufac-

turing corporations and draws only the most cautious deductions about profits in distribution.

This is plainly stated in the report, but this does not stop the likes of Stassen.

For his part, Nathan weakens his case by never mentioning the facts about the low costs and high prices of any particular industry. He remains on the plane of general statistics, which invites such crude replies. Cost statistics are closely guarded and hard to dig up. "Opening the Books" would show exactly what the price gougers are doing and this demand is the best attack on them. Nathan avoids raising this demand. He still hopes to make no enemies among the capitalists.

None of the capitalist experts has really come to grips with the basic facts in the Nathan report, because they can't. These facts are irrefutable. The financial magazines of Wall Street speak of the same gap between production and the market that Nathan points out. At the end of last year they were all fearful that production was bound to fall off soon, because it was already big enough not only to meet current demand but also to pile up unprecedented inventories. Therefore production must be too high for future demand. That's just what Nathan says, and he advocates higher wages as a means of averting a slump.

## How Profits Are Protected

It is the height of innocence, to put it mildly, to tell employers to raise wages "for their own good." What good is the biggest market to a capitalist if he derives from it little or no profits? The employers know that they, as a class, can protect their profits only by paying the smallest wage they can. Nathan's figures show, as do all previous figures in capitalist history, that precisely during periods of boom the average working class family receives a wage too low for even minimum living standards.

The average worker now earns around \$2,000 a year. To buy the products of a 200 billion dollar a year output, that is, the present output, the average worker would have to receive around \$5,000 a year. But such wages are excluded under capitalism because they would cut profits down to a trickle.

The employers do not intend to pay any such increased wages. If they cannot slash wages directly, they do so indirectly, by hiking prices. It is therefore a foregone conclusion that there will not be a market to absorb the present output. The future domestic market will remain at the same poverty levels as hitherto.

To be sure, there is a demand today. People need houses and cars, clothes and refrigerators. Right now the market seems able to absorb almost any volume of goods. Right now industry can produce any volume of goods. This happy combination ought to promote a flood of goods. Yet we witness instead an epidemic of shortages: housing shortage, sugar shortage, clothing shortage, meat shortage, and so on.

Whence these shortages? They are part and parcel of capitalist policy. It goes without saying that they almost never admit causing these shortages deliberately. But in rare moments of frankness we do get such an admission. It comes in plain words from the President's Council of Economic Advisers, which has Edwin G. Nourse, formerly of the Brookings Institute, as chairman. Here is what this council of economic planners has to say in its First Annual Report to the President:

Everybody without a house or a car wants one this year. The success of '47 and '48 is gauged by our ability to make and sell 6,000,000 cars, 1,500,000 housing units, and similar numbers of electric refrigerators, washing machines, and other accessories in each of these years. But the closer we come to this standard of performance in the im-

mediate future, the more pressing becomes the problem of sustaining employment, production, and purchasing power in the years that follow. Automobiles, as we have learned under war conditions, have a normal life expectancy of 8 to 10 years, and houses last anywhere from 25 years to generations or even centuries. Hence, the very industries which feature the prosperity of the moment could, if nothing is done, be expected to drop to a replacement basis after a few years. This might be expected to spell depression for some later time.

If everybody gets a house or a radio this year, who'll buy next year? That's the worry in the minds of the capitalists. Also if the workers are able to buy goods and gain a high standard of living they'll be expensive workers, and capitalism will have the trouble of beating down their standard of living to meager levels again. Scarcities are next year's markets—therefore the capitalist program is to make the scarcity last as long as possible, by holding back goods, by artificially creating shortages, by raising prices so that the extra money in the market will buy no more than the old poverty standard of existence.

Can the capitalists get away with it? Will the veterans wait years for houses to suit the plans of the building material monopolists? Will the public suffer patiently while the capitalists try to stretch out the shortages of clothes and cars and sugar for month after month and year after year? Will the American workers accept scarcity, poverty and high prices in a country that is capable of miracles of productivity?

## Capitalist "Planning"

All along the line the capitalists are strangling American production and American purchasing power, throttling it down to levels that are safe for profits and scarcity. They can do this temporarily, as long as they are not challenged, by rationing essential materials, such as steel. The favored industries get steel. For the rest of the country there is a "steel shortage." The mills cancel shipments month after month, and then release a trickle of metal. Small businesses throughout the nation really do feel a shortage. They can't operate because they can't get steel, or electric motors, or other needed parts which are held back, as "economic regulators."

The whole nation feels the pinch, and smarts under it and wants to see something done to "break the log-jam." The leaders of American labor have a golden opportunity to bring down the wrath of the whole nation on the capitalists who are committing this crime. All the labor leaders need to do is to speak out the truth, the plain truth, which everybody half-suspects anyway, that the private owners of industry are up to their old tricks.

The situation is ripe, over-ripe for a political attack by labor against the capitalist program of artificial scarcity, high prices, depressed living standards, and sabotage of production. A tremendous public sentiment would rally behind labor if it took the leadership.

And that's why the capitalists are so touchy about the truth on production, prices and wages. Their policy absolutely requires deception. They are carrying out a sinister maneuver against production, against modern technology, and against the public. They don't dare let the mass of the people find out what's really being done against them. Hence the barrage against the Nathan report. The employers are thereby serving notice that they will not tolerate discussion from labor along this line.

In fact, the corporations are in such a tight spot that they can't afford to be satisfied with labor leaders who merely stay quiet. They need union leaders who join in the chorus of deception, and help the maneuver against the country as a whole.

Only such can the employers count among the faithful. We see top AFL bureaucrats rushing to join the faithful by denouncing the Nathan report.

Even the CIO officials who sponsored the report have kept strangely silent during the newspaper debate over it. They have not pressed the attack, nor have they used the opportunity for publicity. They have backed away from the fight because they lack the courage for it. The Nathan report, with all its weaknesses, still points to a situation that is too acute for their taste.

The situation moves ahead, even though the labor leaders don't. These spineless bureaucrats, trying to protect their own amiable relations with the employers, are twiddling their thumbs while the employers seek to ruin labor's standing with the public. They have let the employers pin the blame for scarcity and high prices on labor. The employers push this message through every channel, every day, that labor is to blame for

scarcities and high prices, that labor holds back materials and prevents the building of houses, that labor has forced the employers to raise prices. The official union leaders have not raised a finger to stop the employers from exploiting the public sentiment for "breaking the log-jam." The official union leaders are letting the labor movement get saddled with the blame for the crimes of Big Business even though the situation is ideal for an attack against Big Business. That's the measure of the failure of these incompetent bureaucrats.

In contrast, the Nathan report was a small and hesitant step in the right direction. But other and far bigger steps are required. We offer as an immediate and effective measure the slogan "Open the Books!" Let the mass of the people learn the true facts about the actions and program of the corporations. Labor can show where the real blame lies for high prices, for scarcities and for poverty under capitalism. *Open the Books!*

## Wall Street's Program for Latin America

By CHARLES CORNELL

Hard on the heels of General George C. Marshall's appointment as Secretary of State come declarations from Washington that it will "tighten its bonds" with other American republics. Wall Street publicists, after gleefully recording the fact that Marshall supported standardization of arms, armies and air forces along U. S. lines, predict that he will press for an early inter-American Conference on "mutual defense," come to terms with dictator Juan Peron of Argentina, and—of course!—inaugurate a vigorous program "to combat communism" in Latin America.

Marshall will undoubtedly step-up the pace of executing Washington's plans regarding the Western Hemisphere, plans which have gone well beyond the blue-print stage for some time. A more aggressive policy in Latin America is seen as a necessity by American finance capitalists. American productivity, increased by 50 per cent during World War II, is piling more billions of dollars in profits on top of the fabulous amounts already accumulated in American banks. With U. S. industry rapidly saturating the "normal" markets, production threatens to grind to a halt, unless other markets can be found. To prevent a drying up of profits, American imperialism must exploit every available market and, wherever possible, open new ones. Hence the increasing stress on Latin America, always so high on the list of Washington's strategic considerations.

The Caribbean Islands, Mexico, Central and South America, were the happy hunting grounds of American imperialists in the period between the First World War and the 1929 depression. Wall Street speculation was rampant during the Twenties. And although profits were somewhat disappointing during the Thirties, Wall Street still considers the area as its private preserve. Henry A. Wallace, until recently Truman's Secretary of Commerce, believes Latin America is the most important section of the world for American capital and has time and again urged American capitalists to increase investments there.

Wall Street needed little urging in the past; 42 per cent (investments in enterprises completely or partially controlled by American capitalists) of U. S. imperialism's total direct investments abroad were in Latin America in 1939. Income on this investment averaged almost 6 per cent in 1938, according to Willy Feuerlein and Elizabeth Hannan in their book *Dollars*

*in Latin America*. In their opinion, "past performance of U. S. direct investments" there "has thus been good."

Latin America was severely hit by the world depression of the Thirties. The awakening middle and working classes of Latin America found their countries saddled with huge debts. Payments and interest on fantastic sums of money borrowed by corrupt government officials for extravagant and often utterly useless projects, were draining their national treasuries. The popular demand for economic independence was augmented throughout Latin America by the fiscal crisis precipitated by the world depression. With national treasuries bankrupt or nearly depleted, and with the masses demanding a halt to Wall Street's bleeding of their countries, Latin American government officials were forced to seek a way out.

While outright repudiation of foreign debt has not been resorted to by the Latin American countries, measures which amount to nearly the same thing have been fairly common and have caused some losses to Wall Street investors. Through the device of exchange control, for example, a measure adopted by most Latin American countries in the Thirties, governments were able to juggle exchange rates and control available foreign exchange. In dispensing the accumulated exchange the necessities of the nation come first, servicing and retirement of foreign debts are low on the list. In many cases servicing of bonds lagged so seriously that their market prices dropped to a mere fraction of their face value. And in some cases, astute Latin American governments, responding to the pressure of the masses, bought back their bonds at these depreciated prices. Wall Street bankers were furious, but they had only two alternatives: send the U. S. Marines to force payment; or refuse further loans. Since policing the whole of Latin America was impossible, they chose a modified form of the latter solution.

There are methods other than exchange control through which a government so minded can make it extremely difficult for foreign investors. And many Latin American governments, under the powerful prod of desperately poor and awakening masses, have often been so minded.

Nationalist movements in the past have caused considerable loss to foreign investors—complain the authors of *Dollars in Latin America*—and have diminished the incentive to new investment. Unwillingness

to pay has at times been as important as inability to transfer funds abroad. If these movements should develop into an outright denial to foreign capital of any role in the development of the Latin American countries, then economic defense of the Hemisphere on a cooperative basis would be impossible.

Preventing or keeping to an absolute minimum the encroachment of other imperialist nations in Latin America is one of Washington's primary objectives. Wall Street dislikes competition, but even more important at present are the political ties that flow from economic relations. The U. S. is seeking a solution to the economic problem it confronts in Latin America. Washington's experts have devised several devious schemes calculated to drive a wedge between Latin America and Europe.

### "Good Neighbors"

The American imperialists are bent on complete domination of Latin America. The problem is—how to do it? Some among them, the minority at the moment, would like a return to the "big stick" policies employed by President Theodore Roosevelt. These imperialists and their political spokesmen recall with considerable satisfaction the invasion of Haiti and Santo Domingo, and the subsequent control of these countries' revenues until American bankers were paid. They recollect with nostalgia the actions of the U. S. Marines who, operating under orders from the "idealist" President Woodrow Wilson, established "order" in Nicaragua for the Wall Street bankers.

Although such measures, executed with vigor and unrestrained brutality during the first quarter of the present century, collected a few "bad" debts for the Chase National and the National City Banks, they were inadequate as a long-range policy. As a policy benefitting the whole of the American capitalist class they were an utter failure. Military intervention, the "big stick," and other forms of undisguised imperialism cannot be successfully employed over the whole of Latin America. American imperialism arrived too late to carve out its empire with methods employed in previous centuries.

Subtler methods became a necessity, particularly after World War I. Moreover, two ideologists of American imperialism, Feuerlein and Hannan, state that retaliatory measures against Latin American "defaulters" on bonds and "confiscators" of foreign holdings would not work now, either.

Like renewed military intervention, it would not deal with the basic causes of nationalism, nor could it touch any of a great variety of measures which can legally be taken by a sovereign state to restrict the rights and privileges of alien investors. These may be as damaging—they warn—as repudiation of bonds or confiscation of oil wells.

Washington accepted the new gospel with reluctance, but it did so several years before President Franklin D. Roosevelt proclaimed and popularized the so-called "Good Neighbor Policy." By 1928 the State Department, under the guidance of an avowedly reactionary Republican, abandoned the "big stick" policy, called for "collective intervention" to solve inter-American "disputes," and began camouflaging U. S. imperialist aims beneath the gentle manner and benign demeanor of philanthropists. All that remained for the greatest demagogue of them all, Franklin D. Roosevelt, was to put a few finishing touches on the policy, give it a colorfully colloquial title and publicize it in his "fireside chats."

Washington spokesmen now elaborately attempt to give the impression that the Yankee industrial and financial colossus has at last abandoned its predatory role in the Western Hemisphere and has become a great benefactor, humanitarian and altruist.

In all propaganda beamed south, Yankee aid in the industrialization of southern countries is spoken about and promised. Industrialization is the keynote. Nor is it hard to understand why.

A large percentage of the Latin American people live under primitive conditions, raise most of their food and have little or no money with which to buy manufactured goods. The countries are poor. Transportation is lacking to carry merchandise from the seaports to the interior. Although Latin America embraces an area several times as large as the United States, it is populated by about an equal number of people. Large sections still remain virtually uninhabited.

Tremendous sums of money are needed to combat disease, to improve communications and to establish both light and heavy industries. Although all of this development is necessary to improve the living standard of the masses, a very small portion of the investments holds forth the possibility for a profitable return. For, contrary to popular opinion, the southern republics are not blessed with abundant and diverse natural resources. While high-grade iron ore is not lacking, coal suitable for coking is rare. Heavy industry faces a serious handicap, not only from lack of steel and economical possibilities for making it, but also from lack of a large labor force. And, most important of all, the infant industries have only a small, poverty-stricken native market to supply: in competition with the well-established industrial giants of North America and Europe they would be smashed.

### Economic Backwardness

In order for the industry that now exists in Latin America to survive it must be protected by high tariffs. While such measures have made the development of a few native industries possible, they have raised the prices of commodities, thus limiting the market still further and have been a factor in keeping the living standard of the masses at an abysmally low level.

Although designed to aid native capitalists, the tariffs have often served the interests of a section of the American imperialists. Many North American capitalists were quick to take on the protective coloration of native industry by establishing branch factories. In some cases such enterprises are owned entirely by the parent company; in other cases ownership is shared with native capitalists; but almost without exception management is retained by the American investors. Branch factories have been among the most profitable investments in Latin America; but here, too, experts are warning Wall Street investors that the saturation point has nearly been reached.

Washington's propagandists are exploiting the widespread and rapidly growing desire for economic independence that exists in Latin America. Latin Americans believe industrialization is the way out of imperialist bondage. But under the sway of imperialism, the poverty-stricken, debt-burdened countries south of the Rio Grande can industrialize only at the cost of further indebtedness to Wall Street or its Washington agents. With the possible exception of Argentina, none of the countries can finance even partial industrialization and the hoped-for economic independence.

American capitalists are only too anxious to supply the capital, either alone or with native capitalists as junior partners, provided they are insured against loss. Wall Street investors are worried about the effect of a "great variety of measures which can legally be taken by a sovereign state to restrict the rights and privileges of alien investors." And they are disturbed by the mounting threat of debt repudiation and con-

fiscatory measures. Therefore, they want their investments guaranteed by the American government. They plan on achieving this "modest" desire through two institutions which Washington was instrumental in establishing. First, there is the World Monetary Fund which has as its aim the elimination of exchange controls and other forms of currency manipulation which worked to the detriment of Wall Street in the past. Second, the World Bank which will guarantee the principal and a satisfactory return on foreign investments. In this scheme, the funds of the 38 nations, who are members of the World Bank, will guarantee the investments of, mainly, American bankers.

Moreover, money borrowed from the World Bank will be spent, principally, for American-made machinery, farm implements and tools, for rail and auto transportation, for hydro-electric plants, drilling and mining equipment and a host of other light and heavy manufactured goods of which, owing to the effects of the war on Europe, the United States is now the chief supplier. Thus American capitalists stand to make money two ways—by the sale of commodities and through interest on the financing.

At first glance it appears that the light industrialists in the United States would suffer as competing industries in Latin America are developed. It must be remembered, however, that talk about complete industrialization is pure propaganda intended for Latin America only. Secondly, as pointed out above, industrialization has rigid limitations. But it is true that some light industries will be affected adversely by even the limited industrialization that Washington is willing to back. For the most part these are the producers of textiles, shoes and similar consumer goods. (It should be borne in mind that the more influential capitalists who manufacture shoe and textile machinery will profit by the above.) Although some of the light industrialists oppose every move toward industrialization of Latin America, the stronger and more aggressive of this very group are already well-entrenched through branch factories in Latin American industry.

## Imperialist Contradictions

With the exception of Brazil, no industries are contemplated which will compete seriously with American heavy industry. The industries regarded as practical and profitable are supplementary and subordinate to industry in the metropolis. In the few cases where they are competitive, they are considered essential to U. S. military power. Moreover, a certain measure of industrialization is a virtual necessity if American imperialism is to retain its hegemony in Latin America.

The United States "cannot absorb all the surpluses of even tropical products, such as coffee and sugar," say Feuerlein and Hannan. "How could we manage to take their competitive products, hundreds of millions of bushels of wheat and corn and flaxseed and hundreds of thousands of tons of meat, wool and hides?" This is the dilemma U. S. imperialism is confronted with: most of the countries in its backyard colonial domain must look to Europe for their major market; and hence are under compulsion to form economic and political ties with European nations.

The economies of all Latin American countries are extremely dependent on foreign trade. The southern republics must sell a few raw or partially processed products on the world market to obtain exchange for the purchase of manufactured commodities. Like all colonial or semi-colonial countries,

they sell cheap products and buy costly ones. They are normally faced with a lack of foreign credits and in times of depression, or when one of their major purchasers is suffering a crisis, their economies become paralyzed.

The extent of this dependence on foreign trade is described by the authors of *Pan American Economics* (Paul R. Olson and C. Addison Hickman) as follows:

In nineteen of the twenty Latin American republics, a trio of products provided 50 per cent or more of total export values. Even in Mexico, the sole exception, three products furnished 37 per cent. In eleven nations, three products furnished 75 per cent or more of total export values, whereas in six cases a trio furnished 90 per cent or more of export values. Although such concentration is the epitome of territorial specialization and division of labor, it has plunged Latin America into more than one economic holocaust.

To overcome or alleviate this situation, which also causes extreme political instability and "threatens the security" of Wall Street's domination, Washington is encouraging a diversification of Latin American industry. It is trying to free Latin America from its economic dependence on European markets. "Recognizing that their dependence on Europe may involve a threat to our own security," say the imperialist ideologists Feuerlein and Hannan, "we shall need to strengthen their domestic economies, as well as to provide sea and air defenses against foreign penetration."

## War Plans

Washington experts, realizing that the projected "industrialization" of Latin America is at best a long-range perspective—some know full well that it is impossible under imperialism—are pressing for immediate measures that would free Latin American exchange for U. S. purchases. Here again the policy that circumstances dictate for Wall Street's southern empire dovetails with U. S. imperialism's broader aims. Washington is pressing for an International Trade Organization to control trade barriers, monopolistic practices, commodity agreements and other policies affecting world trade. Free trade, so Wall Street says, is the touchstone of world prosperity. But the proposition is not without an ulterior motive. If the restrictions on trade could be eliminated along with monetary manipulation, Latin American exchange would then be freed for purchases from the Yankee factory.

The free trade policy is, of course, counter to the Latin American trend toward raising barriers rather than lowering them. Latin American governments, impelled by the mass desire for economic advancement, are determined to protect their infant industries. With its virtual monopoly of credits which Latin America must have to even begin this herculean task, Washington hopes to force them into line.

Its drive toward war with the Soviet Union has forced Washington to subordinate other aspects of its Latin American policy to military considerations. While pressing every sector of imperialist penetration—airways and communications, cultural missions, student-professor exchanges, and so on—each in its way intended to extend Yankee influence—Washington policy-makers are placing major emphasis on "Hemispheric Defense."

Right now, the War Department's plans for the area have A-1 priority; military considerations are at the top of the list. Eleven of the twelve minerals on Washington's strategic list in 1943—manganese, chromium, tungsten, tin, bauxite (aluminum), antimony, platinum, mercury, mica, iodine, and so-



dium nitrate—can be secured in whole or in part from the Latin American countries. Their proximity to the metropolis plus development and control by U. S. imperialists is of paramount importance in current war plans.

Ranking high among commodities needed in huge quantities during war is petroleum. Venezuela has vast fields containing 11 per cent of the proven oil resources of the world. Other countries are either producing or known to have large undeveloped sources.

Through "military cooperation" Washington hopes to secure these essential resources for its exclusive use and, through the same maneuver, make of Latin America an "impregnable fortress."

The War Department's Hemispheric Defense Plan, through which Washington hopes "to standardize military organization, training methods and equipment" throughout the two continents and form a Hemispheric Army under U. S. command, was at first opposed by experts in the State Department who feared it would defeat its aim by aggravating political tensions in Latin America; that it would associate the United States with tendencies toward military dictatorship; and most important of all, that it would increase the anti-imperialist sentiment of the Latin American masses.

## A Difference of Opinion

In the August 1946 issue of *Fortune*, Big Business magazine, the historian Arthur M. Schlesinger Jr. presented the State Department's argument in opposition to this policy. The "State [Department] asserted that no amount of staff coordination or lend-lease arms would stop sabotage or other anti-U. S. activity if large numbers of the working people wanted to commit it." Therefore, Schlesinger informs, the "State [Department] objected to the whole movement to focus Latin American relations on military issues."

Washington over-rode these objections. With the appointment of a five-star general as Secretary of State, military considerations will have a decisive influence. The nations of Latin America are to be shackled firmly to Wall Street's giant war machine. "South America, strategically and politically, is the soft underbelly of U. S. power," declared Schlesinger Jr. Marshall and the War Department are determined to correct this "weakness." Complete control of the two continents and the integration of their armies into a single, well-knit military unit with bases for planes, ships and ground forces, would give U. S. generals and admirals an incomparably powerful base and field of maneuver.

All this is to be achieved, so Washington hopes, through such demagogic formulas as "multi-lateral action," "collective intervention," and so on. The 21 nations are to meet (at Rio de Janeiro by midsummer, according to reports emanating from Washington this month) in order to work out a "mutual defense treaty."

Although the War Department's Inter-American Military Cooperation Bill has not been approved by Congress, various phases of it are, nonetheless, being carried out. The U. S. controls numerous bases in Latin America or has working agreements with native governments which amount to practically the same thing. Many Latin American governments are already supplied, at least in part, with American armaments. Most of them are anxious to get more. More than a few dictatorial governments regard U. S. guns and planes as easily accessible and efficient instruments for keeping their unpopular regimes in power.

The October 1, 1946 *World Report* announced that the U. S. is seeking control over 4½ million square miles to "protect" the 500 miles of the Panama Canal Zone. It already has "bases in Bermuda, the Azores and Brazil," but considers the "main defensive circle around Panama" much larger. U. S. military missions, considered of vital importance in preparation of the Hemispheric Army, have been sent to 13 Latin American countries this year. They have been instructing in U. S. methods and in the use of American arms and equipment. The number of missions and men participating in them is "to increase from now on."

"High-ranking American officers like General of the Army Dwight D. Eisenhower," who recently completed a junket to two key countries—Brazil and Mexico, "and Fleet Admiral William F. Halsey, are to make 15 good-will tours through other American Republics this year," continues *World Report*. "Spanish and Portuguese editions of U. S. field manuals and military journals and reviews are distributed free of charge. More than 100 Latin-American officers are to study at U. S. service schools. In all, the program for this year (1946) is double what it has been in the past," that is, double what it was even during the war.

Dispensing armaments and knowledge of U. S. war methods, aside from the direct job of preparing the Latin-American countries for war in the near future, will in some respects implement Washington's over-all plan for the hemisphere. Military and semi-military politicians are impressed with American military might. Intimate knowledge of it impresses them still more, makes them feel more secure against the masses, and gives them pause before taking any action that might draw the wrath of the Yankee colossus down on their heads. Most of the Latin American governments show signs of willingness to "cooperate."

Very little is now heard about the growth of fascist organizations in Latin America. Although reactionary right wing groupings and parties do exist, and in some cases are actually in power, Washington finds it more convenient at present to soft pedal that angle of its propaganda. Even General Juan Peron, Argentine dictator and for some time the State Department's chief target in Latin America, is being wooed by Washington. The truth of the matter is, the military dictators and reactionaries in Latin America are anxious to come to terms with Washington.

## Stalinist Treachery

The Stalinists are making a lot of noise about U. S. imperialism at present because such propaganda fits in with Stalin's political schemes. Although their anti-imperialism is a shabby farce, they can appear quite revolutionary in the eyes of the genuinely anti-imperialist masses.

For among the masses and especially the workers, the response to Truman's plan, although as yet poorly organized because of the class-collaborationist labor leaders, has been one of violent hostility. The workers have reacted, as they will in the future, much as the State Department specialists feared they would. Washington has good reason for being alarmed by the growing anti-imperialism, the mounting mass radicalization that is taking place in Latin America. It can very easily bring to nought their grandiose scheme.

Stalinist parties have long been a factor of some importance in the political life of several of the southern countries. Following the policy characteristic of Stalinism throughout the world,



they are obedient to the will of the Kremlin. When Stalin was nursing the good will of the Western "democracies," Latin American Stalinists avoided any talk about American imperialism and called for no actions whatever against it. In following this traitorous policy, they supported dictators such as Penaranda of Bolivia and Vargas of Brazil, both of whom were in the favor of the Yankee imperialists. They condemned the Argentine military dictatorship and lent support to the State Department's anti-Peron campaign.

As the Kremlin's relations with Washington and London changed from amiability to hostility, the Stalinist parties began to flaunt anti-imperialist slogans. Reversing their position of yesterday they are now directing their main fire against American imperialism. Almost overnight they discovered that Dictator Juan Peron is a just, peace-loving, yet valiant fighter against imperialism and a great benefactor of the Argentine Republic.

Unfortunately, a large section of the Latin American masses, many of whom are just now experiencing a political awakening, are still unaware of the treacherous role of the Stalinists. Despite the fact that the Communist parties have turned into the absolute opposite of the party led by Lenin and Trotsky, recently radicalized workers still associate them with the party of the October 1917 Revolution. Moreover, the politically inexperienced Latin American workers are frequently fooled by the "anti-imperialism" featured in current Stalinist propaganda. As a result the Stalinist parties are still able to attract considerable numbers of Latin American workers.

But it is not only the Stalinist parties which the State Department fears will disturb Wall Street's security in the Western Hemisphere. Washington fears even more, and with just cause from its point of view, *the genuine revolutionary development of the workers in Latin America.*

Washington is well aware of the increasing causes for mass-

radicalization in Latin America. The standard of living has declined drastically in the last few years. It is still headed sharply downward. Brazil's masses are living at one-third the prewar standard. The same is true in Mexico where prices have tripled since 1939. In 1945 alone, prices rose 25 per cent in Brazil. Prices are skyrocketing throughout Latin America. The workers are fighting back with strikes for higher wages.

What *World Report* for August 29 tells about Brazil is typical of the rest of Latin America. "Significant by-product of inflation is the tendency to blame the U. S. for Brazil's economic mess," says this Wall Street organ. "Merchants explain their high prices with the claim that imports from the U. S. are scarce and expensive. Some Brazilians charge the U. S. got millions of dollars worth of war materials from Brazil at bargain prices and is paying for them with U. S. goods sold at inflated prices."

Brazil is in the throes of one of the worst economic crises in its history. Other Latin American countries have either entered or are on the threshold of similar or worse economic crises. They will undoubtedly be accompanied by profound political disturbances, as witness the great mass demonstrations against black market profiteers last August.

Genuine workingclass revolutionary parties—sections of the Fourth International—are small, but they have unlimited opportunities for growth in the political and economic maelstrom that will engulf Latin America in the near future. Although a substantial section of the native capitalist class sees its destiny linked with that of Wall Street and Washington, the vast majority of the workers have no illusions about what this will mean for them. A mighty anti-imperialist storm is brewing in Latin America. It is not without cause that Washington strategists are becoming ever more concerned with a solution to their Latin-American dilemma as they rush madly toward the Third World War.

## *Bolivia Before and After the July Rebellion*

By JUAN VALVERDE

An extensive, thinly-populated country lost in the shadowy heights of the Andes, a forgotten country of immense and incalculable riches, recently drew universal attention. On its soil occurred one of the great political dramas of our day.

More than three months have passed since the July events [in Bolivia], yet the world working class has heard only the one-sided, distorted bourgeois versions presented most frequently—as in the case of Ghatti de Acha in *El Mundial*—by people who up to yesterday were loyal servants of the deposed regime. This article, therefore, is intended for the workers of the world everywhere.

Bolivia, whose backward feudal-bourgeois structure—feudal in the countryside and bourgeois in the cities—makes it an easy victim of rapacious imperialism, belongs to three mining magnates: Hauschildt, Patiño and Aramayo.

These three mining enterprises are in reality spearheads of Anglo-American imperialism, having their bases in the United States (Hauschildt) and England (Patiño). They are absolute masters of the economic and political life of the country. Ninety per cent of the national income is derived from exploitation of the country's mineral wealth [especially tin]. Bolivia has practically a one-product economy.

Despite immense arable lands which could be converted into farms of fabulous fertility, the bourgeoisie, incapable of completing the democratic revolution, has left control of agricultural production in the hands of a tiny minority of big landowners. These landowners, far from thinking in terms of the development of agriculture, are quite content to outrageously exploit their laborers, converting them into semi-slaves, and to amass their fortunes from the sweat and blood of the Indians who constitute 80 per cent of the population. The price is Bolivia's eternal backwardness.

In addition to the peasants are the mine workers, who constitute the most important social force. The nation's income and that of the government and the colossal wealth of the three mining magnates are derived from the grinding exploitation of the mining population, numbering some 200,000.

The mining centers are located at mountainous altitudes of 10,000 to 13,000 feet. Women and children work side by side with the men in the toilsome underground labor. Physical and moral degradation dogs the exploited workers of the three giant enterprises, and where alcohol does not succeed, tuberculosis completes the nefarious work of the criminal bourgeoisie.

Finally, we have the cities, predominantly petty-bourgeois

but with a growing factory proletariat. This is the true and actual picture of the land where the social drama of last July took place.

During the regime of General Peñaranda, two young political forces headed the opposition to the government of "la Rosca": the Nationalist Revolutionary Movement (MNR), of fascist tendencies, and the Left Revolutionary Party (PIR) of the socialistically-inclined petty bourgeoisie. In those years—which now appear distant—the Stalinists (PIR) tried to form a united front with the MNR and the "young officers" in order to present a common opposition to the big bourgeoisie holding power. Again after the December 20, 1943 *coup d'état* which brought the MNR to power, the Stalinist chiefs sought posts in the government which, according to Jose Antonio Arce, head of the PIR, represented the "bourgeois democratic revolution." But in vain. The blind obstinacy of the new rulers, who did not want to give up ministries nor share the government banquet table, forced the Stalinists to seek refuge in the opposition.

### "Opposition" Parties

But then, instead of leading a working class opposition to the fascist-like government of Villarroel, they began to promote the formation of "People's Fronts," first forming the boasted "Bolivian Democratic Union" and then the "Anti-Fascist Democratic Front." The Stalinists thus basely betrayed the interests of the Bolivian proletariat. As allies of the traditional parties of the mining bourgeoisie in the "Anti-Fascist Democratic Front" (pompously labelled by the Stalinists as "progressive sectors of the bourgeoisie") the PIRists had to scrape off what little socialist varnish they had left and degenerated into common petty-bourgeois "democratic" job seekers.

Judged by its all-inclusiveness and by the currents following it, the PIR is a petty-bourgeois party—the mine workers have never been attracted to it. It has gained only the sympathy of the middle class and of the budding city proletariat which is strongly influenced by the middle class.

Instead of giving battle from the camp of the proletariat against the MNR, instead of educating and organizing the working class around revolutionary slogans in the struggle, the Stalinists headed a *bourgeois* opposition against Villarroel's regime, even going so far as to disapprove the few concessions Villarroel made to attract support from the mine workers.

The Nationalist Revolutionary Movement had nothing revolutionary about it. It was a fascist middle class current of government employes and "young officers" whose seizure of power was preventive in its character. They tried to put up resistance to American imperialism, but this resistance because of its petty-bourgeois character had to peter out. After all their fiery speeches denouncing imperialism, they gave way to the economic pressure, becoming servile lackeys of the White House. Expressing the vague aspirations of the middle class to become a strong national bourgeoisie and industrialize the country, they tried to carry out the bourgeois democratic revolution under middle class leadership. They promulgated a few decrees favoring the peasants; but, alas! it is not through such decrees but through the direct action of the masses that oppressors must be combatted.

Some members of the left wing of the MNR even went so far as to call on the Indians to seize the land and promised them it would be distributed. When the Indians rebelled against their masters, demanding that the promises be carried out, the "Movement" drowned these peasant insurrections in blood under pretext they "had to defend private property!"

Thus in the most palpable way the Marxist thesis was again proved that the bourgeois, or agrarian, anti-imperialist revolution in the semi-feudal countries can be realized only by the proletariat in alliance with the peasants.

If the MNR government had lasted longer, what happened to the peasants would have been repeated with the mine workers. They favored the "Movement" because it wrested some favorable laws for them from the big bourgeoisie. As a bonapartist government—neither with the rich nor the poor, but more with the rich than the poor—it did not struggle against the bourgeoisie as a whole but against a certain sector of the bourgeoisie, the mining sector. However, this struggle was of course inconsequential. What the government sought, in the final analysis, was not to destroy the economic might of the mining bourgeoisie, but to intimidate it with the spectre of mass action in order to force the payment of higher tribute to "its" state, this petty-bourgeois bonapartist state that tried to elevate itself above the class struggle and base itself on this struggle.

Clinging desperately to power in the face of an obvious debacle, the fascist-like government began to use violent police methods.

Meanwhile the only party to organize a working class opposition was the Revolutionary Workers Party (Trotskyists). It was the Trotskyists, led by Guillermo Lora, at the Third Congress of the Mine Workers in Llagagua—"in the tiger's mouth," as someone put it—who inflicted the greatest political defeat suffered by the MNR.

The Trotskyists constituted "the sensation and revelation" of this Congress. In truth, that occasion marks the beginning of the Revolutionary Workers Party as a party and as the proletarian vanguard. The MNRists, accustomed to the absence of any serious contenders, believed that they would end up at this Congress as in the previous ones with a sure and easy victory. They believed that a few demagogic speeches would sweep the mass of miners off their feet. But it didn't turn out like that. The Third Congress of the Mine Workers marked a crushing defeat for the "Movement."

The presence of just a few Trotskyist worker representatives was sufficient to arouse the entire mass of workers and a platform of revolutionary struggle was approved, the main points being: *a sliding scale of wages; a sliding scale of hours; formation of an anti-capitalist workers' bloc* (proletarian united front), etc., etc. The Minister of Labor, Monroy Block, was defeated in debate by Guillermo Lora, young militant of the Revolutionary Workers Party, and the worker representatives at the Congress carried Lora out in triumph on their shoulders.

### The July Uprising

In the last days of the Villarroel regime, the mining magnates precipitated a grave crisis. The companies threatened to close various mines. The government responded with a decree that signified the quasi-nationalization of these mines. But the entire Bolivian government depends economically on the crumbs granted it by the mining bourgeoisie. A government lacking the material support of "la Rosca" is predestined to go down in defeat.

The cost of living, in the meantime, was zooming to dizzy heights. Those who felt the burden of economic misery the most grievously were the school teachers and professors. Their salaries were utterly inadequate to maintain the "decent" standard of living to which their social rank obligated them. A

general petition, demanding a nation-wide increase of 50 per cent, was rejected. The government offered instead a miserable raise which could not possibly meet their most urgent needs. The atmosphere, already blazing, became white hot.

At the same time, demoralization began to ferment in the Army, while the students and the workers organized extremely militant demonstrations. It was then that the government committed an error which sealed its fate: on Friday, July 19, 1946 the police fired on a student demonstration. The spark, which had been lacking up until then, flamed; and the anger of the people rose menacingly against the criminals in office.

On the morning of July 21, the masses moved against the arsenal of the Transit Center in La Paz. Street fighting developed with mounting violence. The people erected barricades. Boys, 12 to 14 years old, marched rifle in hand at the side of workers, students and school teachers while enemy bullets decimated their ranks.

The Army, in face of the popular movement, began to waver. A section decided to hold their fire and await the outcome. Many squadrons went over to the popular cause; while a small part remained loyal to the government. After bloody fighting the popular squadrons penetrated the Government Palace, thus bringing to a close a period of fascist-like violence. Not only were the fascist groups given a hard lesson, but also the Army itself and the bourgeoisie as a whole.

The Popular Rebellion of July has been called improperly a "revolution." A social revolution signifies the passage of power from one class to another, and a profound change in economic relations. This did not occur in Bolivia. A powerful proletarian party was lacking, a party capable of and decided upon taking the *whole* state power.

The people shed their blood in a noble, selfless struggle, proving their incomparable heroism. But the day after the rebellion, the bourgeois politicians, lackeys of the big mining interests, with the blessing of the Stalinist traitors, took power, prostituting the July Rebellion. The Stalinists in payment for their betrayal received numerous public posts, two ministries, including positions in the police force. Their character as traffickers of the workers movement, as servants of the capitalists, was openly disclosed. Today the Secretary of the Interior is a "sympathizer of the leftists," and a member of the PIR as

Minister of Labor is acting as an agent of the big bourgeoisie. The mine workers have repudiated him, for they consider his arbitrary decisions favorable to "la Rosca."

The working class sees more clearly each day the betrayals perpetrated under the pseudo-socialistic policies of Stalinism. The mine workers have already swung to the Trotskyist program of revolutionary struggle. Many city workers are abandoning their petty bourgeois leaders, orienting toward and joining the Revolutionary Workers Party. The antagonism and division that existed between the mine and factory workers is coming to an end. Through the Revolutionary Workers Party, the working class is becoming unified, acquiring consciousness of its historic mission and preparing itself for the struggle against its oppressors.

In this article, we propose to tell the truth and nothing but the truth. The bourgeois press has remained silent about one fact, but we cannot do so. On the day of the July Rebellion, the mine workers, believing that what was up was a *coup d'état* organized by the big bourgeoisie, marched, armed with dynamite, toward the urban centers, proposing to restore the deposed regime. And only thanks to the timely intervention of the Confederation of Mine Workers, was useless bloodshed avoided.

In the future such an incident will not be repeated. The workers of city and mines are beginning to comprehend that their future is a common one. The MNR on the one hand and the PIR on the other are being chipped away by the constructive criticism of Trotskyism. The Fourth Congress of the Mine Workers, now taking place, indicates to us that Bolivia is entering a markedly pre-revolutionary situation. The central thesis of the Congress is the thesis presented by the delegation from Llallagua. It points out the necessity of the workers taking over the mines if the companies close them down. The general spirit of the Congress is revolutionary. From this we can judge how far the workers have already gone in abandoning the reformist position and adopting the Trotskyist position of class struggle.

This is the harbinger of the coming struggles, hard and fierce struggles, but by the same token, it presages the new dawn humanity anxiously awaits, the dawn of socialism.

*Bolivia*

*November 1946.*

## Manifesto of Peruvian Trotskyists

Workers!

One year after the electoral victory of the National Democratic Front (FDN) you are beginning to realize that the "New Regime" has defrauded your hopes and betrayed your confidence.

The Apra abetted by the Communist Party has diverted the revolutionary energies of the proletariat and the middle-class poor in support of a capitalist combination, i.e., the regime of the National Democratic Front. Both the Apra and the Communist Party declared, as they still do, that our economic and political problems do not require for their solution the revolutionary overthrow of the exploiting classes. Both the Apra and the CP promised, as they still do, that the Peruvian people would gain a freer and

happier life through the new government formed by the democratic bourgeoisie and through parliamentary activities. Both the Apra and the CP once predicted, as they no longer do, that our country would evolve toward a "more just and democratic" society, overcome its feudal backwardness, and rid itself of the imperialist yoke, without infringing upon the laws and structure of the feudal-bourgeois state under which we live. To the perspective of the socialist revolution, both the Apra and the CP counterposed the perspective of a tranquil transition through this new regime of the capitalists, imperialists and even landlords—a transition that was bound to assure the welfare, liberty and progress of the workers by the magic spell of such words as "democracy," "collaboration of all Peruvians of

good-will," "national unity"—and under the approving and compassionate eyes of the United Nations Organization.

Up till now the workers have thrown their unqualified support behind this Apra-CP policy. What have they gained?

The economic situation of the country is going from bad to worse. The full weight of the crisis falls on the shoulders of the proletariat and the middle-class poor. For the broad masses of workers and consumers the problem of subsistence is getting worse, verging on slow starvation. Sabotage by the so-called "producers" who exploit the country-side; profiteering by the merchants and all sorts of middle-men; the impotence and perhaps complicity of the governing officials and legislators of all parties—all this

runs parallel to the scarcity of prime necessities, and produces unbridled economic and political speculation which benefits only the Peruvian landowners, the big bourgeoisie and the imperialists. Amid the constant and uncontrollable rise in the cost of living, the painfully won wage raises are insufficient not only to improve the living standard of the wage earners but even to maintain a minimum level of bearable existence. In his recent message to Congress, Bustamante declared that Peru is inseparable from the conditions of the world capitalist system. Among the most malignant manifestations of this system's decay is inflation which grows worse daily. If the workers and the poor employes bow before the presidential edict that they be rather modest in their wage demands, the immediate result will be a further degradation of their living standards. The situation in clothing, sanitary conditions and transportation is equally critical.

On the other hand, the big imperialist enterprises and the handful of native capitalists and landowners wax richer on the misery and toil of the workers.

The results of the illusory '95 without bullets" are no less disheartening on the political field. The establishment, relatively speaking, of political democracy and the promulgation by parliament of formally progressive laws on public education and agrarian property seemed to augur a democratic blossoming. But this blossoming is excluded by the fact that reactionary forces predominate on the political scene: traditional "civilismo" has reappeared under a new guise and new reactionary tendencies have arisen from among those political sectors which only yesterday were able to pose as democratic and revolutionary.

The notorious reactionary forces never lost their political strongholds, even though they were unable to organize a clearly defined party of their own. Following their defeat in the elections, they either withdrew or disguised themselves. But finding themselves unmolested, they quickly reappeared more aggressive and insolent than ever before, amid the vacillations of the self-styled democratic leaders. Their press from *El Comercio* to *Jornada*—not to mention the *Haroldo* and *Vanguardia* which are adding to the universal confusion—is busy preparing the psychologic conditions for the resumption of power by the blackest reaction.

The "New Regime" has in the meantime respected religiously the economic and political positions of "civilismo." The relations between the government and the politicians of the former regime keep improving daily. This government no longer bothers to hide its conservative character and is evolving along reactionary lines.

Bustamante approved with especial malevolence the restrictions on union organization and the right to strike, which up till now the government has denied only to federal employes, teachers and "defense" workers. In the conflicts between labor and capital, the President has sided completely with the exploiters, taking a hostile attitude toward the working class in his presidential addresses. The military bureaucracy has

fortified its positions and is devouring a large share of the national income. The Ministry of Interior has been turned over to a reactionary militarist. The executive branch insists on maintaining the veto power, a detested relic of the constitutional monarchies of the last century. Foreign relations are conducted in the interests of Wall Street.

Lifted into power by the vote of the people, the government is now seeking assistance among its former enemies who only yesterday backed the candidacy of Ureta, who, in his turn, has been elevated to the rank of Marshal. The fusion of the government and the traditional reaction is only a matter of technical details.

Not only are reactionary tendencies developing through the right wing groups, not only are they expressed in the government's orientation, but they also find their open expression among the leadership of a party that rests on a mass base, the Apra party. Once this party regained its legality, its "chief" proceeded to ignore and publicly to reject all perspectives of change in the socio-economic structure of the country. He has pledged not to deprive the imperialists and the landowners of any of their power. The Aprist leaders brag about their cordial relations with the high clergy. They proclaim their unbounded love for that self-same Army that massacred the insurgents at Trujillo, Cajamarca, Mal Paso. . . . They extend their hands to the butcher Flores, who replies by spewing Fascist spittle in their faces. They seek to pass laws restricting the freedom of the press, with an eye to banning the revolutionary press on the morrow. These leaders of class collaboration, from which only the exploiters profit, slander and hound workers who refuse to submit to their yellow policy in the trade unions. Yesterday's fickle supporters of political strikes, they sabotage today every movement in defense of workers' rights, using as a pretext reactionary plots which they themselves encourage by their waverings. Spokesmen for "Yankee Democracy"—that is, for colonial exploitation and atomic warfare—they throw their support behind the executive proposal which would assure the delivery of new oil fields into the hands of Yankee imperialism; they passionately preach a holy war against the Soviet Union, and, above all, against communism. In this task they bank on the support of the Stalinist betrayers who have discredited and bled white the party that was once the party of Mariategui; who have distorted its doctrine beyond recognition and rendered it defenseless even before the cowardly irony of Haya de la Torre, the philosopher-clown.

The ex-Communist Party, which capitulated to Prado yesterday, and which is today caught between the Apra and "civilismo," has no other way out except to deliver itself to the former or the latter. Author of the myth of Bustamentan democracy, chief advocate of "national unity," this party, together with the Apra, represents the political force which curbs, drains and dissipates the revolutionary energies of the great exploited masses for the sole purpose of maintaining the stability of an outlived social order.

At the bottom of the crisis in Peru are two basic conditions.

First, there is the survival of socio-economic relations bequeathed by feudalism. As a result of this, our huge peasant population, lacking equipment and arable lands, has to work in conditions of semi-slavery for a handful of landowners. At the same time, the low level of industrial development drives the living standard of the urban population to the very lowest level.

Second, there is the Yankee imperialist domination of our principal natural resources. This deforms our country's economic life and renders it anemic. It is exploited as a market for capital and commodities and serves as a source of raw materials. Thereby, the economic evolution toward nationalization and industrialization is impeded; and, conversely, the perpetuation of semi-feudal relations, as a means of exercising complete control over this semi-colony, is favored.

These two conditions explain the sluggishness of our social evolution, the horrible backwardness under which the native population lives, the shameful poverty of our cultural life, and the instability of our flimsy and decaying political institutions. Today this situation has led to a crisis. Inasmuch as the socio-economic structure of the country is in complete contradiction with the social needs, this crisis is a revolutionary crisis. It cannot be solved except through the social revolution. The remnants of feudalism must be destroyed by drastic agrarian reforms. We must win our national independence. These two tasks cannot be separated; they are intimately interrelated. Agrarian reform and national independence are the main tasks of the democratic revolution.

### *Petty Bourgeois Sophistry of Apra and the Perfidious CP*

To carry out the tasks of the democratic revolution—this was the aim of Apra's 5-point program; this was the program which the CP pretended to sponsor. But what have these parties done toward bringing victory to the much advertised "bourgeois-democratic revolution"? Exactly nothing. This is the lesson of the "New Regime's" first year. And what can the Apra and the CP accomplish? Exactly nothing. The Apra and the CP cannot fulfill the tasks of the democratic revolution because instead of fighting consistently and resolutely against imperialism and against the capitalists, they preach "national unity" and support the "democratic regime," that is, the social order which is the very negation of the democratic revolution.

The Apra, the CP and Ravines [former CP leader] say that the "bourgeois democratic revolution" must be brought to a close because this revolution is not proletarian and socialist. It was precisely this conception, repeated to the point of boredom by the leadership of the counterfeit CP and by the renegades of *Vanguardia*, that originally led to the split between the petty bourgeois followers of Haya de la Torre, on the one hand, and the proletarian vanguard grouped around Mariategui, on the other. This conception served the petty bourgeois politicians as a bridge to their orientation toward the native bourgeoisie

and imperialism. In his day the Marxist Mariategui demolished this essentially counter-revolutionary conception. His self-styled disciples, in open violation of the teachings of the founder of the CP of Peru, have embraced this conception. They thereby reveal that they are a petty bourgeois agency at the beck and call of the Moscow bureaucracy. They are rivals of the Aprist politicians, but not their historic enemies. What separates the Apra from the CP are immediate interests. But these two parties are alike as peas in a pod in their role of agents of class collaboration. The Aprists are opposed to the class independence of the proletariat; they play the game of the bourgeoisie. The "Communists" who preach "national unity" and support the "progressive" bourgeoisie likewise play the game of the bourgeoisie. Both parties say that it is not yet time to fight for the historic objectives of the proletariat; but that instead it is necessary to fight for the "bourgeois democratic revolution," for the development of "native capitalism," in other words, for the consolidation of the bourgeois order. But can the native bourgeoisie lead—or even go along with—the democratic revolution to its consummation? Is it possible to envisage a bourgeois democratic development in Peru within the framework of world capitalism under the sway of imperialism? We repeat what Mariategui has already said: *this is not possible.*

### ***Our Democratic Revolution Is Not a Bourgeois Revolution***

"The Latin-American revolution will be a stage, a phase of the world revolution, and nothing else. It will be purely and simply the socialist revolution" (Mariategui.)

During the ascent of capitalism, the bourgeoisie of the advanced countries appeared as the democratic class *par excellence*. During the death agony of capitalism, in the era of imperialism which threatens mankind with atomic destruction, the bourgeoisie of these same countries becomes transformed into the negation of democracy.

We cannot solve democratic revolution within the national or international framework of bourgeois society. In Mariategui's program for the proletarian party it is stated:

The international character of modern economy permits no country to escape from the processes of transformation which originate in the present-day conditions of production. . . .

Imperialism bars the economic program of nationalization and industrialization in every semi-colonial country which it exploits as a market for its capital and commodities, and as a source of raw materials.

We are a semi-colony of Yankee imperialism. If, in the course of the last war, Peru was a component part of the economic and diplomatic machinery at the service of Wall Street, then in the next conflict our country will fall under the direct control of imperialism and our youth will be converted into cannon fodder. This process is well on its way. In carrying out Truman's plan of unifying the Latin-American armies under Yankee tutelage, we will lose even the semblance of national independence. The agreement with

"International Petroleum," which is defended by the Aprists and Bustamante and which is gleefully accepted by the CP, is another link in the chain of our complete subjugation.

Notwithstanding the fake anti-imperialist shouts of the anti-Aprist reaction, all sectors of the bourgeoisie recognize and accept our dependent position in relation to imperialism. This dependence is inescapable so long as capitalist imperialism dominates the world. This system is able to survive precisely because of the subjugation of colonial, semi-colonial and dependent countries like ours.

The fate of our weak-jointed national bourgeoisie is intimately bound up with the fate of the entire world capitalist system. Its fate is the fate of a prematurely senile and obsolete class which has no other objectives except to survive. The triumph of the democratic revolution and the conquest of national independence by countries like ours would deal a mortal blow to the world capitalist system and, in consequence, to our own bourgeoisie. While the imperialist bourgeoisie fears most of all the socialist revolution, the bourgeoisie of dependent countries lives in constant dread of the democratic revolution.

The development of world capitalism has compressed our exploiting classes into an international mould which prohibits their participating fruitfully in the democratic revolution and drives them toward the counter-revolution. Elements of capitalism are interwoven with feudalism in our economy. But the very basis of "our" capitalism, i.e., the oil industry, the key sectors of the transportation system, most of our small manufacturing industry, our financial relations—all these are the exclusive property of the imperialists and not of the native bourgeoisie. This native class, even its most favored sections, rests on extremely slender and feeble props. The real big bourgeoisie is not in Peru but in Wall Street, this fierce enemy of democratic and national revolutions.

On the other hand, the native elements which constitute the Peruvian plutocracy, namely, the factory owners and the bankers, are tied up with the exploitation of large haciendas, that is, with semi-feudalism. The alleged conflict between the industrialists and bankers, on the one side, and the landowners, on the other, is nothing else but opportunist sophistry spread by the CP. Upon reaching a certain stage of development, the bourgeoisie begins to capitalize agriculture. But wherever large estates survive, along with the forms of exploitation deriving therefrom, the bourgeoisie finds ample room for investing its capital without destroying the basis of the feudal system, and, what is more, even by fortifying and extending it. This is verified by the ruination of small farmers by the big farms on the coastal areas. The bourgeois from Lima thus unites with the lord of Huancavelica in a bourgeois-feudal brotherhood with the blessing of imperialism, their foster-father. The Peruvian plutocracy is in reality subordinated to the finance capital of Wall Street. It originated, nourished itself and thrived by turning over our basic resources to imperialism, its master. It is the natural enemy of the democratic revolution and of national independence. Such is the "pro-

gressive" bourgeoisie with whom the Stalinists have united under express orders from the Moscow bureaucracy. Up till now this class has ruled through the military cliques of Sanchez Cerro and Benavides and on occasion it has even ruled directly as in the case of Prado. Today it is being served by an avowedly bourgeois government supported by the popular parties. On the morrow it might be obliged to rule through a party of petty bourgeois origin. It will unfailingly govern against the democratic revolution.

The Aprists and the "Communists" do not dare deliver the workers openly to the political leadership of the big bourgeoisie, the ally of feudalism and the servant of imperialism. But they achieve the same objective by subjecting the proletariat to a petty bourgeois political perspective. By distorting the real need for a revolutionary alliance between the proletariat and the middle-class poor, they have subjected the working class to the political leadership of the petty bourgeoisie and through it to the plutocratic bourgeoisie and to imperialism.

### ***The Petty Bourgeoisie and the Revolution***

Owing to conditions inherent in our economic development, the middle class has attained a semblance of stability and equilibrium between the two antagonistic classes, the proletariat and the bourgeoisie. Therein is the explanation for the aggressiveness and militancy in the initial stages of the Apra, the party of the petty bourgeoisie.

In all of Latin America there was not a more radical and advanced petty bourgeois party. Its maximum program, boldly democratic and revolutionary, was condensed in the famous "5 points": 1) Against imperialism; 2) For the unification of "Indo-America"; 3) For the internationalization of the Panama Canal; 4) Solidarity with all colonial and oppressed countries; 5) The expropriation and nationalization of large estates and big industrial enterprises.

Fifteen years of opportunist yielding to the oligarchy and one year of political liberty have sufficed to disclose how impotent this party's leadership is as a revolutionary force.

Although resting on the broad toiling masses and the militant sections of the proletariat, it was at no time able to deal decisive blows to the dictatorships by which it had been outlawed. Throughout this period, the leadership of the PAP (Peruvian Aprist Party) and in particular its "Chief" maintained permanent contact with the representatives of the various political and military factions of the oligarchy and of its governments. It was unable to organize an insurrection against the dictatorships, in spite of the numerous opportunities afforded it by the revolutionary masses. When the great uprising of Trujillo took place, the leadership openly betrayed it, because the workers of the North went over the heads of the officers who had negotiated with the Aprist leaders. The movement was deliberately restricted to Trujillo, a circumstance that permitted the most savage military



repressions. On the other hand, there was not a single attempt at a military *coup d'état*, reactionary and adventuristic in character, in which the Apra leadership was not involved. It is an open secret that the "Chief" had talks first with the Sancheristas and then with the Benavidistas, and, above all, with the traveling salesmen of imperialism, like Wallace. The Apra leadership places more faith in combinations with its so-called "enemy" than in the proletarian masses who form the militant base of the party. Finally, the compromise with Benavides and Bustamante, as well as with Prado, which gave the victory to the National Democratic Front, was reached at the price of completely abandoning the "5 points," that is, the elimination of Apra as a revolutionary petty bourgeois party.

If the Apra has hitherto been able to deceive the masses with its "5 point" promises, it can no longer do so today with its slogan "Let us not take away from those who possess but let us rather create new wealth." If the petty bourgeois party was hitherto able to evade a clear definition of its position in the struggle between capital and labor, now that it has capitulated to the bourgeoisie, it no longer bothers to hide its true class character and openly preaches the idea of collaboration between capital and labor, even going so far in its cynicism as to "deny" the class struggle for "this period in our history."

The picture of Haya de la Torre surrounded by representatives of oil imperialism, shows Apra in the camp of those whom it used in the beginning to denounce as its worst enemies. The petty bourgeois anti-imperialists of the Twenties have been transformed into bourgeois pro-imperialists of the Forties. The leading elements of this party consort with the landowning circles. The revolutionary students of the heroic days ride in luxurious limousines; their wives frequent "high society" and the salons of the oldest aristocrats. Eager to demonstrate good will toward the feudal bourgeoisie, the "Chief" orders the deletion from the party program of the demand to separate the church from the state, a basic democratic demand, and as the supreme expression of his servility he hastens to worship publicly the image of "Blessed Humay." This is what "Aprist democracy" has come to.

The course of the PAP is incontrovertible proof of the inability of the middle class to serve as a leading revolutionary group. Under an illusion, perhaps sincerely entertained, that it could realize an historic destiny independently of the proletariat and the bourgeoisie and imperialism, the Aprist petty bourgeoisie served as a blind instrument in forming a party servicable to the plutocracy. The feudalists and the bourgeoisie were unable to build their own party with their forces. The Apra came to their aid, proffering them a party ready-made and anxious to serve.

The crisis of the world capitalist system which rests on private property which must be replaced by socialized property relations, deprives the middle class, as an independent class, of the possibility to carry through a democratic policy to its conclusion. This is the reason for the evolution of the Aprist organization, for the ideology and trends toward totalitarian and anti-working

class forms. Adherence to the bourgeois social order implies inexorably and ultimately the resort to fascist or proto-fascist policy, and, at all events, to anti-democratic and counter-revolutionary policy. All efforts to reconstruct a movement on the same social and ideological basis as Apra did fifteen years ago will suffer the same fate.

The petty bourgeoisie must cast its lot either with the bourgeoisie or with the proletariat. With the bourgeoisie it can march only toward economic and political oppression. Only by subordinating itself to the historic perspectives of the world working class, will the middle class achieve the realization of its democratic dreams.

### **The Democratic Revolution Is the Task of the Proletarian Revolution**

Workers! The evolution of Peruvian classes in recent years is still another confirmation of the superiority of Marxist thought, the weapon for the final liberation of mankind. Twenty years ago the founders of the Marxist movement in Peru told us:

The pre-capitalist economy of Peru cannot be purged of the vices and vestiges of colonial feudalism by a bourgeois regime which is subordinated to imperialist interests and which enters into collusion with the feudal landowners and the clergy. . . . The country's economic emancipation can be achieved only through the action of the proletarian masses in solidarity with the world anti-imperialist struggle. Only proletarian action can undertake and carry out the tasks of the bourgeois democratic revolution, which the bourgeoisie is incapable of promoting or fulfilling.

The crushing majority of our population consists of peasants. Originally expropriated by the Spanish conquerors and later, during the colonial period and that of the Republic, by the Creole aristocracy, the peasantry has been reduced to semi-servility in conditions of material and moral barbarism. It is atomized in isolated communities, huddles in its miserable huts and suffers from national oppression maintained alike by the Peruvian exploiters and imperialist overlords. In a country so backward as ours, so semi-feudal and so dependent on imperialism, the agrarian problem and the national question destine the peasantry to play a basic role in the democratic revolution.

But this class has been so oppressed socially that a peasant movement and even less so a peasant party have never arisen, despite many heroic manifestations of elemental rebellion. The native bourgeoisie cannot and will not adopt the demands of the peasant masses. As regards the peasantry itself, its lack of economic independence and its profound internal differentiation "which enables its upper layers to ally themselves with the big bourgeoisie in the course of decisive events, above all during wars and revolutions, while its lower layers ally themselves with the proletariat" (Trotsky)—this peasantry cannot build an independent revolutionary party. It was for this reason that the peasant revolution in the Nineteenth Century triumphed as part of the bourgeois revolution, while the peasant revo-

lution in Russia, the democratic revolution, triumphed in October through the dictatorship of the proletariat.

The Peruvian peasant revolution will reach its goal under the political leadership of the working class.

Proletarians! The historic collapse of our native bourgeoisie places upon our class a great revolutionary mission. By accepting bourgeois political leadership in "national unity" or in "Aprist unity" we not only abandon our immediate interests as an exploited class, but also place ourselves in opposition to progress. The same circumstances that condition the organic weakness of the bourgeoisie have invested the proletariat with the decisive role, owing both to its greater numerical strength and greater class homogeneity. By comparison to us, the bourgeoisie is weak. It is not the master of the key capitalist enterprises. The extractive industry (mines, oil, etc.) and many manufacturing industries belong not to the native bourgeoisie but to imperialism. But the development of these industries, which added nothing to the strength of our bourgeoisie, has resulted in the growth of the proletariat, the truly productive class.

We, the proletariat, have the real power. Owing to industrial backwardness we are a minority, but this minority is compact, cohesive and organized. No ties bind us to the past, to feudalism, to imperialism. If we learn how to organize ourselves into a cohesive force, we can place ourselves at the head of the peasants. We alone, the socialist class *par excellence*, can bring about the triumph of the democratic revolution.

Only the proletariat can carry out the tasks of the democratic revolution. But by this token, the fulfilment of these tasks will not signify a fuller national development for the bourgeoisie and for capitalism as all the Ravines and the pseudo-Communist Party pretend. It will signify just the contrary.

### **The Permanent Revolution**

Reactionary classes do not yield their power voluntarily. The triumph of the democratic revolution is unthinkable without the crushing of the landlords and the bourgeoisie. The democratic revolution can triumph only through the dictatorship of the proletariat, resting on an alliance with the peasantry. This is the only way to destroy the feudal-bourgeois counter-revolution. Let us not forget that the democratic revolution in Russia was not brought to its completion by the petty bourgeois Mensheviks or "democrats" but by the dictatorship of the proletariat. By ignoring this lesson, the Communist Party of China, whom the Stalinist leadership betrayed, precipitated the defeat of the democratic revolution and led to the victory of the bourgeois counter-revolution with Chiang Kai-shek at the head.

The dictatorship of the proletariat, however, will find itself immediately faced with tasks which will oblige it to transgress upon bourgeois property rights. "In the course of its development, the democratic revolution passes directly into the socialist revolution and thus it becomes the permanent revolution" (Trotsky).



Our revolution, simultaneously democratic and socialist, cannot develop and triumph within the narrow framework of the national state. It cannot triumph unless imperialism is crushed. It cannot triumph without the assistance of revolutionary victories in other Latin-American countries. Our revolution is more than a part of the Latin-American revolution. Like that of the other colonial, semi-colonial and dependent countries, the Latin-American revolution is simply a part of the world revolution of the oppressed. Our democratic and socialist revolution will end in the triumph of the classless society on the whole planet. Our call is the same as that issued by the Second World Congress of the Communist International, which approved Lenin's report on the national and colonial question. We call upon the Peruvian proletariat to fight for its historic objectives, for world communism, in the confidence that "the masses of the backward countries, led by the conscious proletariat of the advanced countries, will achieve communism without having to pass through the different stages of capitalist development" (*Supplementary Theses on the Colonial and National Question* adopted by the Second World Congress of the CI).

### **For the Formation of an Authentic Proletarian Revolutionary Party**

The objective social and economic conditions necessary for the triumph of the revolution are historically here. Nevertheless the revolution remains paralyzed, while our poverty and oppression grow worse daily. The revolution does not advance because the masses have been made captives of the ideology and political parties of the class enemy. The role of the Apra and the CP has been to retard the development of lucid revolutionary consciousness among the proletariat. Failing this lucid consciousness of its historic goals and its political necessities, the proletariat falls easy prey to the exploiters.

The revolution is not advancing because the proletariat has no party of its own to lead it to victory. We need a class party that will provide a real revolutionary leadership; that will prepare and organize the future struggles, that will raise the consciousness of all the exploited layers enabling them to grasp correctly the current political problems. We need a party that knows how to awaken the revolutionary energies of the peasantry and to destroy the capitalist influence over the poor middle-class; a party that will guide and bring us to the necessary alliance of the proletariat, poor middle class and the disinherited peasantry and forge it into a real fighting alliance and not into a surrender to petty bourgeois impotence. We need a party prepared for the task of establishing a revolutionary government, a party able to march in step with the international proletarian revolution.

The formation of this authentic revolutionary proletarian party is the task of the hour facing the workers' vanguard. Unless we take this first step, and take it right away, we shall not be able to move forward. Comrades! This party

does not exist as yet. The Apra, as its bourgeois leadership has explicitly declared, is not a working class party. Nor is the CP a revolutionary party. The Party of Mariategui is dead, assassinated by its petty bourgeois leadership who have sold out to Stalinism and to the native bourgeoisie.

### **The Stalinist Betrayal**

What clearer proof could here be of its betrayal than the abandonment of the revolutionary position and the adoption of the thesis of "the bourgeois democratic revolution," of the "progressive national bourgeoisie" and of "national unity" between the exploited and the exploiters? What better proof of its betrayal do we need than the Stalinist renunciation of the perspective of the dictatorship of the proletariat and its replacement by the bourgeois governments of Prado and Bustamante? What better proof could there be of this betrayal than the collusion between the Stalinists and the Peruvian reactionaries to rid themselves of their Aprist rivals?

There is perfect harmony between the policies of the Peruvian Stalinists and their role of flunkies to the counter-revolutionary bureaucracy of Moscow. The party founded by Mariategui has ceased to be a workers' and a communist party because the international Communist movement has been perverted through the bureaucratic degeneration of the USSR.

The socialist revolution is international, or else it is not socialist at all. The Russian Revolution was nothing else but the prelude to the world revolution. Only the victory of the proletariat in the most important countries could have assured the harmonious evolution of the USSR, a predominantly peasant country, with a poor and backward economy. The defeat of the first world revolutionary wave after the First World War made it impossible for socialism to blossom in one-sixth of the world and at the same time it gave birth to a bureaucratic caste which ended by destroying the very semblance of the proletarian dictatorship and by assassinating the very founders of the first workers' state in the world. This has provided the basis for the opportunist tendencies in the Communist parties throughout the world and has converted the Communist International into a pawn in the diplomatic chess game of the "Soviet" bureaucracy.

*To be with the Stalinist bureaucracy is to be against the world revolution.*

Aware that the world socialist revolution would put an end to his rule, Stalin has attempted to maintain a status quo between the capitalist world and the degenerated workers' state. The price of this policy has been the suppression of revolutionary movements throughout the world. The list of betrayals by the Stalinist parties in various countries is endless. Is it necessary to recite the defeats of so many proletarian revolutions in the interval between the two world wars? After the second butchery are we not eyewitnesses to Stalin's alliance with imperialism in order to defeat the revolutions that loom in France, Italy, Central Europe, Germany and in

the colonies? Aren't we still trembling with indignation at the way in which the Stalinist bureaucracy abandoned the Greek proletariat to the bullets of English imperialism and the Greek capitalists?

The power of the Stalinist bureaucracy confronts two enemies. On the one side there is the international proletariat and especially the Soviet proletariat which regards the bureaucracy as its worst internal enemy, as the saboteur of the world socialist revolution. On the other side there is imperialism which hopes to solve its crisis and find new markets by subjecting one-sixth of the world to its exclusive domination. The world proletariat has not yet succeeded in recuperating from the opportunist Stalinist degeneration. Meanwhile with the disappearance of the German-Japanese axis, imperialism is presenting a united front with a view to extirpating the last vestiges of the October conquests—collectivized and planned economy—and is conducting a major campaign against this very same Russian bureaucracy. This danger forces Stalin to resume the use of stronger language toward capitalists, exclusively for the purpose of gaining support among the workers in the defense of his bureaucratic power. This is the meaning of the false neo-leftism of the "Communist" parties. This type of politics has nothing in common with the interests of the proletariat, it serves only for the defense of the counter-revolutionary bureaucracy.

To be with Stalinism, that is with the Russian bureaucracy, is to play definitely the game of capitalism. This is so obvious that many of the Stalinist cadres are going over to the direct service of their respective bourgeoisies. This is the case with Ravines in our own country. Trained by Moscow, he refuses to depend on any one but Lima.

We, the workers of Peru, can be neither with Moscow nor with Lima; neither with the Russian nor the Peruvian counter-revolution. We are with the international proletarian revolution and against all its enemies.

### **The Fourth International, Instrument of World Salvation**

Proletarian organization is essentially international. None of the problems of the proletariat can be solved on a national scale, hence the necessity for an international workers' party.

The Second and Third Internationals founded in the course of this war. But the party of the world revolution has emerged with the red flag flying from its masthead. Reaffirming the program and experience of the Third International of Lenin and Trotsky, the revolutionists of the principal countries repudiated the Stalinized Comintern at a time when it became converted into a mere pawn in Moscow's diplomatic maneuvers. The Fourth International was founded under the leadership of Leon Trotsky, organizer of victory in October, organizer of the Red Army, Chairman of the Petrograd Soviet and comrade-in-arms of Lenin. The GPU assassinated Trotsky and many of our militants, but the Fourth International stood up under the repres-

sions of Stalinism and of capitalism; it stood up against the patriotic delirium in wartime. Today the Fourth International is the only international party of the proletariat. It is the world party of the socialist revolution: our place is in its ranks.

Comrade Workers! The Marxist Workers Group, an authentic proletarian Marxist group, directs this solemn call to you:

Build with us the authentic party of the Peruvian proletariat, Peruvian section of the Fourth International!

All revolutionists must leave the ranks of rotten Stalinism and of the Apra, these tools of the bourgeoisie. No confidence whatever in these traitors! We are confident that the most conscientious proletarian militants, the workers vanguard, will join with us to lay the foundation of the proletarian party. In the meantime, the Marxist Workers Group makes its contribution to this great task with this Manifesto, appraising the revolutionary situation from the Leninist viewpoint, advancing the correct historical perspective and explaining the program of the revolution.

The struggle will be hard. Your Aprist and Communist leaders will tell you that our program is not realizable in life. Yes, Comrades, it cannot be realized under the conditions of the present situation. But what they will not tell you is that this situation can be overcome only through the struggle for the revolutionary program. Who are the enemies of this program? The imperialists, the landowners, the bourgeoisie and its Aprist and Stalinist agents, the opportunists. The struggle against these class enemies is therefore part of the struggle for the program, for the revolution, and, in the first place, for the building of the party.

Our program combines the tasks of the democratic revolution and of socialism. It takes as its starting point the immediate tasks and rises to the great objectives of the proletarian revolution. Beginning with an appraisal of the existing possibilities within bourgeois society it goes on to the final necessity of abolishing the power of the exploiters.

We will tirelessly repeat that the immediate and primary condition of the revolutionary program is the building of our class party, the Peruvian section of the Fourth International. To this task our Manifesto is dedicated. But we summon you to build this party on the basis of certain immediate and transitional demands which will serve as a nucleus for the definitive pro-

gram. We call upon you to discuss them democratically with us, within the MWG, as the first step toward the formation of the party.

1. *For the building of the Peruvian section of the Fourth International.* The class party of the proletariat supplies the basis for the struggle against foreign imperialism and the native bourgeoisie. It is the guarantee of the class independence of the proletariat against the class enemy. While our ultimate objective is the destruction of the bourgeoisie, under the present conditions we must take advantage of every opportunity to force the bourgeoisie and, above all, the middle class toward certain progressive actions. In particular force them to grant the fullest political liberty for the workers; introduce unrestricted universal suffrage (including votes for women); create a single chamber; abolish the presidential veto; introduce the recall of municipal and parliamentary representatives; democratize the army; extend the political rights of the soldiers (the right to vote, to agitate politically, and to affiliate politically). For the formation of soldiers' committees to safeguard internal democracy in the barracks. For the removal of anti-democratic officers. For military training of workers under the control of their class organizations.

2. *For the world struggle against imperialism. For the international proletarian revolution.* Solidarity with all the colonial and oppressed countries. No aid whether military, economic or diplomatic, to the imperialist overlords. Alliance with the workers of the United States against Wall Street.

3. *For complete national independence.* For the economic and political unification of Latin America in a federation of Soviet Socialist Republics of Latin America.

4. *For the agrarian reform.* Expropriation without indemnity of the big landed estates and their free transfer to the poor peasants, under the control of poor peasants' committees. As regards the peasant communities, they should be raised progressively to modern socialist-collective forms of organization. Nationalization of the big sugar, cotton and rice plantations.

5. *For the nationalization of big industrial enterprises, especially mining, oil and transport. For workers' control of production.*

6. *For industrialization.* Against the fraud that the bourgeoisie is able to realize a program of nationalization and industrialization under the sway of imperialism. Industrialization will become a reality under socialism.

7. *For the unrestricted right to organize trade unions, including government employees, teachers and "defense" workers. Against any intervention of the bourgeois state in the internal affairs of the unions, neither in organization, nor in the leadership nor in the solution of conflicts. For the class independence of the trade unions.*

8. *For the sliding scale of wages under the control of workers' committees to meet the rising cost of living. Fight against the speculators.*

9. *For the formation of broad workers' committees in the labor centers, especially in the nationalized enterprises, with the right to intervene in planning of industrial policy. Open the books!*

10. *For the organization of workers and peasants committees into a national congress that will confront the bourgeois state.*

11. *For the abolition of the bourgeois state and the establishment of the dictatorship of the proletariat, resting on workers' and peasants' committees and organizations and parties of the working class. Only a Workers' and Peasants' Government will be able to turn into reality the tasks of the democratic revolution, and crush the counter-revolutionary plots of the landowners, the capitalists and the imperialists. Only a Workers' and Peasants' Government will be able to start the building of Socialism, through the planned use of our economic resources in accordance with the tremendous possibilities that modern technology offers and above all with the help of organized world socialism which will permit harmonious cooperation between all the countries of the world, amid peace and plenty.*

Workers who suffer from capitalist exploitation! Peasants who are sucked dry by the landowners! Poor petty bourgeois who sweat in your miserable little shops, or on a small piece of land or in an office—you, too, in your miserable existence are victims of capitalist oppression! Your only salvation lies in the program of the MWG and in the general program of the Fourth International.

Let us organize a powerful proletarian party! Let us build the Peruvian section of the Fourth International!

Long live the socialist revolution which will carry out the tasks of the democratic revolution! Long live international socialism!

Workers of the world unite in the Fourth International.

# Zionism

By A. LEON

*We offer our readers another chapter from the still unpublished manuscript The Materialist Conception of the Jewish Question. The author, A. Leon, the national secretary of the Belgian Trotskyists, was arrested by the Gestapo in June 1944 and died a martyr's death in the Nazi concentration camp at Auschwitz.—Ed.*

Zionism was born in the light of the incendiary fires of the Russian pogroms of 1882 and in the tumult of the Dreyfus Affair—two events which reflected the sharpness that the Jewish problem began to assume at the end of the Nineteenth century.

The rapid capitalist development of Russian economy after the reform of 1863 made the situation of the Jewish masses in the small towns untenable. In the West, the middle classes, shattered by capitalist concentration, begin to turn against the Jewish element whose competition aggravated their situation. In Russia the association of the "Lovers of Zion" was founded. Leo Pinsker wrote *Auto-Emancipation*, in which he called for a return to Palestine, as the sole possible solution of the Jewish question. In Paris, Baron Rothschild, who, like all the Jewish magnates, viewed with very little favor the mass arrival of Jewish immigrants into the Western countries, became interested in Jewish colonization in Palestine. To help "their unfortunate brothers" to return to the land of their "ancestors," that is to say, to go as far away as possible, contained nothing displeasing to the Jewish bourgeoisie of the West, who with reason feared the rise of anti-semitism. A short while after the publication of Leo Pinsker's book, a Jewish journalist of Budapest, Theodore Herzl, saw anti-semitic demonstrations at Paris provoked by the Dreyfus Affair. Soon he wrote *The Jewish State*, which to this day remains the bible of the Zionist movement. From its inception, Zionism appeared as a reaction of the Jewish petty bourgeoisie (which still forms the nucleus of Judaism), hard hit by the mounting anti-semitic wave, kicked from one country to another, and striving to attain the Promised Land where it might find shelter from the tempests sweeping the modern world.

Zionism is thus a very young movement; it is the youngest of the European national movements. That does not prevent it from pretending, even more than all other nationalisms, that it draws its substance from a far distant past. Whereas Zionism is in fact the product of the last phase of capitalism, of capitalism beginning to decay, it pretends to draw its origin from a past over two thousand years old. Whereas Zionism is essentially a reaction against the situation created for Judaism by the combination of the destruction of feudalism and the decay of capitalism, it affirms that it constitutes a reaction against the state of things existing since the fall of Jerusalem in the year 70 of the Christian era. Its recent birth is naturally the best reply to these pretensions. As a matter of fact, how can one believe that the remedy for an evil existing for two thousand years was discovered only at the end of the Nineteenth century? But like all nationalism—and even more intensely—Zionism views the historic past in the light of the present. In this way, too, it distorts the present picture. Just as France is represented to French children as existing since the Gaul of Vercingétorix; just as the children of Provence are told that the victories that the kings of Ile de France won over their ancestors were their own successes, in the same way Zionism tries to create the myth of an eternal Judaism, eternally the prey of the same persecutions. Zionism sees in the fall of Jerusalem the cause of the dispersion, and consequently, the origin of all Jewish misfortunes of the past, present and future. "The source of all the misfortunes of the Jewish people is the loss of its historic country and its dispersion in all countries," declares the Marxist delegation of the "Poale-Zion" to the Dutch-Scandinavian committee. After the violent dispersion of the Jews by the Romans, their tragic history continues. Driven out of their country, the Jews' "national cohesiveness," "with a superior ethical feeling," and with "an indestructible belief in a single God" (see the article of Ben Adir, "Anti-semitism" in the *Algemeine Encyclopedie*), they have resisted all attempts at assimilation. Their sole hope during these somber days which lasted two thousand years was the vision of a return to their ancient country.

Zionism has never seriously posed this question: Why, dur-

ing these two thousand years, have not the Jews really tried to return to this country? Why was it necessary to wait until the end of the Nineteenth century for a Herzl to succeed in convincing them of this necessity? Why were all the predecessors of Herzl, like the famous Sabetai Zevi, treated as false Messiahs? Why were the adherents of Sabetai Zevi fiercely persecuted by orthodox Judaism?

Naturally, in replying to these interesting questions, refuge is sought behind religion. "As long as the masses believed that they had to remain in the *Diaspora* until the advent of the Messiah, they had to suffer in silence," states Zitlovski (*Materialism and the National Question*), whose Zionism is moreover quite conditional. Nevertheless this explanation tells us nothing. Precisely what is required is an answer to the question of why the Jewish masses believed that they had to await the Messiah in order to be able to "return to their country?" Religion being an ideological reflection of social interests, it must perforce correspond to them. Today religion does not at all constitute an obstacle to Zionism. (There is a religious-Zionist bourgeois party, *Misrakhi*, and a religious-Zionist workers' party, *Poale-Misrakhi*.)

### "Dream of Zion"

In reality just so long as Judaism was incorporated in the feudal system, the "dream of Zion" was precisely nothing but a dream and did not correspond to any real interest of Judaism. The Jewish cabaret owner or "farmer" of Sixteenth-century Poland thought as little of "returning" to Palestine as does the Jewish millionaire in America today. Jewish religious Messianism was no whit different from the Messianisms belonging to other religions. Jewish pilgrims who went to Palestine met Catholic, Orthodox, and Moslem pilgrims. Besides it was not so much the "return to Palestine" which constituted the foundation of this Messianism as the belief in the rebuilding of the temple of Jerusalem.

All of these idealist conceptions of Zionism are naturally inseparable from the dogma of eternal anti-semitism. "As long as the Jews will live in the *Diaspora*, they will be hated by the natives." This essential point of view for Zionism, its skeleton so to speak, is naturally given different nuances by its various currents. Zionism transposes modern anti-semitism to all of history; it saves itself the trouble of studying the various forms of anti-semitism and their evolution. However, we have seen that in different historical periods, Judaism made up part of the possessing classes and was treated as such. Summarizing (the idealist conception), the sources of Zionism must be sought in the impossibility of assimilation because of "eternal" anti-semitism and of the will to safeguard the "treasures of Judaism." (Bohm, *Die Zionistische Bewegung*.)

In reality, Zionist ideology, like all ideology, is only the distorted reflection of the interests of a class. It is the ideology of the Jewish petty bourgeoisie, stifling between feudalism in ruins and capitalism in decay. The refutation of the ideological fantasies of Zionism does not naturally refute the real needs which brought them into being. It is modern anti-semitism, and not mythical "eternal" anti-semitism, which is the best agitator in favor of Zionism. In the same way, the essential question which is posed is to know to what extent Zionism is capable of resolving not the "eternal" Jewish problem but the Jewish question in the period of capitalist decay.

Zionist theoreticians like to compare Zionism with all other national movements. But in reality, the foundations of the national movements and that of Zionism are altogether different.

The national movement of the European bourgeoisie is the consequence of capitalist development; it reflects the will of the bourgeoisie to create the national bases for production, to abolish feudal remnants. The national movement of the European bourgeoisie is closely linked with the ascending phase of capitalism. But in the Nineteenth century, in the period of the flowering of nationalisms, far from being "Zionist," the Jewish bourgeoisie was profoundly assimilative. The economic process from which the modern nations issued posed the bases for integration of the Jewish bourgeoisie into the bourgeois nation.

## Jewish Nationalism

It is only when the process of the formation of nations approaches its end, when the productive forces have for a long time found themselves too restricted within national boundaries, that the process of expulsion of Jews from capitalist society begins to manifest itself, that modern anti-semitism begins to develop. The elimination of Judaism accompanies the decline of capitalism. Far from being a product of the development of the productive forces, Zionism is precisely the consequence of the complete halt of this development, the result of the putrefaction of capitalism. Whereas the national movement is the product of the ascending period of capitalism, Zionism is the product of the imperialist era. The Jewish tragedy of the Twentieth century is a direct consequence of the decline of capitalism.

Therein lies the principal obstacle to the realization of Zionism. *Capitalist decay—basis for the growth of Zionism—is also the cause of the impossibility of its realization.* The Jewish bourgeoisie is compelled to create a national State, to assure itself of the objective framework for the development of its productive forces, precisely in the period when the conditions for such a development have long since disappeared. The conditions of the decline of capitalism which have posed so sharply the Jewish question make its solution equally impossible along the Zionist road. And there is nothing astonishing in that. An evil cannot be suppressed without destroying its causes. But Zionism wishes to resolve the Jewish question without destroying capitalism, which is the principal source of the suffering of the Jews.

At the end of the Nineteenth century, in the period when the Jewish problem was just beginning to be posed in all its sharpness, 150,000 Jews each year left their countries of origin. Between 1881 and 1925, nearly four million Jews emigrated. Despite these enormous figures, the Jewish population of Eastern Europe rose from 6 to 8 million.

Thus, even when capitalism was still developing, even when the countries across the ocean were still receiving immigrants, the Jewish question could not even begin to be resolved (in the Zionist meaning); far from diminishing, the Jewish population showed a bad penchant of wanting to grow. In order to begin to resolve the Jewish question, that is to say, in order to begin really to transplant the Jewish masses, it would be necessary for the countries of immigration to absorb at least a little more than the natural growth of Jews in the *Diaspora*, that is at least 300,000 Jews per year. And if such a figure could not be reached before the first imperialist war, when all the conditions were still favorable for emigration, when all developed countries such as the United States were permitting the mass entry of immigrants, then how can we think that it is possible in the period of the continuous crisis of capitalism, in the period of almost incessant wars?

Naturally there are sufficient ships in the world to transport hundreds of thousands, even millions of Jews. But if all coun-

tries have closed their doors to immigrants, it is because there is an overproduction of the labor forces just as there is an overproduction of merchandise. Contrary to Malthus, who believed that there would be too many people because there would be too few goods, it is precisely the abundance of goods which is the cause of the "plethora" of human beings. By means of what miracle, in a period when the world markets are saturated with goods, in the period when unemployment has everywhere become a permanent fixture, by what miracle can a country, however great and rich it may be (we pass over the data applying to poor and small Palestine), develop its productive forces to the point of being able to welcome 300,000 immigrants each year? In reality the possibilities for Jewish emigration diminish at the same time that its need increases. The causes which promote the need for emigration are the same as those which prevent its realization; they all spring from the decline of capitalism.

It is from this fundamental contradiction between the *necessity for* and the *possibility of* emigration that the political difficulties of Zionism flow. The period of development of the European nations was also the period of an intensive colonization in the countries across the ocean. It was at the beginning and middle of the Nineteenth century, in the golden age of European nationalism, that North America was colonized; it was also in this period that South America and Australia began to be developed. Vast areas of the earth were practically without a master and lent themselves marvellously to the establishment of millions of European emigrants. In that period, for reasons that we have studied, the Jews gave almost no thought to emigrating.

## Pawns of Imperialism

Today the whole world is colonized, industrialized and divided among the various imperialisms. Everywhere Jewish emigrants come into collision at one and the same time with the nationalism of the "natives" and that of the ruling imperialism. In Palestine, Jewish nationalism collides with an increasingly aggressive Arab nationalism. The development of Palestine by Jewish immigration even increases the intensity of this Arab nationalism. The economic development of the country results in the growth of the Arab population, its social differentiation, the growth of a national capitalism. To overcome Arab resistance the Jews need English imperialism. But its "support" is as harmful as is Arab resistance. English imperialism views with a favorable eye a weak Jewish immigration to constitute a counterweight to the Arab factor, but it is intensely hostile to the establishment of a big Jewish population in Palestine, to its industrial development, to the growth of its proletariat. It merely makes use of the Jews to counterbalance the Arab threat but it does everything it can to create difficulties for Jewish immigration.

Thus, to the increasing difficulties flowing from Arab resistance, there is added the perfidious game of British imperialism. Finally, we must draw still one more conclusion from the fundamental premises which have been established. Because of its necessarily artificial character, because of the slim perspectives for a rapid and normal development of Palestinian economy in our period, the task of Zionist colonization requires considerable capital. Zionism demands incessantly increasing sacrifices from the Jewish races of the world. But so long as the situation of the Jews is more or less bearable in the *Diaspora*, no Jewish class feels the necessity of making these sacrifices. To the extent that the Jewish masses feel the necessity of having a "country,"

to the extent also that persecutions mount in intensity, so much the less are the Jewish masses able to contribute to Zionist construction. "A strong Jewish people in the *Diaspora* is necessary for Palestinian reconstruction," states Ruppin. But so long as the Jewish people is strong in the *Diaspora*, it feels no need for Palestinian reconstruction. When it strongly feels this necessity, the possibility for realizing it no longer exists. It would be difficult today to ask European Jews, who have a pressing need to emigrate, to give aid for the rebuilding of Palestine. The day when they will be able to do it, it is a safe assumption that their enthusiasm for this task will have considerably cooled.

A relative success for Zionism, along the lines of creating a Jewish majority in Palestine and even of the formation of a "Jewish State," that is to say, a state placed under the complete domination of English or American imperialism, cannot, naturally, be excluded. This would in some way be a return to the state of things which existed in Palestine before the destruction of Jerusalem and, from this point of view, there will be "reparation of a two-thousand year old injustice." But this tiny "independent" Jewish State in the midst of a world-wide *Diaspora* will only be an apparent return to the state of things before the year 70. It will not even be the beginning of the solution of the Jewish question. The Jewish *Diaspora* of the Roman era was in effect based on solid economic ground; the Jews played an important economic role in the world. The existence or absence of a Palestinian mother country had for the Jews of this period only a secondary importance. Today it is not a question of giving the Jews a political or spiritual center (as Achaad Haam would have it). It is a question of saving Judaism from the annihilation which threatens it in the *Diaspora*. But in what way will the existence of a small Jewish State in Palestine change anything in the situation of the Polish or German Jews? Admitting even that all the Jews in the world were today Palestinian citizens, would the policy of Hitler have been any different?

## Zionist Utopianism

One must be stricken with an incurable juridical cretinism to believe that the creation of a small Jewish state in Palestine can change anything at all in the situation of the Jews throughout the world, especially in the present period. The situation after the eventual creation of a Jewish state in Palestine will resemble the state of things that existed in the Roman era only in the fact that *in both cases the existence of a small Jewish State in Palestine could in no way influence the situation of the Jews in the Diaspora*. In the Roman era the economic and social position of Judaism in the *Diaspora* was very strong, so that the disappearance of this Jewish state did not in any way compromise it. Today the situation of the Jews in the world is very bad; so the reestablishment of a Jewish State in Palestine cannot in any way restore it. In both cases the situation of the Jews does not at all depend on the existence of a State in Palestine but is a function of the general economic, social and political situation. Even supposing that the Zionist dream is realized and the "secular injustice" is undone—and we are still very far from that—the situation of world-wide Judaism will in no way be modified by that. The temple will perhaps be rebuilt but the faithful will continue to suffer.

The history of Zionism is the best illustration of the insurmountable difficulties that it encounters, difficulties resulting, in the last analysis, from the fundamental contradiction which tear it apart: the contradiction between the growing necessity of resolving the Jewish question and the growing impossibility of

resolving it under the conditions of decaying capitalism. Immediately following the (first) imperialist war, Jewish emigration to Palestine encountered no great obstacles in its path. Despite that, there were relatively few immigrants; the economic conditions of capitalist countries after the war made the need to emigrate less pressing. It was moreover, because of the slightness of this emigration that the British government did not feel obliged to set up obstacles to the entry of Jews into Palestine. In the years 1924, 1925, 1926, the Polish bourgeoisie opened an economic offensive against the Jewish masses. These years are also the period of a very important immigration into Palestine. But this massive immigration soon collided with insurmountable economic difficulties. The ebb was almost as great as was the floodtide. Up to 1933, the date of Hitler's arrival to power, immigration was of little importance. After this date, tens of thousands of Jews began to arrive in Palestine. But this "conjuncture" was soon arrested by a storm of anti-Jewish demonstrations and massacres. The Arabs seriously feared becoming a minority in the country. The Arab feudal elements feared being submerged by the capitalist wave. British imperialism profited from this tension by piling up obstacles to the entry of the Jews, by working to deepen the gulf existing between the Jews and the Arabs, by proposing the partition of Palestine. Up to the second imperialist war, Zionism thus found itself in the grip of mounting difficulties. The Palestinian population lived in a state of permanent terror. Precisely when the situation of the Jews became ever more desperate, Zionism showed itself absolutely incapable of providing a remedy. "Illegal" Jewish immigrants were greeted with rifle fire by their British "protectors."

The Zionist illusion began to lose its attractiveness even in the eyes of the most uninformed. In Poland, the last elections revealed that the Jewish masses were turning away from Zionism. The Jewish masses began to understand that Zionism not only could not seriously improve their situation, but that it was furnishing weapons to the anti-semites by its theories of the "objective necessity of Jewish emigration." The imperialist war and the triumph of Hitlerism in Europe are an unprecedented disaster for Judaism. Judaism is confronted with the threat of total extinction. What can Zionism do to counteract such a disaster? Is it not obvious that the Jewish question is very little dependent upon the future destiny of Tel-Aviv but very greatly upon the regime which will be set up tomorrow in Europe and in the world? The Zionists have a great deal of faith in a victory of Anglo-American imperialism. But, is there a single reason for believing that the attitude of the Anglo-American imperialists will differ after their eventual victory from their pre-war attitude? It is obvious that there is none. Even admitting that Anglo-American imperialism will create some kind of abortive Jewish State, we have seen that the situation of world Judaism will hardly be affected. A great Jewish immigration into Palestine after this war will confront the same difficulties as previously. Under conditions of capitalist decay, it is impossible to transplant millions of Jews. Only a world-wide socialist planned economy would be capable of such a miracle. Naturally this presupposes the proletarian revolution.

But Zionism wishes precisely to resolve the Jewish question independently of the world revolution. By misconstruing the real sources of the Jewish question in our period, by lulling itself with puerile dreams and silly hopes, Zionism proves that it is an ideological excrescence and not a scientific doctrine. (In this chapter, Zionism has been treated only insofar as it is linked with the Jewish question. The role of Zionism in Palestine naturally constitutes another problem.)



# From the Arsenal of Marxism

## Documentary History of the Fourth International

By LEON TROTSKY

### The Defense of the Soviet Union and the Opposition

[Concluded from the February issue.]

#### Even While Retreating Before Marxist Criticism, Urbahns Wages a Struggle Not Against Korschists, but Marxists

In connection with my remarks that we fight against the Stalinist faction, but defend the Soviet Republic to the end, *Die Fahne des Kommunismus* explained to me that "unconditional (?) support (?) of Stalinist policy (?) including its foreign policy" is impermissible and that I would admit this myself if only I "think my thoughts out to the end." (No. 31, p. 246.) It is hardly surprising that I awaited with interest the conclusion of the article (in issue No. 32); it was bound to produce the tactical conclusions from the theoretical contradictions which filled the first part of the article to overflowing; and in addition, it would teach people how to think their thoughts out to the end.

Between the first and second installments of the article a few things managed to become clear. In this interval Urbahns and his friends must have, one would gather, had time to receive the resolution of the Bureau of the Second International, which could not have failed to have a sobering effect upon them, because the agreement between the arguments of Otto Bauer and those of Louzon and Paz was quite astonishing.

However that may be, but in the second part of the article, *Die Fahne des Kommunismus* comes to the conclusion that the Soviet Republic must be defended *even in the conflict with China. This is praiseworthy.* But the astonishing thing is that the article, in arriving at this conclusion, polemicizes not against the Korschists, not against the ultra-Lefts, not against Louzon, not against Paz, but against the Russian Opposition. It would seem that the question of whether the Soviet Union ought to be defended or not is so important in and by itself that secondary and tertiary considerations would be relegated aside by it. This is an elementary rule of politics. But Urbahns and his friends proceed in an entirely different manner. At the most critical moment of the Soviet-China conflict they published articles of the ultra-Lefts, which, as I showed above, in essence call for the support of Chiang Kai-shek against the Soviet Republic. Only under the pressure of Marxists did the editors of *Die Fahne*, six months after the outbreak of the conflict, pronounce themselves in favor of defending the USSR. But here, too, they wage a struggle not against those who deny the elementary revolu-

tionary duty of defense but against—Trotsky. Every mature political person must come to the conclusion that the question of the defense of the October Revolution plays for Urbahns a secondary role in this entire affair, and that his main task is to show that he is not in "one hundred per cent" agreement with the Russian Opposition. It evidently never occurs to Comrade Urbahns that any one who attempts to prove his independence by such artificial and negative devices only demonstrates in reality his complete lack of intellectual independence.

"Along with the sympathies to Soviet Russia and to Communism destroyed in the Chinese people by Stalin's policy," reads the second part of the article, "the fact that Russia resorts to war over the Chinese Eastern Railway when it did not lift a hand while Chiang Kai-shek and his military hordes wallowed in the blood of the Chinese workers and poor peasants, would undoubtedly play a role in the attitude of the Chinese people toward such a war." (*Fahne des Kommunismus*, No. 32, p. 250.)

What is true and what has long ago been said is mixed up here with what is new and false. The crimes of the centrist leadership in China are absolutely unexampled. Stalin and Bukharin knifed the Chinese revolution. This is a historical fact which will penetrate more and more into the consciousness of the world proletarian vanguard. But to accuse the Soviet Republic of failing to intervene arms in hand into the Shanghai and Hankow events is to substitute sentimental demagoguery for revolutionary policy. In the eyes of Louzon every intervention, all the more so military intervention into the affairs of another country is "imperialism." This is, of course, pacifist nonsense. But no less nonsensical is the directly contrary demand that the Soviet Republic, with its present strength, under the present international situation, should repair with the aid of Bolshevik bayonets the damage caused by Menshevik policy. Criticism must be directed along actual and not fictitious lines, otherwise the Opposition will never gain the confidence of the workers.

But what if the Soviet Republic decided to go to war over the Chinese Eastern Railway? As I already stated, if matters reached the point of war, this fact itself would show that involved was not the Chinese Eastern Railway but something infinitely more important. True enough, the Chinese railway, even taken by itself, is a far more serious object than the head of an Archduke, which served as the pretext for the war of 1914. But it is still not at all a question of the railway. War in the East, regardless of its imme-

diate pretext, would inevitably be transformed on the very next day into a struggle against Soviet "imperialism," that is, against the dictatorship of the proletariat, with far greater violence than the war over an Archduke's head became converted into a war against Prussian militarism.

The matters now seem to be heading for an agreement between Moscow and Nanking, which may terminate in China's buying the railway with the aid of foreign banks. This would actually mean the transfer of control from the hands of the workers' state into the hands of finance capital. I have already stated that the cession of the Chinese Eastern Railway is not excluded. But such a cession must be regarded not as a realization of the principle of national self-determination but as the weakening of the proletarian revolution to the advantage of capitalist reaction. One need not doubt, however, that it is precisely Stalin and Co. who will try to picture this surrender of positions as a realization of national justice, in harmony with the categorical imperative, with the gospel according to Kellogg and Litvinov and the articles of Louzon and Paz published in the organ of the Leninbund.

### Practical Tasks in Case of War

The practical tasks of the Opposition in case of war between China and Soviet Russia are treated by the article in an unclear, ambiguous and evasive manner. "In case of war between China and Soviet Russia over the Chinese Eastern Railway," says *Die Fahne*, "the Leninist Opposition takes its stand against Chiang Kai-shek and the imperialists who back him up" (No. 32, p. 250). Ultra-left muddling has brought matters to a point where "Marxists-Leninists" find themselves compelled to declare "we take our stand against Chiang Kai-shek." This shows how far they have driven themselves. Good, you are *against* Chiang Kai-shek. But whom are you *for*?

"In such a war," the article replies, "the Leninist Opposition will mobilize all the forces of the proletariat in every country for a general strike, taking as the starting point the organization of resistance to the manufacture of armaments, any kind of transport of munitions, and so on" (*idem*). This is the position of pacifist neutrality. For Urbahns, the task of the international proletariat does not consist in aiding the Soviet Republic against imperialism, but in preventing *any kind of* munition shipments, that is, not only to China but also to the Soviet Republic. Is that what you mean? Or have you simply said not what you wanted to say but something else? Have you failed to think your thoughts "out to



the end"? If that is so, then make haste to correct yourself: the question is important enough. The correct formulation would read as follows: We do everything in our power to prevent shipments of arms to counter-revolutionary China and do everything in our power to facilitate the acquisition of arms by the Soviet Republic.

### **Does the Defense of the USSR Mean Reconciliation with Centrism?**

To illustrate wherein the viewpoint of the Leninbund differs from the viewpoint of the Russian Opposition, Urbahns makes two revelations: 1) If, in case of war between the Soviet Republic and China, an imperialist state intervenes in the war on Russia's side, then the Communists of this bourgeois state should not make civil peace with their bourgeoisie, in accordance with Bukharin's teachings, but must orient themselves toward the overthrow of their bourgeoisie. 2) In defending the Soviet Republic in the war with the Chinese counter-revolution, the Opposition must not reconcile itself with the Stalinist course, but wage a resolute struggle against it. It follows that this supposedly covers the difference between the Leninbund's position and ours. In reality this is a muddle, and, I am afraid, a deliberate one. These two theses, dragged in by the hair, do not apply to the Sino-Soviet conflict as such, but in general to every war against the Soviet Republic. Urbahns dissolves a specific issue in generalities. Neither Louzon nor Paz have up till now denied the duty of the international proletariat to defend the Soviet Republic if it is attacked, for example, by the United States and Great Britain over the payment of Czarist debts, the abolition of the monopoly of foreign trade, the denationalization of banks and factories, etc. The discussion has arisen over the specific character of the Sino-Soviet conflict. It is precisely on this question that the ultra-Lefts showed their inability to evaluate particular and complex facts from a class standpoint. And it is precisely to them that the Leninbund has thrown open the columns of its publications. It is precisely in connection with their slogan "Hands off China," that *Die Fahne* refrained from expressing its own views for six weeks, and when it no longer was possible to remain silent, limited itself to half-way, equivocal formulations.

What has Bukharin's theory to do with all this? What has the question of suspending the struggle with Stalinist centrism to do with all this? Who proposed it? Who spoke of it? What is this all about? Why is this necessary?

This is necessary in order to hint that the Russian Opposition—not the capitulators and the turncoats, but the Russian Opposition—is inclined to make peace with Centrism, using the war as a pretext. Since I am writing for uninformed or poorly informed foreign comrades, I consider it necessary to recall, even if very briefly, how the Russian Opposition has posed the question of its attitude toward the Stalinist course under the conditions of war.

At the moment when there was a break in the

Anglo-Soviet relations, the Russian Opposition, contemptuously rejecting the lie of defeatism or of conditional defensism, declared in an official document that during wartime all the differences of opinion would become posed more sharply than in peacetime. Such a declaration made in the land of the revolutionary dictatorship, at the moment of the breaking off of diplomatic relations with Great Britain does not require any commentaries; and, at all events, it offers far more serious guarantees than any little articles written on the sidelines.

A savage struggle ensued in 1927 over this question. Have Urbahns and his co-thinkers ever heard anything about the so-called "Clemenceau thesis"? With this thesis in its hands, the apparatus convulsed the party for months. The whole point was that as an example of a patriotic opposition in the camp of the imperialists I cited the Clemenceau clique, which despite the civil peace proclaimed by the bourgeoisie, conducted a struggle from 1914 to 1917 against all the other factions of the bourgeoisie and insured the victory of French imperialism. I asked: could there be found a fool in the camp of the bourgeoisie who would on this account designate Clemenceau as a defeatist or a conditional defensist? This is nothing else but the famous "Clemenceau thesis" which was subjected to criticism in thousands of articles and tens of thousands of speeches.

The other day my book, *La Révolution Défigurée* was published in Paris. Among other things it contains my speech at the joint plenum of the Central Committee and the Central Control Commission on August 1, 1927. Here is what I said in this speech on the question that interests us now:

The greatest events in the history of mankind are revolution and war. We have put the Centrist policy to the test in the Chinese revolution. . . . Next to the revolution the greatest historical test is war. We say beforehand: There will be no room during the events of war for the Stalinist and Bukharinist policy of zigzags, side-stepping and subterfuges. This applies to the entire leadership of the Comintern. Today the only test put to the leaders of the foreign Communist parties is the question: Are you ready to vote night and day against "Trotskyism"? But the war will confront them with far weightier demands. . . . There will be no room for the intermediate position of Stalin. That is why, permit me to say this frankly, all this talk of a handful of Oppositionists, of generals without an army, and so forth and so on, seems utterly ludicrous to us. The Bolsheviks have heard all this more than once—both in 1914 and in 1917. We foresee tomorrow all too clearly, and we are preparing for it. . . . Nor will there be any room for the gradual Centrist back-sliding with respect to *internal policies* under the conditions of war. All the controversies will congeal, the class contradictions will become aggravated, the issues will be posed pointblank. It will be necessary to give clear and precise answers. . . . Under the conditions of war the Centrist policy must turn either to the Right or to the Left, that is, take either the Thermidorian road or the road of the Opposition. (*Commotion in the hall.*)

And it is precisely this speech that I concluded with the words, "For the socialist fatherland? Yes! For the Stalinist course? No!" And when apropos of precisely these words, Urbahns and his friends advise me two years later to think out the question to the end and to comprehend that it is impermissible to become reconciled with Centrism in time of war, I can only shrug my shoulders regretfully.

### **How Has the Discussion Been Conducted?**

It is an ill wind that blows no good. The Sino-Soviet conflict has shown once again that an irreconcilable ideological demarcation is required within the Marxist Opposition not only from the right but also from the left. The philistines will sneer over the fact that we, a tiny minority, are constantly occupied with internal demarcations. But that will not disturb us. Precisely because we are a tiny minority whose entire strength lies in ideological clarity, we must be especially implacable towards dubious friends on the right and on the left. For several months I tried to obtain clarity from the Leninbund leadership by means of private letters. I did not succeed. In the meantime the events themselves posed one of the most important questions point-blank. The differences of opinion came out into the open. The discussion began.

Is that good or bad? The article in *Die Fahne* lectures me on the advantages of discussion and points to the harm caused by the absence of discussion in the Communist International. I have already heard once or twice before these same ideas; I do not recall whether it was from Comrade Urbahns or someone else. But there are discussions and discussions. It would have been far better if the Sino-Russian conflict had not caught the Leninbund by surprise. There was ample time in the past to prepare for it. The question of Thermidor and of the defense of the USSR is not a new one. It is fortunate that there was no war. But suppose there had been one? All this is not an argument against discussion but against an incorrect leadership that maintains silence on important questions until they break out into the open against its will. The fact is that the Leninbund, at least in its top circles, proved to be unprepared to answer a question posed by life itself. There was nothing left to do but to open a discussion. But to this very day, I have not found in the publications of the Leninbund any sign of an internal discussion in the organization itself. The editors of *Die Fahne* made a one-sided selection of ultra-Left articles from foreign oppositional publications, making the ridiculous article of a "sympathizing" Korschist the basis of the entire discussion. The editors themselves remained on the sidelines, as if they wanted to find out what would come of it all. Despite the exceptional gravity of the problem, Urbahns wasted week after week, confining himself to reprinting foreign articles directed against the Marxist point of view. Only after the appearance of my article, that is, six weeks after the outbreak of the conflict in the Far East, did the editors of *Die Fahne* find it opportune to express themselves. But even then they were in no hurry. Their brief article was divided into

two installments. The political conclusions were put off for still another week. For what purpose? Was it perhaps to make room for Radek's slanders of the Russian Opposition which appeared in the same issue? But what was the line of the Leninbund on the most important question in international politics in the course of these six or seven weeks? No one knows.

This is no good. Such methods weaken the Leninbund and render the best possible service not alone to Thaelmann but also to Brandler.

It is clear to those who are acquainted with the history of the Russian Opposition that Urbahns expresses in an ambiguous manner the very opinions that the Stalinists have so maliciously and unconscionably attributed to the Russian Opposition. While dishonestly concealing our documents from the workers, the Stalinists tirelessly repeated and printed in tens of millions of copies that the Russian Opposition considers the October Revolution lost, Thermidor accomplished and that it steers a course toward bourgeois democracy. It is unquestionable that Stalin's organizational successes were assured in no small measure by the tireless circulation of these lies. How great must be the astonishment, and at times the outright indignation of Russian Oppositionists when they find in the publications of the Leninbund, in a semi-masked form, this friendly counsel that they take the path that the Stalinists have long ago foisted upon us.

The question is all the more acute because there happen to be among the ultra-Lefts little gentlemen who whisper in each other's ear that the Russian Opposition itself agrees that Thermidor has been accomplished, but refrain from saying so, out of "diplomatic" considerations. How far removed must one be from a revolutionary position to allow even for a moment the existence of such revolting duplicity among revolutionists. We can say one thing: the poison of Zinovievist and Maslowist cynicism has left its traces in the ranks of the ultra-Lefts. The sooner the Opposition rids itself of such elements, the better for it.

The programmatic article we have analyzed, which is seemingly a summary of the "discussion," contains in passing a number of allusions to the effect that Urbahns was correct on various questions and everybody else was wrong (the declaration of the Russian Opposition on October 16, 1926; the question of creating the Leninbund not as a faction but as an independent party, running its own candidates, the question of May Day and August 1, 1929, etc.). In my opinion it would have been better if the article had not raised these questions, because each of them marks a specific mistake of Comrade Urbahns which he has failed to grasp to this very day. And I am not even referring to the utterly false position of 1923-1926 when Urbahns, following in the footsteps of Maslow and others, supported the reaction in the Russian Communist Party and conducted an ultra-Left course in Germany. If necessary, I am prepared to return to all these questions and to show that Urbahns' mistakes are inter-connected, that they are not accidental but originate in a certain method of thinking which I cannot call Marxist. In practice, Urbahns' politics consists of oscillating be-

tween Korsch and Brandler, or of mechanically combining Korsch and Brandler.

In this pamphlet we have analyzed differences of opinion which may be called strategical. Compared to them, the differences over the internal German questions might appear more as differences over tactics, although they, too, are perhaps reducible to two different lines. But these questions must be analyzed independently.

Nevertheless it is beyond doubt that at bottom of many of Comrade Urbahns' mistakes is his incorrect attitude toward the official Communist Party. To regard the Communist Party—not its apparatus of functionaries but its proletarian core and the masses that follow it—as a finished, dead and buried organization, is to fall into sectarianism. As a revolutionary faction, the Leninbund could have played a big role. But it cut off its own road to growth by its pretensions, which to say the least are not motivated, to play the role of a second party.

### *The Danger of Sectarianism and National Narrow-Mindedness*

Given the ideological vagueness of the Leninbund, its striving to become a "party" as quickly as possible leads it to accept in its ranks elements that have completely broken with Marxism and Bolshevism. In its anxiety to hold on to these elements, the Leninbund leadership consciously refrains from taking a clear position on a whole number of questions, which naturally only confuses and aggravates the situation, driving the disease deeper internally.

There exist today not a few "left" groups and grouplets who keep marking time, safeguarding their independence, accusing one another of not going far enough, priding themselves on not being in one hundred per cent agreement with one another, publishing little newspapers from time to time, and finding satisfaction in this illusory existence, without any firm ground under their feet, without any distinct point of view, without any perspectives. Sensing their own weakness, these groups, or more correctly their leaderships, fear most of all lest they fall under someone's "influence," or lest they have to declare their agreement with somebody else. For in that case what would become of that sweet independence whose size is 64 cubic meters required for an editorial office?

There is yet another danger connected with this.

In the Communist International the ideological leadership of the Russian party has long ago been replaced by the domination of the apparatus and the dictatorship of the cash box. Although the Right Opposition is no less energetic than the Left in protesting against the dictatorship of the apparatus, our positions on this question are nevertheless diametrically opposite. By its very nature opportunism is nationalistic, since it rests on the local and temporary needs of the proletariat and not on its historical tasks. Opportunists find international control intolerable and they reduce their international ties as much as possible to harmless formalities, imitating therein the Second International. The Brandlerites will salute the conferences of the Right Opposition in Czechoslovakia; they will exchange friendly

notes with the Lovestone group in the United States, and so on, on the proviso that each group does not hinder the others from conducting an opportunist policy to its own national taste. All this is concealed beneath the cloak of struggle against bureaucratism and the domination of the Russian party.

The Left Opposition can have nothing in common with these subterfuges. International unity is not a decorative facade for us, but the very axis of our theoretical views and our policy. Meanwhile there are not a few ultra-Lefts—and not in Germany alone—who under the flag of the struggle against the bureaucratic domination of the Stalinist apparatus, carry on a semi-conscious struggle to split up the Communist Opposition into independent national groups and to free them from international control.

The Russian Opposition has no less need of international ties and international control than any other national section. But I am very much afraid that Comrade Urbahns' conduct is not dictated by his desire to intervene actively in Russian affairs—which could only be welcomed—but, on the contrary, by his desire to keep the German Opposition separate and apart from the Russian.

We must watch vigilantly lest under the guise of struggle against bureaucratism there entrench themselves within the Left Opposition tendencies of nationalistic isolationism and ideological separatism, which in turn would lead inescapably to bureaucratic degeneration—only not on an international but national scale.

If the question were asked after thorough consideration: from which side is the Left Opposition at present menaced by the danger of bureaucratization and ossification, it would become perfectly clear it is *not* from the side of international relations. The hypertrophied internationalism of the Comintern could arise—on the basis of the former authority of the Russian Communist Party—only thanks to the existence of state power and state treasury. These "dangers" do not exist for the Left Opposition. But there are others instead. The fatal policy of the bureaucracy produces unrestrained centrifugal tendencies, and fosters desires to retire into one's own national and therefore sectarian shell, for by remaining within the national framework the Left Opposition could be nothing but sectarian.

### *Conclusions*

1. It is necessary to adopt a clear position on the question of Thermidor and the class character of the existing Soviet state.

The Korschist tendencies must be mercilessly condemned.

2. It is necessary to adopt the position of the most resolute and unconditional defense of the USSR against external dangers, which does not exclude, but, on the contrary, presupposes an irreconcilable struggle against Stalinism in time of war even more so than in time of peace.

3. It is necessary to reject and condemn the program of struggle for "the freedom to organize" and all other "freedoms" in the USSR—because this is the program of bourgeois democracy. To this program of bourgeois democracy we must counterpose the slogans and methods of

proletarian democracy, whose aim, in the struggle against bureaucratic centrism, is to regenerate and fortify the dictatorship of the proletariat.

4. It is necessary to adopt immediately a clear position on the Chinese question, so that we are not taken by surprise at the next stage. A stand must be taken either in favor of the "democratic dictatorship" or the permanent revolution in China.

5. It must be clearly understood that the Lenin-

bund is a faction and not a party. Hence flows a definite policy toward the [Communist] party (especially during elections).

6. It is necessary to condemn the tendencies toward national separatism. We must energetically take the path of international unification of the Left Opposition on the basis of principled unity.

7. It is necessary to recognize that *Die Fahne des Kommunismus* in its present form does not correspond to its designation of the theoretical

organ of the Communist Left. It is urgent to create in Germany, through the united efforts of the German and internationalist Left, a serious Marxist organ capable of giving correct evaluations of the domestic situation in Germany in connection with the international situation and its tendencies of development.

These few points, which far from cover all the questions, seem to me the most important and the most pressing.

Constantinople, September 7, 1929

## Three Conceptions of Jacksonianism

By HARRY FRANKEL

In a previous article, *The Jackson Period in American History*, (See *Fourth International*, December 1946) a class analysis of "Jacksonian Democracy" was presented. An endeavor was made to demonstrate that Jacksonianism represented the continuation of the rule of the Southern slaveholding class in national politics, with modifications traceable to a specific relation of class forces. Among the specific circumstances were: the divisions within the planters, the growth in specific weight of the small farming petty-bourgeoisie and the industrial proletariat, and the eruption of these two classes to the political scene in the form of a clamorous mass electorate. These were circumstances which *modified* the technique of slaveholding rule, but did not *overthrow* it.

This Marxist view is counterposed to the views of bourgeois historians, who see the Jackson period as a time of "popular revolution." We shall here consider the theories of two schools of American historians. The first is the famous "frontier" school which views Jacksonianism as a democratic effect of the frontier upon national politics. The second and more recent school considers Jacksonianism to be an expression of the rule of farmers and workers in Washington. The best known exponent of this view is Charles A. Beard, and it is endorsed by most of the modern liberal historians.

### Sectionalism as an Historical Method

Let us turn first to the frontier theory. In 1893 Frederick Jackson Turner read to a gathering of the American Historical Association a paper entitled, *The Significance of the Frontier in American History*. The main idea of this essay were later expanded by Turner into a series of articles and books dealing with various phases of the frontier and its fancied effects on the national development of the United States. What was his theory? "The existence of an area of free land," he wrote, "its continuous recession, and the advance of American settlement westward, explain American development." Or as he stated in another article: for 200 years "westward expansion was the most important single process in American history." And what was the effect of the frontier? Turner's answer is plain. "This at least is clear: American democracy is fundamentally the outcome of the experiences of the American people in dealing with the West." That the Western land areas were decisive in American history, and that their chief result was "democracy"—this is the heart of Turner's thesis. Turner's writings deal mainly with the Jackson period. It was at that time that the West "came into its own, conquered national power, and had its greatest effect in the furtherance of 'democracy'."

The Turner school thus starts with a geographical abstraction: the frontier. History is presumed to be based primarily upon a conflict, not of class but of sectional interests. This conception has sunk deep roots in American academic thought. It is a commonplace to refer to the Civil War as a conflict between the "North" and the "South," instead of more precisely designating it as a clash of slaveholding and bourgeois economy. Even bias and prejudice are often given sectional labels. Historians boast that their work is free, not only of class prejudice, but of "sectional bias." This terminology has become a substitute for thinking for writers of American history. Partly, this has been the result of the inadequate theoretical equipment of the historians, and partly too it has stemmed from a reluctance to adopt Marxist terminology. Thus "section" has become a cowardly-confused pseudonym for *class* in the language of American historical writing.

There is a certain plausibility in this sectional approach. It resides in the fact that, in early United States history, economic classes were largely concentrated in geographical regions. The "South" thus meant the planters, the "North" the bourgeoisie, and the "West" the small farmers. In this manner many historians were able to give class analyses in sectional terminology. But to substitute an imperfect concept for a more precise one cannot fail to bring eventual theoretical disaster.

This is the fate of the Turner school, which carried out the sectional approach to its furthest limits by elevating one section to omnipotence. The "frontier" is a geographical abstraction based upon a shifting region. Its significance can only be appreciated when analyzed in class terms. A specific frontier at a specific time has a class structure differing from that of the same frontier at another time, or another section of the frontier at the same time. The Illinois farmer had more in common with the Massachusetts or Vermont farmer than with his fellow "frontiersman," the planter further south. If he didn't know this, the Civil War taught it to him, and should have taught it to the historian as well.

By understanding this outstanding flaw in the sectional method, its non-class approach, we come to grips with the inherent weakness of the frontier school. A study of the frontier and of the chief class which inhabited it, the small farmers, is sufficient to convince a Marxist that this section could never take independent control of the state power. The agrarian petty-bourgeoisie, geographically and economically diffused, holding no key position in the national economy, plays an impotent role when it attempts to take an independent course. F. L. Paxson, the chief disciple of the Turner method, in a series of lec-

tures entitled *When the West Is Gone* unintentionally makes this plain. He points out that every frontier "revolt" up to Bryan and the Populists was a success. Why then was the last wave a failure? "Something had happened," he says, "to break the course of normal American thought and action."

What Paxson fails to grasp is that in every previous movement, the farmer had served as an *auxiliary to a predominant social class*. The farmer fought in 1776 for the planters and for capitalists against England; in Jefferson's and Jackson's time for the planter against the capitalist, and in the Civil War for the capitalist against the planter. In Bryan's day he was allied with no predominant social class, and alone the farmer could not, nor can he ever, take the state power.

Let us consider Turner's thesis from still another aspect. The existence of the vast western lands fathered, in his view, democratic institutions in the United States. There is no denying a certain element of truth in this. To a degree, which has been greatly exaggerated, the eastern masses drew independence from the western farming opportunities. To a degree, the large class of western farmers helped break down open aristocratic rule. Yet there is another side to the coin which American sectionalist historians have sedulously avoided revealing. And this is—the far greater significance of the western lands for the plantation oligarchy. For that class the existence of a western reserve was economically decisive, because without room to expand the Cotton Kingdom was doomed. The vast land reserves facilitated more than any other single factor the growth of the plantation system after 1800. Considered in this light, the open west made possible the barbaric atavism of an expanding chattel slave system in the 19th century! Shall we disregard the armies of slaves thus created, as the Jacksonian "democrats" of that day did? Those who talk of the exemplary democracy of the Jackson period do just that.

So much for the special aspects of the Turner frontier school. To its more general conceptions which it shares with other liberal historical theories, we shall return later. Let us consider now the more recent trend of thought concerning the Jackson period among modern historians.

## Jacksonianism: Farmer-Labor or Planter Rule?

The impact of Marxism has visibly affected historical thought in every country of the globe. In the United States, where class struggles have been conducted in such open and undisguised forms, this impact could not fail to produce important results. Thus for over forty years there has flourished a school of historians whose chief occupation has been to borrow for their own use some of the tenets of Marxism, while always denying their debt to Marxism, reserving as a matter of fact, envenomed shafts for the consistent and avowed Marxists. Charles A. Beard is the most prominent representative of this group; Vernon L. Parrington, Arthur M. Schlesinger Sr. and Jr., and Louis Hacker are other prominent figures.

The approach of the Beard-type historians to the Jackson period begins with a modification of the Turner school. The "frontier," they realize, is not so omnipotent as its proponents believe. Rather they turn to a class analysis. Arthur M. Schlesinger Jr., in a recently (1945) published survey, *The Age of Jackson*, makes this clear in his comment: "It seems clear now that more can be understood about Jacksonian democracy if it is regarded as a problem not of sections, but of classes." This is a promising beginning, but in the end he completes the circle and returns to the traditional conceptions. For Jacksonianism is

viewed by these historians as well, as a popular revolution crowned by the rule of the masses.

We need hardly go further than the chapter heading in Beard's *The Rise of American Civilization*, which characterizes Jacksonianism as "A Triumphant Farmer-Labor Party." Subsequent references in his book speak of "the labor and agrarian democracy," "the farmer-labor democracy," and so forth. Arthur M. Schlesinger Jr. constructed his entire above-mentioned book around this idea, that the Jackson government was a worker-farmer conquest. Thus common to both the Beard and Turner theories, is the illusory notion of the revolutionary transfer of state power in the Jackson period to the popular masses. To these misconceptions must be counterposed the Marxist understanding of the first sixty years of the Nineteenth Century as a period of uninterrupted, if at times modified, hegemony of the slave oligarchy in national affairs.

If the conception that under Jackson the popular masses seized power were true, it would represent an important social revolution in the United States. (If revolutions were as simple in reality as they are in the minds of these people, the task of revolutionists would be light indeed.) We must ask, why did the slaveholder South yield so readily to being dispossessed from political power for which it was to fight tooth and claw thirty years later? Were these impetuous historians to stop and ponder this question before venturing to speak so rashly of "revolution" they could find but one reply in accord with historical fact. It is this, that the Jacksonian Democratic Party in power did not lay its hands on a single prerogative or institution of the planting class. On the contrary, it protected, strengthened and aided that class, while conducting an offensive to weaken the bourgeois enemy of the planters in the North.

But the historian may protest that the workers and farmers got a hearing in Washington from the Jackson administrations. What of the protection of the land interests of the farmers? The ten-hour laws? The mechanics lien laws? The progress made, especially by the workers, is beyond dispute. First of all, however, it must be understood that such concessions did not directly endanger the planting class, and, for that reason, they could countenance reforms which gained for them national electoral support. Let us recall how John Randolph, planter spokesman in Congress, challenged the bourgeoisie: "Northern gentlemen think to govern us by our black slaves, but let me tell them, we intend to govern them by their white slaves."

## Workingmen's Parties

Not one of our "enlightened" historians thinks to suggest that the gains of labor in this period might have resulted primarily from the increasing power and the independent activity and pressure of the workers' organizations. The period just preceding Jackson and during his administrations saw a huge growth of the trade unions and political movement of the workers. Unions were organized in many trades of the growing industrial system. Workingmen's parties were organized in a number of states, and workingmen's newspapers mushroomed. A spreading strike movement in the industrial areas, despite the vicious court rulings on "conspiracy" charges, testified to the militancy of the movement. Could not such a movement be expected to wring gains from the bourgeoisie independently of Jackson?

A very instructive case is related by the socialist historian Gustavus Myers in his *History of Tammany Hall*. Tammany was the Jackson arm in New York City. In 1829 a Workingmen's Party was organized, inspired chiefly by Robert Dale Owen, son of the famous Utopian Socialist. It propagated the

typical workingmen's program of that day: opposition to the "feudal land monopoly" and to capitalist banks, in favor of a system of free education, and so forth. In the first election in which the new party put a ticket in the field, it polled 6,000 votes as against 11,000 by the established Tammany machine, and elected Ebenezer Ford to the Assembly. Tammany fought the Workingmen's Party bitterly, with every weapon in its well-stocked arsenal. As part of its campaign, it sponsored a piece of reform legislation designed to win the workers back to Tammany. This was the origin of the Mechanics Lien Law in New York State which has come down to us as a gift of the Jacksonians!

The early Workingmen's Parties were eventually assimilated into the Democratic Party and their independent struggle was subordinated to national Jacksonian politics. Arthur M. Schlesinger describes this process with a gleeful air. To those for whom sycophancy is the ideal policy for the labor movement it was a step forward. After all, what can the workers accomplish as an independent force? They should be happy to attach themselves to any Jackson (or Roosevelt) who might throw them an occasional favor.

Marxists have an altogether different conception of the role of the labor movement. We are bound to criticize an alliance which was a severe setback to the labor movement. For the workers to abandon the construction of independent organizations in order to submerge themselves in the Democratic Party was to break the line of organizational continuity so indispensable for the eventual construction of a national labor movement of power and independence. To those who point to the "reforms" achieved in this period, we reply that at bottom they were the result of the show of power of the workers. An independent policy, designed to take advantage of the division between the planters and the capitalists, would have secured far bigger and more lasting gains. Of course, our criticism here is not of the weak and inexperienced labor movement of that day, but of those "liberal" historians and modern sycophants who would erect this policy of subservience into an ideal standard for the working class.

The miseducation of the workers by their leaders in the Jackson period left a deep scar on the labor movement. The workers, instead of being in the forefront of the Abolitionist movement, their rightful place, were in the planter controlled Democratic Party. Whoever touched the foul slavocracy was defiled with its filth. The anti-Abolitionist and chauvinist poison among the workers stems from this period of miseducation. Northern Jacksonian "democracy" must bear the blame for this.

## Jacksonian Reforms

Our enlightened historians bring forward another "proof" of the democracy of Jacksonianism. All the democratic reformers, they tell us, all the "radical" opponents of "privilege" and "monopoly" were in the Democratic Party. The radical ferment of the period was expressed through Jacksonianism. That is their argument. And it is true that much of the agrarian radicalism, petty-bourgeois reformism and proletarian discontent found its expression in the Jacksonian Party. But here again we must proceed with care, and sift out the kernel of truth from the husk of phrases.

The planting class since Jefferson's day had worked out an elaborate ideology with which to justify their rule and their struggle against the capitalist class. Men like Jefferson, John Taylor, John C. Calhoun and certain Jacksonian leaders demonstrate this. Their conception of an ideal society was a basically agricultural economy which they could dominate with ease. An

extensive polemical literature was developed against bourgeois ideology placing the "producing classes" on one side of a struggle against the "non-producing classes." It would of course be a mistake to suppose that the planters saw themselves for what they really were: the most parasitic class of the nation. By an ideological sleight-of-hand whose chief attainment was an absolute disregard of the slaves who were the actual producers, the planters converted themselves into the primary producing class of the South and the nation! Violent declamations against the capitalist thief who steals from the producer the fruit of his toil conjured up visions of the planter and his family in their immaculate white clothes, picking cotton all day in the hot sun, month in and month out, only to be robbed of the fruit of their toil by Northern parasites. So spoke the worst thief of all, the slaveholder. And he saw nothing false in his fantastic ideology, so accustomed was he to think of the labor of his slaves as unquestionably "his own" as though he had performed it himself.

The democratic agitation of the Northern Jacksonians followed these same lines. It pointed out many valuable truths about the capitalist class, and had certain indubitable progressive results. But it suffered from an unpardonable defect—that of defending the slave economy. This defect gave it a generally reactionary cast in the national sphere. The apologist-historians protest that slavery was concentrated in the South, and the democratic agitation in the North had to fight the main enemy. They point to a certain type of Abolitionist whose misleading role it was to make the sins of slavery an excuse for the sins of capitalism. Here too there is a certain grain of truth. Yet what of the Southern Jacksonians? Did they expose and combat slavery? On the contrary, they helped to tighten the noose around the black man's neck. The question should not be posed sectionally to begin with, for Jacksonianism was a national movement. Had it been truly "democratic," it would have condemned both slave and capitalist exploitation, and fought first of all against the slave system.

## Jacksonianism and Abolitionism

The Abolition question, as a matter of fact, is the touchstone of Jacksonianism. It seems difficult to understand how a national movement committed to forthright democratic agitation could have avoided the issue of slavery, or even stood altogether on the reactionary side. Difficult to comprehend, that is, if one does not grasp the fact of slaveholder hegemony in the Democratic Party. It is amazing how many different types of reformers made up the Northern wing of the Democratic Party. It was a reform association with one law: you must leave the issue of human slavery strictly alone! Abolitionism was, as A. M. Schlesinger Jr. mentions in passing, the "untouchable" of the Democratic Party. In *The Age of Jackson* he writes:

The Jacksonians in the thirties were bitterly critical of Abolitionists. The outcry against slavery, they felt, distracted attention from the vital economic question of Bank and currency while at the same time it menaced the Southern alliance so necessary for the success of the reform program (!!). A good deal of Jacksonian energy, indeed, was expended in showing how the abolition movement was a conservative plot. . . . Ely Moore [a union leader who became a Democratic Congressman] spoke for much of labor in his charge that the Whigs planned to destroy the power of the Northern working classes by freeing the Negro "to compete with the Northern white man in the labor market." . . . From reformers like Fanny Wright and Albert Brisbane to party leaders like Jackson and Van Buren, the liberal movement united in denouncing the Abolitionists.



Here, from the mouth of a modern apologist, we have a fair sample of the Alice-in-Wonderland reasoning of the Jacksonian "radicals." An alliance with slaveholders is made to "reform" society, and it must not be endangered by chatter against human slavery!

A Democrat who took his democracy seriously, and extended it to the Negro slaves had no place in this "Democratic" party. There is an instructive case. William Leggett, one of the ablest journalists of the New York Tammany organization in 1835 attacked an order issued by Amos Kendall, Jackson's Postmaster General (and incidentally radical-in-chief of the Democratic Party!) which barred Abolitionist literature from free national circulation through the mails. In return Leggett was promptly excommunicated from the Party and ruthlessly cast aside. He was pursued to the grave for his heresy, and afterwards Tammany Hall had the ironical temerity to honor his memory with a bust in the same room in which he had been read out of the party.

The issue of slavery was the key to the real nature of Jacksonianism, as it was to become the key to all parties, issues and men. The uncompromising defense of slavery by Jacksonian "democrats" marks the movement as a planter dominated upsurge. The custom of historians to ignore this, or to give it only passing reference without halting or modifying their paeans to Jacksonian "democracy" brings them close to dishonesty. They cannot sidestep the issue by pointing to numerous Jacksonians of the North who later became free-soil advocates. That belongs to a later period, when the workers and farmer pawns of the slavocracy were torn away by the developments preceding Civil War. Pro-slavery stamps Jacksonianism with an indelible mark.

As a last defense against the conception of Jacksonianism as a planter power, the historians of the Turner and Beard schools point to the fact that the majority of large planters were for a time supporters of Whig policies against Jackson. Here too there is a germ of an idea, but again it must be separated from the false interpretation placed upon it.

## Division Among the Planters

In our previous article, *The Jackson Period in American History*, we discussed the role of the large planters, particularly of the eastern region. They had grown accustomed to ruling through an alliance with and concessions to the Northern capitalists. When conditions make it difficult or impossible for a class to continue in its previous path, a conservative section of that class tends always to stand in the way of the necessary turn. The Whig planters wanted to continue to rule "in the old way." A sharp-eyed historian of the South has perceived the nature of this split in the planting class. William E. Dodd writes in his book, *The Cotton Kingdom*:

Still there were differences. . . . The larger planters and justices of the older counties everywhere tended to follow Clay, while the smaller planters, the rising business men, liked the rougher Jackson way. Besides, Jackson could carry the West, and the votes of the West were necessary to any aggressive national policy. *But these differences were the differences of older and younger groups, not the differences of social irreconcilables.* Consequently, though each party twitted the other on occasion with being disloyal to slavery, in any great crisis they were almost certain to unite, for whatever happened, the planters felt that they must control the cotton kingdom. (Our emphasis.)

Marxists see the Jackson period as a period of continued planter rule, modified in its external aspects by changing class

alignments, and attaching to itself a pseudo-democratic movement of petty-bourgeois reformers who drew behind them large urban and agrarian masses. There can be no "return to Jackson." Although Jackson fought the capitalists, he fought them as a representative of the slaveowning class. There cannot be a return to Jackson any more than there can be a return to slavery.

What of the "modern significance of Jacksonian Democracy" of which the liberals speak so glibly? Jackson and his party did represent a new departure, a new tradition in American politics. They represented the adaptation of the ruling class to the mass movements of workers and farmers. Every essential element of modern party usage stems from Jackson's time. Extended suffrage, party nominating conventions, publication of the popular vote, choice of Presidential electors by popular vote, elective judiciary and so forth, first began to predominate in his period. Likewise the spoils system in national politics, corrupt political machines, and ward heeling politicians, candidates without principles, and demagogic campaigns. The Jackson managers in the campaign of 1828 "cleverly" concealed Jackson's stand on every important issue in national affairs, stressing only his rough western virtues. Little did they realize that they were making a stick to break their own backs. Twelve years later the Whigs had the same "brilliant" idea, and put into the field a candidate who could out-drink, out-fight and out-log-cabin Jackson's party, and he carried the country. Thus was developed the modern mode of *class rule concealed behind the appeal to the common man*. In a way it was a political "revolution"—in methods.

Utterly false is the attempt to find a "modern significance" for Jacksonianism in the phrases and slogans of that movement without regard to its class foundation. Such an attempt leaves the modern liberal with nothing to build on but . . . phrases. But phrases are powerless against capitalism now as they were powerless against slavery then. Only the movements of social classes have the power to change society. If Jacksonianism has any "modern significance" it is this: only by allying themselves with an economically predominant class on the road to power can the urban and agrarian petty-bourgeois masses break the capitalist chains that bind them. That modern class, which is the gravedigger of capitalism, is the proletariat. Marxists will work to build the power of this class and to gain for it allies from other classes. We leave empty-headed liberals to celebrate the reactionary subservience of the popular movement to the slaveholding class a century ago, as they celebrated the subservience of the popular movement to the capitalist-Roosevelt demagogy more recently.

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