

Fourth International

The Bipartisan Campaign Begins

By George Clarke

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Rise of Neo-Fascism in Italy

By Livio Maitan

The Politics of French Stalinism

By Pierre Frank

Eastern Europe Since 1950

By E. Germain

The Third Chinese Revolution

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How Many Capitalists in the U. S. ?

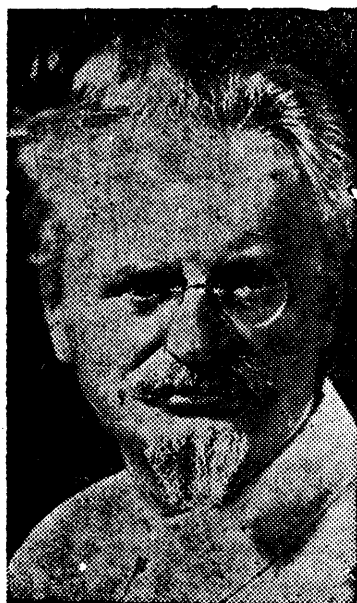
By Harry Frankel

July-August 1952

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Leon Trotsky -- His Ideas Live On

Twelve years have passed since the fatal day of August 20, 1940 when the assassin's ax struck down one of the truly great thinkers and doers of our time. They



LEON TROTSKY
1879-1940

have been stirring, eventful years, terrible in their devastating wars but yielding the most sweeping social changes since the French Revolution. Trotsky's ideas were put to the test in this vast human laboratory — and have been brilliantly, incontrovertibly confirmed.

Trotsky was first of all an incurable revolutionary optimist. In the blackest days, he insisted that the forces of socialist emancipation were more powerful than those of imperialism and fascism, and in the would triumph over them. Who can challenge this faith today when capitalism has been uprooted in one-third of the world in

an unceasing revolutionary momentum?

Trotsky was pitiless in his criticism of the reactionary and utopian Stalinist theory of "socialism in one country." The presence of representatives of the Chinese Revolution in Moscow speaking to the Kremlin on equal terms, the need to integrate Eastern Europe in a common economic plan settles forever this historic controversy. By the same token, it removes the rationalization of the Soviet bureaucracy's reason for existence.

Trotsky outlined the road to liberation for the backward and colonial countries in his famous theory of the "Permanent Revolution." He conceived their victory as possible only by the overthrow of the native ruling classes, treacherously allied to imperialism. He excluded a long capitalist development for the backward nations and said they would have to proceed directly to the construction of a socialist society. In essence, this is precisely what has happened in China, and to a lesser extent in Yugoslavia and some of the countries of Eastern Europe. And in Egypt and Iran the process of the "permanent revolution" is already in its first stages.

Trotsky characterized the Soviet bureaucracy as a parasitic caste, antipathetic to the nationalized and planned economy. He proved it beyond challenge in his economic studies of the USSR. Now we see his analysis reaffirmed in the irrepressible opposition of the Eastern European countries — and sometimes even encompassing their native bureaucratic rulers — to the plunder, the incompetence, the wastefulness of the arrogant Kremlin overlords. The recent concessions made by the Kremlin in Czechoslovakia and to a lesser extent in Rumania show how strong is this tendency of opposition.

Trotsky saw the downfall of the Kremlin gang when the revolution spread beyond Russia's borders ringing them with red instead of black. A bi-product of world reaction, the Soviet bureaucracy would be fatally undermined by a great new resurgence of the masses. The addition of the word "Titoism" to the world's languages — regardless of the Marshal's recent evolution — shows how unerringly right was Trotsky's prognosis. The rise of Revolutionary China, a power in its own right, is the most dramatic vindication of the great Marxist's forecast — and no one knows this better than the men in the Kremlin. The bureaucracy is supremely conscious that the movements of the masses — and that is what they call "Trotskyism" — are ever more uncontrollable and ever more dangerous to its own existence.

Trotsky was as keen in his insight and analysis of the United States as he was of Europe and Asia. He envisioned what he called "the eruption of America's productive forces on the world market." He foresaw what he called the doling out of 'rations' to once powerful European capitalism, and which we can now see before our eyes in the shape of the Marshall Plan, etc. He predicted that insular U.S. imperialism could survive only by an attempt to "organize the world." But that attempt would mine the power of American capitalism with powder kegs throughout the world. Their detonation in revolutionary struggles would bring on the social crisis at home and finally spell the doom of the financial oligarchy.

Are we not living in the midst of that epoch now?

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FOURTH INTERNATIONAL

VOLUME XIII

JULY-AUGUST, 1952

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The Bipartisan Campaign Begins

By GEORGE CLARKE

We wrote in this column in the March-April *Fourth International* that the pre-convention maneuvering in both parties presaged a one-sided contest for the presidency: a candidate versus a dummy candidate. Events have proved that our prediction, lacking in boldness, did not go far enough. Both candidates, politically speaking, have turned out to be ciphers.

Not since the days of Calvin Coolidge has there been such a hanky-panky on the political hustings with the rivals bowing and courtesying and even going to the length of slapping one another on the wrist. With the conventions out of the way, the issues dividing Eisenhower from Stevenson grow ever more obscure. Arthur Krock, the sage of the *N. Y. Times*, was being less than brilliant when he had to recognize that the candidates were having a hard time in finding targets to shoot at. The Republican Eisenhower wants a radical "change" in the administration (why else would he be running?). More conservative, the Democrat Stevenson would only change some "faces."

So far as foreign policy, civil rights, the high cost of living, the Taft-Hartley Law, the witchhunt, etc., are concerned, they seem to make less impression on the candidates than the latest invasion of "flying saucers." The political climate of the country, with a major election approaching, is about as agitated as the Dead Sea.

Big Business Calls All the Shots

The top-brass of Big Business must be purring with satisfaction. The pieces were moved with clock-like precision. The arrangements are perfect. Isolationism was effectively interred under a shower of Wall Street gold at the Republican Party convention, thus removing the haunting fear that a demagogue looking for votes would stir up discontent over Korea, the European arms program i.e., with the danger of war. An added dividend in the liquidation of "Mr. Republican" Robert Taft was the lulling of labor's alertness to a threatened offensive of Big Business.

On the Democratic side, the labor-liberal-Negro coalition, which astounded the country by giving Truman his whistle-stop victory in 1948, was shelved without any major commotion. Labor was taken for granted — and ignored. The South was placated with the second place on the ticket instead of being driven out of the party as in 1948 in order to swing the Negro vote into the Democratic column. And the liberals were treated like . . . liberals al-

ways are: they were given a few phrases in the platform and sent packing. Thus was the Fair Deal buncombe and the 20-year old campaign radicalism of the Democratic Party thrown out the window.

By putting Taft and the Old Guard on ice on the one side, and by disposing of Truman and his labor lieutenants on the other, the Republicans and Democratic parties slipped back toward the grey identity for which they were noted in the long epoch preceding Roosevelt. What could be more ideal for the warmaker! The home front is securely stable, almost unruffled. The people are being led into the counter-revolutionary Armageddon without a murmur of protest, without, it would seem, their being conscious of the terrible calamity that is fast approaching.

Only part of this development can be attributed to the manipulations and wire-pullings of Big Business and its henchmen at the conventions of the old parties. Far more is to be explained by the objective facts of USA 1952. Finance-capital could conduct its political operations as if in a charmed circle because the masses stand outside the political arena. More, the power of the organized working class as a social factor has been primarily expressed as a force of inertia resisting encroachments on past gains. For years, the trade union movement has had no bold aims of vital reforms that would limit the power of the monopolies and create greater security for the masses. It has sought merely to pick up a few crumbs from the war-boom prosperity.

This was the essence of the Truman-labor coalition. It reached its peak in 1948 when the mobilization of labor, threatening to break out of the Democratic Party into independent labor politics, forced Truman to the left. His left-swing saved the two-party system. But it also shocked the monopolies into the understanding that a major offensive against the unions would mean a real showdown between the classes. The Taft-Hartley Law remained on the statute books. But instead of it being the first step in a grand anti-labor strategy — as was originally designed — it became merely a device to limit the gains of the unions and to put obstacles in the way of their further expansion.

Taft-Hartleyism in its new form soon became an integral feature of the Truman-labor coalition. For Truman, the new law was an ideal means for government intervention in strikes on the side of capital but without smashing the unions. The labor bureaucrats quickly adapted themselves to the new pattern, somewhat inconvenienced by its

restrictive provisions but quietly pleased with the weapons the law placed in their hands against a rebellious rank and file and against wild-cat strikes.

Given the apparent postponement of monopoly-capital's offensive against labor until the outbreak of the war itself, it is obvious that the new system of class collaboration can also be regulated without major convulsions by a Republican administration. The special reason for existence of the Democratic-labor coalition — (combined with the effects of the war economy, which we discussed in the March-April *FI*) — began to disappear. The Democratic Party could nominate two candidates, both committed to a retention of the Taft-Hartley Law, without fear of a defection of its labor support.

Once labor's support was considered definitely in the bag, the Democratic Party moved full speed to the right. The picture was the exact opposite from 1948. Then, under threat of a labor bolt, Truman was forced into a break with the Dixiecrats and into making the most lavish promises to the Negro people to insure the decisive electoral votes of the Northern states. Without this goal today, unity has been completely re-established with the Southern Democrats and the Negro people are openly flouted by the nomination of the Southern racist Sparkman for Vice-President.

Prospects for November

What are the prospects then for the outcome of the 1952 elections? It would obviously be foolhardy at this early date and amidst a bipartisan campaign to make a definite prediction. We wrote in our earlier treatment of the question that the Big Interests were seeking a Democratic dummy to oppose Eisenhower. To our surprise, the one candidate we considered lacking in those qualifications has come to play precisely that role. Unless radically changed midstream, Stevenson's present innocuous campaign is not calculated to obtain the outpouring of the labor and Negro vote which insured the Democratic victory in 1948.

But on the other hand, the defeat of Taft proved no unmixed blessing to the sections of the ruling class behind Eisenhower. It robbed the Republican campaign of its flamboyant demagogic appeal to the middle class, of playing on its grievances over the Korean war, rising prices, high taxes, etc. Eisenhower, as we wrote in March, "has no program but 'national unity' — and will have no other . . ." Determined to be all things to all men, to keep his role as the future military Bonaparte carefully concealed, he is the "Wintergreen-for-President" par excellence, full of beautiful smiles and vapid generalities, encouraging everyone, offending no one. But whether this studied attempt to avoid stirring the troubled waters will have the soothing effect of keeping enough workers away from the polls and of bringing enough middle class votes to them to insure a Republican victory in November — that remains to be seen.

For the significant circles of the ruling class, although favoring Eisenhower, the outcome of the elections is of far less importance than if a radical demagogue playing for

the labor and Negro vote were the Democratic candidate. It is not that they could not count on him to execute their counter-revolutionary war plans to the full as Truman has done. It is rather that the commitments of a candidate tied to a labor alliance can cause embarrassment to their plans for regimentation and attacks on the standard of living (e.g. Truman's equivocal attitude when the union representatives walked out of the Wage Stabilization Board, and later on his seizure of the steel mills). Nothing of this sort is expected from Stevenson, who has been the recipient of rather generous praise from important Republican newspapers.

Major Turn Coming

Yet, the politically stagnant atmosphere of the campaign notwithstanding, the 1952 elections foreshadow a major turn in American politics. The world of the Roosevelt-Truman New Deal-Fair Deal has passed into limbo. And with it goes the loosening and the inevitable rupture of labor's alliance with the Democratic Party which has kept the workers the serfs of capitalist politics when their economic strength should have made them the mightiest power in the United States.

In or out of office, the Democratic Party can no longer provide the shield — flimsy as it was against the coming onslaught of the Big Business-Big Brass combination to force the workers to carry the biggest burden of its planned counter-revolutionary war. The deliberate spurning of the aspirations of the Negro people is only the first sign of the nature of things to come.

Between the present mockery of a political campaign and the great resurgence of American labor there lies, it is true, an ordeal of countless sacrifices and terrible suffering for the masses of the working people. This, regardless of our desires or hopes as individuals, is part of the trend set into motion by a decadent capitalist system seeking to preserve itself from a world in the full tide of revolution. But the workings of this process also have their own logic which will favor the rise of the great class Labor Party of the American workers. The American workers will confront the financial oligarchy in a struggle for mastery even while these desperate rulers are engaged in the insane attempt to impose their will on the rest of the world.

It is with this confidence that the Socialist Workers Party enters the 1952 elections. Its candidates, Farrell Dobbs and Myra Tanner Weiss, breaking through the fictions and myths of the temporary war-boom prosperity, defying the repressions of the encroaching police state, represent the coming day of American labor.

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How Many Capitalists in the U.S.?

The Brookings Report on Stock Ownership

By HARRY FRANKEL

The new Brookings Institution study, "Share Ownership in the United States," dealing with the ownership of shares in American corporations, was published on June 30. Newspaper readers will recall that this report was greeted with great fanfare by the daily press. The world was told that the Brookings survey proves that this nation is owned "democratically." Actually, the report contains no such proof. It proves the very opposite.

The Cleveland *Plain Dealer* contended in a July 2 editorial: "The fact that 6,500,000 American citizens have a direct, undisguised stake in American business and industrial enterprise should destroy, once and for all, the specious notion that corporations-for-profit are owned predominantly by a coterie of plutocrats whose financial and spiritual home is Wall Street . . ."

"Politically, the findings of the Brookings Institution should be regarded as complete refutation of the demagogue's propaganda to the effect that American business and industry is owned chiefly by a rapacious, profit-hungry few."

The *Plain Dealer* rests its whole case upon one figure: 6,500,000 shareholders. With all due respect to the *Plain Dealer* and the other papers which took this line, this figure proves nothing at all until it is analyzed as follows:

What proportion of the people does this 6½ million represent?

Is this a rising or declining proportion of the American people?

How is the ownership of U.S. corporations distributed among these 6½ million?

What proportion of the 6½ million shareholders exercise effective control over and draw significant incomes from these corporations?

Results Disappointing

The first thing to be noted about this 6½ million shareholders figure is that it came as a great surprise to official economic forecasters. Most advance estimates had been much higher, some going as high as 20 million shareholders. In the face of this advance billing, the real figure was shocking, not to the Marxists, but to the professional Marx-killers who expected a striking refutation of socialist claims. It must be said for them that they concealed their surprise very gracefully, and hailed the results of the Brookings study with admirable *sang froid*. In almost all cases, the fact that the findings fell far short of expectations was not even mentioned.

Only one out of every sixteen persons, or 6.4% of the adult population, has any share in the ownership of U.S. corporations. In other words, 93.6% of the adult popula-

tion has no share whatever, not even the smallest, in the corporate wealth of the nation. Any editor who can twist this around to make it show that corporations are *not* "owned predominantly by a coterie of plutocrats" deserves a Pulitzer Prize, and will probably win one some day.

There remains another possible justification of the claim that 6½ million shareowners proves something "democratic" about American capitalism. It is possible that, although the present number of stock owners is small, the trend is in a "democratic" direction; that is, perhaps the number of shareowners is growing with the passage of time.

The Brookings survey provides some information on this point. In the late Thirties, the congressional Temporary National Economic Committee worked out an estimate of the number of share owners at that time. The results are included in an appendix to the Brookings study. Not one major newspaper or press service saw fit to mention this appendix, and the reason is that the TNEC study reached this conclusion:

"It was estimated that in 1937 there were from eight to nine million shareowners who held stock in at least one corporation . . . The limits were determined on the basis of separate estimates made by four methods largely independent of each other."

Ownership Trend Downward

Now if in 1937, out of a population of less than 130 million, there were eight to nine million shareowners, and in 1951 out of a population of 155 million only 6½ million, then the trend of shareowners as a proportion of the population must be downward at a very sharp rate. As a matter of fact, the percentage of the adult population owning stock was cut almost in half between 1937 and 1951, from about 10-11% in 1937 to 6.4% last year!

The fancy estimators who thought, before the Brookings study, that there must be as high as 20 million stock owners today made their very drastic error in a very simple way. They knew the 1937 TNEC estimate, and figuring that the country is about twice as prosperous now as it was then, calculated that there must be at least twice as many share owners. But they don't understand capitalism and capitalist prosperity.

The last dozen years of war prosperity have not created more capitalists and fewer workers. On the contrary, in accord with the basic tendencies of capitalist accumulation, the working-class population has been enlarged at one end of the scale, while at the other end the concentration of wealth has been increased. This is the inherent mode of capitalism, as revealed by Marx almost 100 years ago

in his explanation of the social process of the accumulation of capital.

We turn now to our next question: How is the nation's stock distributed among these 6½ million owners? The Brookings Institution survey spends dozens of pages describing the age groups, geographical distribution, size of family, educational bracket, etc., insofar as they are related to stock ownership, but it has no breakdown at all on this most important point. Is it possible that the Institution found this information so strikingly demonstrative of the existence of a corporate plutocracy that it stayed away from this point entirely out of deference to Wall Street? That is quite possible and even likely. Such a very important matter would never have been omitted accidentally.

Shareowners and Shareholdings

However, although the report has no information on *shareowners*, it does have a great deal on *shareholdings* from which we may draw rough inferences about the shareowners of the nation. The difference between these two categories is this: A shareowner is a person owning stock, while a shareholding is a parcel of stock owned by one person. There are, according to the survey, about 20 1/3 million shareholdings on record in the nation, and these are owned by about 6½ million people. This means that shareholdings are distributed on an average of three to a person. The "average" shareowner owns parcels of stock in three corporations.

The holdings are actually very unevenly distributed. Almost half of the 6½ million owners have only one holding. Another million have only two holdings apiece. This means that in the upper brackets, individual owners must have many shareholdings each. We find this corroborated by further facts in the report: the top 20% of the shareowners have 5 issues or more, and the top 8% have 10 issues or more.

If we assume that three shareholdings represent one shareowner, we can get an idea of the way stock is distributed among the 6½ million owners. Of course, by this method, we get a very conservative idea: the extent of concentration will be much greater because, as we have seen, large numbers of owners have one or two holdings, and small numbers of owners have many holdings. We have, however, no reasonable way of including that factor into our calculations, and so the reader should keep in mind that the following estimates give an *understated* picture of the extent of stock concentration.

The Brookings report divides all shareholdings of record into three categories: blocs of 1-99 shares, blocs of 100-999 shares, and blocs of 1000 shares and over. This is done for common stock, which constitutes about 90% of all corporate stock, and for preferred stock. The following calculations are based upon the sum of both common and preferred stock.

The lowest category of shareholdings, between 1 and 99 shares to the bundle, take in most of the shareholdings of the nation, but takes in very little of the stock of the nation. The exact figures are really startling: *Fully 69%*

of all shareholdings are in this 1-99 shares category, but these tiny holdings put together only add up to about 14% of the total market value of all shares.

If we translate these shareholdings into shareowners, we find that an owner in the lowest category owns about 81 shares of stock with an average market value of \$41 a share and an average total value of \$3912. Such a holding gives the owner neither any power in the corporations nor any significant income. And we have very good reason to believe that about 4½ million of the 6½ million shareowners in the country fall into this category.

What the Small Owner Earns

What would the average income from dividends be in this grouping? Running our finger down the latest New York Stock Exchange listings, we find that Continental Can, paying a dividend of \$2, is quoted at a little more than \$41 a share. Our small owner, equipped with an average of 81 shares, would find himself the proud recipient, once a year, of a dividend check for \$162. Or, if he owned \$3912 worth of better paying American Telephone & Telegraph, he would possess 25 shares paying \$225 a year. Not exactly J. P. Morgan style.

The New York *Daily Mirror*, in an editorial on the Brookings report, said that the 6½ million stock owners are "capitalists." But the above figures show that, when we call at least 4½ million of these 6½ million people "capitalists," we are only mocking them. The people in this category are only "capitalists" as a sort of a hobby, but for purposes of making a living, they must have some more serious form of income. Some of them are full-time wage workers, whose stock ownership does not mean any more to them or their standard of living than the ownership of a few U.S. government Defense Bonds.

The report gives some figures for working class ownership of stock which we reproduce in the following table:

	No. Owning Stock	Total No. In This Class
Skilled Workers And Foremen	410,000	9,310,000
Public Service Workers	40,000	1,180,000
Semi-Skilled Workers	210,000	15,090,000
Unskilled Workers	10,000	5,640,000
Unidentified Occupations	*	390,000
Totals	670,000	31,610,000

Workers as Stockholders

The groups included in this table represent a large part of the American working class, and probably the whole of the industrial working class. The really sharp demarcation of the classes in America is made very clear by the above figures. Only 610,000 workers out of more than 31 million or about 2% of the class including foremen, are owners of stock, and, as we have shown, own such small amounts that their budgets are not very much improved by the dividends.

Of course it is theoretically not excluded that some of these workers or foremen own large blocs of stock, paying

* Negligible.

substantial dividends. But this assumption is completely unreasonable on the face of it. It must be understood that if a worker owned enough stock to support his family on the dividends, he would quit being a worker. In years of acquaintance with many hundreds of industrial workers, I personally have met only one worker who owned any stock, a legacy from a near relative. The annual dividend he received would purchase a cheap radio for his car, but hardly anything more than that.

These very small owners, as we have pointed out, probably include about 70% of all stock owners, or about 4½ million of the 6½ million shareholders. This whole big group owns only 14% of the market value of all stocks. Now how about the top groups — those owning blocs of 1000 or more shares?

This top group includes only 2% of all shareowners, possibly 150,000 individuals. This tiny oligarchy owns outright 56% of the total market value of all stocks of the nation. This doesn't look much like the "democratic" picture emblazoned in the newspapers when the Brookings report appeared, but it is the fact of the matter, as it actually appears in the text of the Brookings report. This fact also was unreported in the papers.

The Real Owners

The Brookings report actually proves everything which the press seeks to deny as "falsehoods" of "Marxist demagogues." It shows that the corporate stock is actually concentrated in very few hands: that fully 93.4% of the adult

population is totally excluded from all stock ownership; that of the remaining 6.4% most are small owners with negligible corporate income and nothing to say in the running of the corporation; and that the remaining few who may have some control over the corporations and who do receive sizeable dividend incomes constitute only 2% of the shareowners and thus less than .2% of the adult population. This is not itself the tiny Wall Street oligarchy that dominates the corporate wealth of the nation; that oligarchy is a still smaller group contained within this small segment of the population.

Financial interest groups representing only a few dozens of individuals can and do dominate giant corporations or whole groups of such corporations. For example, General Motors Corporation, with close to half a million stockholders, is dominated by the Dupont interests. The Duponts, holding about 23% of the voting stock, control the basic policies of General Motors without any difficulty. This picture has been generally well documented by the Temporary National Economic Committee and by Ferdinand Lundberg in his book "America's 60 Families" at the end of the Thirties. If it were brought up to date, it would show far more concentration now than then.

This then, is all there is to the legend about "a nation of capitalists." Like all fairy tales, it is intended to bemuse the mind, but, also like all fairy tales, it fails to convince those who live in the real world. To the tireless Marx-killers, we award an A for effort, but, so far as results are concerned, they have failed once again.

The Rise of Neo-Fascism in Italy

By LIVIO MAITAN (Rome)

Our two-monthly publication schedule is responsible, for a certain delay in the appearance of this study by Livio Maitan, foremost Italian Trotskyist. However, the reader will quickly see that the analysis of last May's municipal elections is only the springboard for a searching examination of parties, class forces and particularly of the resurgence of neo-fascism in Italy. — Ed.

I

The following facts emerged from a scrutiny of the municipal electoral returns in Italy one year ago: (a) The Christian Democratic Party, which is headed by Alcide de Gasperi, prime minister since 1945, recorded serious losses; (b) the workers' parties (Communist Party and Pietro Nenni's Socialist Party, PSI) maintained and in some cases strengthened their positions; the right wing parties (the National Monarchist Party, PNM, and especially the fascists of the Italian Social Movement, MSI) rolled up considerable gains.

The Extreme Right Gains

This year's electoral round reaffirmed the same phenomena in an even more pronounced way. To a large de-

gree the Catholic party (used interchangeably with Christian Democrats) continues to lose ground; the workers' parties strengthened their positions still further; the right (coalition of monarchists and neo-fascists) won a striking victory both in the realm of votes (e.g. in Naples the monarchist vote rose from 77,000 in 1948 to 147,000 in 1952. In Rome the fascist vote rose from 49,000 in 1948 to 142,000 in 1952) and in the realm of control of city governments (Naples, Bari and all the cities in Campania province are now controlled by the right parties).

Even a casual analysis of the election results leads to the following conclusions:

a. The gains of the workers' parties were made partly at the expense of the PSDI (right wing Social Democratic Party of Italy headed by Saragat and Romita) and of the PRI (Republican Party of Italy headed by Minister of Defense Pacciardi) who were allied to the Catholic party and to the liberals, and in part at the expense of the government party.

b. The votes lost by the Catholics, some two-thirds of them went to the right, namely in certain cases to the liberals but especially to the monarchists and the neo-fascists

who, in some cities, also gained at the expense of the liberals.

However a correct evaluation of the election should take into account the fact that the elections occurred in the central and southern part of the peninsula which have their own particular social and political formation. In the South — especially in certain areas — the right has always held very strong positions while the Catholic party was far from enjoying the political monopoly for its class as was the case in the North. It should also not be forgotten that the present wave of neo-fascism was preceded five or six years ago by what was called the Common Man movement which, while not being fascist, nevertheless attracted those who had good reason to yearn for Mussolini's dictatorship. On the other hand, an advance of the workers' parties was possible, even in considerable proportions, because they had not attained in the past nor even today their maximum electoral possibilities.

It is not our intention to deny the significance of the recent electoral campaign as a sharpening and polarization of class forces. But it would be erroneous to consider that the relationship of forces existing in the Center and the South are duplicated in the industrial areas of the North. As was demonstrated there in the 1951 elections, the right has not yet attained as high levels in the North as in the Center or the South.

II

Let us now review the contending forces and their policy in the electoral campaign.

The Neo-Fascist Party

The extreme aggressiveness of the right constitutes the new factor in these elections. The MSI champions as openly as is possible — without running afoul of the law against justifying fascism — the fascism of 1922-1943 as well as the puppet regime of the so-called Italian Social Republic proclaimed in the North during the Nazi occupation. Despite its purely verbal declarations of loyalty to democratic principles, it is unquestionable that under the MSI banner are gathered those who long for the two Mussolini decades; those who see in the rebirth of fascism the only hope for a revival of the so-called "national and traditional forces"; the youth who do not know fascism from their own experience and who have fallen into the trap of those who exalt Mussolini's Italy as the Italy of "grandeur," "heroism" and of "the Roman virtues." Consequently, the social composition of the MSI and its electoral following could only be clearly, preponderantly petty bourgeois.

And the reason for its success is lodged in the discontent of broad petty bourgeois groupings with the government which is joined to the irrational anti-communist hatred which is proper to the petty bourgeoisie under certain conditions and leads to the formation of profascist currents. Up to now, with few exceptions, it can be said that the MSI has no roots among the proletariat (its trade union influence remains insignificant). But one has only to attend a neo-fascist meeting to understand that they

already have a base (at least in certain cities) in lumpen-proletarian circles.

Through a vigorous electoral campaign, sparked by ample material resources, whose aim was much more that of political agitation and propaganda than competition for votes for control of city halls, the neo-fascists succeeded in organizing well-attended meetings in the big cities. Participating in these meetings were people in a fighting mood, a not negligible part of whom were ready to engage in physical combat with the police or members of the workers' parties.

The orators held forth on the glory of the fatherland, or the merciless struggle against the communists as traitors to the country, to religion, civilization, etc. They bitterly denounced the Catholic government accusing it of having been and of remaining in fact the ally of communism and of Stalin against "the national forces." Attaining the most uncanny likeness to the empty and blustering Mussolini-style rhetoric, and sometimes going so far as open threats not only against the workers' parties but also against the bourgeois parties and politicians, these speeches created waves of enthusiasm in the crowds particularly when the demagogues reiterated certain arguments or metaphors.

The Monarchist Riffraff

The National Monarchist Party is not the same in character as its ally although in some places it was spawned in the same strata. As against the plebian character of the MSI, the PNM is aristocratic and conservative in character. It is true that in certain cities (notably, Naples) the PNM is followed by ordinary people who certainly do not stem from the reactionary aristocracy. We are speaking here of the "*popolini*," namely the non-proletarian groupings among the people who live by their wits, from parasitic occupations, charity and rackets, as for example, the "*bassi*" of Naples where the vigorous breath of industrial civilization has not yet penetrated.

The lumpens of the MSI have been won over by plebian demagogy, by rhetoric about the fatherland, honor and the glorious past of the Eternal City. The "*popolini*" who follow the monarchists and who are stirred at the memory of the king's little children or the misfortunes of the queen who is described as nearly blind, respond to paternalistic appeals in which, since the time of the Lazzaroni, they have placed their only hope of securing the means of livelihood.

The MSI masses are impelled by myths; the monarchist masses are tied to the fortunes of the royalty through the intermediary of the wealthy (such as the shipowner Lauro of Naples) who buy votes and applause and who distribute one shoe before the election and the other after it, on condition of victory.

The PNM campaign places this party to the right of the government which is reproached for passivity toward the communists and its so-called repressive attitude to the "national forces" of the MSI. It goes without saying that the idea that was kept before the masses in these meetings was that of a possible return of the monarch from his Por-

tuguese exile on the heels of a resounding victory either now or after the next general elections.

The most innocuous campaign was that carried on by the minor parties of the democratic center. That applies especially to the republicans and the social democrats who revived their ruminations on the polarization of forces, on the dangers of a civil war which only a victory of people — like themselves — who are both progressive and faithful to liberty and to the defense of the country, could avert. However two considerations concerning these two parties should not be lost sight of.

First, the alliance with the Catholic party even on the scale of municipal elections was not achieved without difficulties: the protests of the Roman Republican Federation have their counterpart in the presentation of independent (but unsuccessful) social democratic candidates in certain localities. Secondly, especially in the second half of the electoral campaign, the attitude of petty-bourgeois circles influenced by these parties was characterized by a vigorous reaction to the boldness of the fascists — a symptom which should not be underestimated as limited to the following of the republicans and the social democrats.

De Gasperi and the Catholics

The campaign of the government party presented — and for good cause — the most complex and contradictory aspects. At the outset, the almost exclusive preoccupation of the Catholics was to prevent a success of the workers' parties: notably they wanted "to spare at any price the City of the Holy Father the shame of a Bolshevik mayor." Toward this end, the right wing Catholic circles especially, controlled by Catholic Action in which Luigi Gedda plays the principal role, began a pathetic campaign. Gedda proposed for this purpose the unification of all non-communist forces and threatened to ban members of Catholic Action from appearing as candidates of the Christian Democrats if they did not conclude an alliance or a fusion with the monarchist and neo-fascist right.

The resistance of the de Gasperi wing of the Christian Democratic party created serious difficulties until the emergence almost at the last moment of Don Sturzo's proposal. Don Sturzo, an old priest, founder of the Peoples' Party (Catholic) after the first world war, exiled by fascism, very influential even today in the Christian Democratic Party, proposed the formation of a single list composed of representative personalities of the different political tendencies but more by virtue of their competence and their qualities than in their capacity as representatives of the parties. Officially adopted by the Catholic leadership, the proposal remained inoperative due to the opposition of the social democrats and the republicans, to the pretensions of the right, and due to the continued resistance of sectors of the Christian Democrats.

The development of the electoral campaign effected changes in the propaganda line of the Catholic party. From exclusive anti-communism, they gradually shifted to a sharpening of propaganda against the right. (This does not apply to the propaganda of what was called "the Civic Committees," an electoral organization managed by Ged-

da). This is to be explained either as a reaction to the demagogic attacks from the right — especially the neo-fascists—or as a victory of the "centrist" wing of the Christian Democrats or as the consequence of the following consideration: as the votes of the left were largely crystallized, it was necessary to hammer at the right in order to avoid a larger defection in that direction.

The speech with which de Gasperi concluded his campaign at Rome provided striking evidence of what the anti-fascist motives of Christian Democrat electoral propaganda were at the close of the campaign. Said de Gasperi: "These people (the neo-fascists) will not come to power; we will not consent to it."

The Stalinist-Made "Peoples' Bloc"

The battle of the workers' parties (PCI and Nenni's SP) was organized in varied forms but on the basis of a single general policy. This policy can be summarized in a few words as follows: the need to wrest influence over petty bourgeois strata and even over broad strata of the bourgeoisie itself away from the governmental party and into the fold of the opposition. That is what they call the policy of alliances, which, according to the Stalinists of the peninsula, is the touchstone of the political chairvoyance of Togliatti and his colleagues (and they add, somewhat discretely, of his superiority over their counterparts in France).

In the electoral field, this policy is conveyed, as we have said, in varied forms. In certain localities — notably in small cities and villages — there was a "peoples' bloc," or a unified socialist-communist list with some places left open for independent candidates (these blocs were often grotesquely camouflaged under the most extravagant denominations — even under the name of the Holy Father!).

Secondly, there were independent socialist and communist lists or the unified list of the peoples' bloc allied to lists composed of so-called independent democratic personalities. These for the most part consisted of political relics who were washed up with their own class and were taking their last political fling as Stalinist fellow travelers. The head of the list at Naples was Arturo Labriola, onetime revolutionary syndicalist, later an odious renegade from the workers' movement. The Number One man in Palermo was an old reprobate, compromised with fascism, who, after having unsuccessfully offered his collaboration to the liberals and the neo-fascists, joined the Stalinists and presented a parallel list under the label of "Frederick II of Swabia"! (In general, these lists made a mediocre showing although the Stalinists often called upon their following to cast their votes for them.)

The third form of struggle adopted by the socialist-Stalinists, to the supreme delight of the bureaucrats, was concretized in Rome where the old reactionary, Francisco Nitti, and others of his stripe (liberals, monarchists, former deputies of Common Man) presented a list entitled "Capitol" in which 40 independents were interspersed with 20 Nennists and 20 Stalinists. Although the real relationship of forces obviously favored the Stalinists, they had to agree to serious restrictions on their propaganda.

The second phase of Catholic propaganda directed against the neo-fascists found its counterpart in Nenni's campaign. Although veiled, it consisted of real offers of the SP leader to de Gasperi in about the following language: "You will not be able to continue to govern all alone. If you want to avoid capitulation to the right, collaborate with us. The SP in particular can constitute a democratic rampart against the onslaught of fascism." We will return to this question later.

The gains made by the workers' parties does not justify the conclusion that their policy was, on the whole, correct. It must not be forgotten that the overwhelming majority of left votes are proletarians who vote for their parties at the present juncture regardless of their policy. But so far as the petty bourgeois masses are concerned, it cannot be said that the workers' parties profited greatly from the Catholic crisis. It is true some 20,000-30,000 former Christian Democratic electors voted for the Nitti list, but on the other side some 150,000 went to the right.

The specific orientation of the petty bourgeoisie is extremely important in determining a policy toward them. It was evident, especially in Rome, that there was a petty bourgeois shift away from the Catholic party but it was a shift especially to the MSI. These are people who are against the government and have vague feelings of hostility to the regime. If they follow the MSI, that means that they are no longer moved by Christian-liberal aims. It is therefore futile to hope to win them by presenting the workers' parties as radical-democratic parties who propose to make Rome "a democratic and modern city." On the contrary, the petty bourgeois layers, turning away from the Catholics, can only be attracted on the basis of class agitation and principled revolutionary propaganda and can thus keep them from taking the road to profascism.

III

The results of the elections at the end of May emphasize and accentuate the crisis of bourgeois leadership in Italy. The disintegration of the government party and of its allies in "the democratic center" is becoming more manifest and more decisive: all the more since the specific weight of Catholic or liberal votes is not comparable to that of the communists or neo-fascists which are qualitatively superior as militant votes.

Italian Capitalism's Dilemma

Two fundamental problems are now posed to the Italian bourgeoisie: 1. To discover a political formula, which assures a greater political stability to the regime by rallying dynamic forces around it; 2. On the electoral plane, with the 1953 general elections in view, to set up an effective electoral front which can win a sufficiently large majority.

Up to now, the responsible bourgeois groupings have not decided the question and in actuality remain in an impasse. In effect, if the Christian Democratic disintegration is undeniable and if it is doubtful that the center can assure a new victory in 1953 by keeping the same platform as in 1948, a serious alternative leadership has not

yet stepped to the front. For the moment, the MSI and the PNM do not provide sufficient guarantees, and the most representative organs of the industrialists have not withheld their attacks against them, especially the neo-fascists.

This attitude results from several factors. Above all, so far as the monarchists are concerned, they have not the slightest base in the North and there is no possibility that they can gain one in the near future. Besides, the monarchists, by posing the question of the return of the king, may very well create a constitutional complication which the responsible bourgeois correctly deems to be untimely.

Neo-Fascists Still Unacceptable

So far as the MSI is concerned — and this is really the heart of the problem — a first difficulty consists in its too openly fascist character which justifies the fear that an MSI push may call up a violent reaction from the proletarian masses and even an unfavorable response from certain petty bourgeois layers. (This fear is legitimate. There are people in Rome who voted for the left candidates in reaction to the clamorous demonstrations of the MSI).

Another factor, which in the last analysis threatens to become decisive, is the attitude of the American rulers. Up to now the State Department has remained hostile to the MSI for about the same reason it has been hostile to the de Gaullist RPF in France and for other reasons which can be easily understood. As long as this attitude remains, the chances of the MSI becoming the new leadership of the Italian bourgeoisie will be greatly handicapped.

If to all this is added the fact that in the present situation of world capitalism, which survives thanks to the support and under the control of Yankee imperialism, a nationalist ideology such as is propagated by the MSI does not correspond with the reality. Its difficulties in making headway among the broadest layers, who were its natural milieu in the past, is also increased. This consequently serves to explain the hesitation of the Italian bourgeoisie, which has not yet decided to turn its back on de Gasperi, and for a second time confide its fate to to plebian reactionaries of fascism.

IV

That Italy is moving toward a sharpening of social and political conflicts and toward a polarization of the contending forces could have been deduced from an analysis of the situation in the country considered within the larger framework of the world situation. This has now been confirmed beyond the shadow of a doubt by the results of the recent elections. There is no need to elaborate the question.

What, however, is of greater interest to us, is the specific forms this process may take and how the bourgeoisie will eventually resolve its crisis of political leadership in more than a passing manner.

The Catholic party confronts contradictory needs. Concerning its more general action — i.e., an action which seeks to create a new situation and new relationship of

forces — it has not much latitude before the 1953 elections. In this sphere, the cards are dealt: and the government cannot reasonably hope to achieve what it has failed to achieve in the last four years. But if real possibilities did exist, the Christian Democrats would have to become involved in a contradictory situation. On the one hand they would have to take "left" measures or pseudo-measures (agrarian reform, social policy, etc.) in order to limit the influence of the workers' parties. On the other hand, they would have to sharpen the anti-communist repression so as to satisfy one of the most vociferous demands of the right (which they are going to do in any case).

The Catholic party has to assure itself of allies in the electoral field who can broaden the base of a future government. To continue the policy of the "democratic center" — opposed both to the workers' parties and to the neo-fascists — the Christian Democrats have the possibility of broadening the front by the addition of monarchists or Nennists. But the inclusion of the monarchists (which would automatically exclude the PSI) would create serious difficulties. The monarchists would put a high price on their participation, and an agreement with them would compromise the alliance with the social democrats and the republicans. These leaderships could only accept a union with the monarchists at the cost of a loss of influence in radical petty bourgeois circles.

The possibility of a de Gasperi-Nenni alliance is, in our opinion, improbable. In effect, the response of the Catholics to Nenni was formulated in the terms of an ultimatum, demanding precisely what Nenni cannot concede to openly, at least at the outset. The opinions expressed at the last central committee meeting of the PSI reflect a certain stiffening of the Nennists, and Nenni himself has retreated to a certain degree.

An Alliance with the Right

Outside of a continuation of centrist policy, the Catholics have the alternative of an alliance with the right. This eventuality cannot be completely excluded for tomorrow or the day after and certainly, for very good reason, not for the more distant future. But for the moment, this eventuality does not appear very probable. An alliance with the fascists would inevitably entail the rupture of the alliance with the social democrats and the republicans. And there are even sectors of the Christian Democratic Party (which do not fall within the strict scope of Catholic electors) which would not go along in such a policy.

An alliance with the MSI would prove very costly to the Christian Democrats: It would entail the sacrifice of de Gasperi and his colleagues and would cause a deep-going split in the party. That is why we do not believe we are on the eve of such an operation which could only be carried through after the next general election and in the event of a Catholic defeat and a decisive advance for the MSI.

We do not deem probable in the immediate period that the bourgeoisie will opt for an early fascist solution. Naturally the lessons of the past should not be forgotten nor

the neo-fascist danger underestimated. In this connection, we will not share responsibility with the Stalinists who minimize the success of the MSI, or even worse, sometimes try to present it in a favorable light as an element of disintegration in the Catholic majority. On the contrary, we believe that anti-MSI agitation is incumbent on the workers' parties and the trade unions.

How Dangerous Is Fascism?

But it is also wrong to believe in the possibility of a mechanical repetition of events. In the last analysis, the experience of thirty years ago will not be without its effects on the attitude of the masses and of the workers' movement in decisive turning points. It should be added that the MSI — which is the only consistent fascist organization — is not without its weaknesses. Its cadres are poor in type and up to now it does not have a leader of the scope of a Mussolini or a Hitler — and everyone knows the essential role which the anointed leader plays in movements of this kind in releasing the enthusiasm of fanatics.

The MSI still lacks a clear perspective and a precisely drawn policy. That also flows from the fact of its division into ferociously antagonistic tendencies which constitutes another factor of weakness. By and large, these consist of the traditional tendencies, conservative and plebian. Up to now, the problems dividing the party have been the questions of the alliance with the monarchists and the support of the Atlantic Pact, which is fought by the left wing in *Il Meridiano*.

However, if the industrialists are not at present impelling the MSI toward power, they are nevertheless in one form or another giving it assistance and assigning to it an important function: the organization of anti-working class shock troops which have already been set into motion by the MSI in certain instances. (During the electoral campaign there were violent clashes in Trieste provoked by the neo-fascist "*squadracci*" creating a disturbance in a working class neighborhood.)

Finally, it should be understood that the process of a move in the direction of fascism on the part of the Italian bourgeoisie could unfold more rapidly if in the months to come there were to be a mass shift of the petty bourgeoisie in the direction of neo-fascism. In face of such an eventuality, and if in addition the MSI emphasized its support of the Atlantic Pact, the responsible bourgeoisie could change their tactic and abandon "democratic reformism." (During the course of the election campaign, the official speakers of the MSI declared themselves for the Atlantic Pact while attacking de Gasperi and the Americans. Their attitude was confirmed on the occasion of Ridgway's visit.)

Obviously the attitude of the worker's parties will play an essential role. A policy based on the unity of the proletarian front, on counteracting the influence of the neo-fascists among the petty bourgeois masses, of vigorously answering the attacks of anti-working class shock troops, of clearly demonstrating to the bourgeoisie that a pro-fascist policy on their part would produce a very vehement

reaction from the proletariat — all that would hinder or at least considerably slow down the course toward the fascist state and could even lead to a complete disorientation of the strategy of the ruling class.

If the bourgeoisie is now still hesitating in choosing its road, that is undoubtedly because it is keeping such a possibility in mind.

Rome, June 23, 1952

The Politics of French Stalinism

By **PIERRE FRANK** (Paris)

The situation in France has been marked by a whole series of events at the end of May and the beginning of June 1952 which were widely commented on in the world press but most often in a specious manner. The real relationship of forces, the perspectives in view were generally distorted. So too with the shifts of policy of the Communist Party of France. The object of the following remarks is to clarify several essential points.

France, Nerve Center of Western Europe

It is a commonplace that France is the most sensitive spot of the Atlantic coalition in western Europe. Not only is the majority of the working class under the leadership of the Stalinists (who have obtained 5 million votes in all elections since 1945 — and the CGT, Stalinist-controlled trade union federation, obtains some 60 to 70% of the votes in the elections of delegates in the industries). But a defeatist and anti-American feeling is harbored by the bourgeoisie and petty-bourgeoisie and finds daily expression in the newspaper, *Le Monde*. French capitalism — which takes a dim view of the rearmament of Germany — is dominated by American pressure and can do nothing but passively wait the advent of the war. It must attempt to disorganize the working class to the utmost and to weaken the hold of the CPF upon it. Hence the imperative need for French capitalism to engage in a series of attacks and provocations against the workers and against the CPF, short of civil war before the outbreak of the war itself. Antoine Pinay, the most reactionary premier since 1945, has attempted to push things furthest in this direction even to the point of running some risks. It should be noted that even some de Gaullists considered the arrest of Duclos an adventure.

However that may be, the government had prepared a conspiracy against the CPF on the eve of Ridgway's arrival in France and sought a pretext to carry it out.

To get an idea of the importance of France for imperialist strategy, it should not be forgotten that there are around a million workers voting communist in the Paris area where the headquarters of OTAN and its military arm, SHAPE are located.

Stalinist Policy

The fact that France is one of the weakest links of the imperialist chain must inevitably tempt the Kremlin to utilize the workers' movement and the strength of the CPF

to try to break up the Atlantic coalition. The "radicalization" * of the CPF must be considered within this framework.

This "radicalization" began to take a particularly palpable form at the beginning of this year. The CPF countered the prohibition of the traditional annual demonstration on February 12 by an appeal for a general strike. The results of the action were inconclusive. Workers' preparation was not especially intense except at Renault (France's largest auto plants located in the Paris suburbs). The movement was spotty throughout the country. There was a clash at Renault between the workers and the police who, however, did not seek to push the fight too far.

The 12th of February action was to serve the purpose of an initial radicalization of the CPF membership as was very clearly indicated in the deliberations of the CPF Central Committee which took place around the middle of the month.

The radical note emerging from this session was further confirmed and sharpened by editorial articles in the *Cahiers du Communisme*, CP theoretical organ (March and May 1952) written by Etienne Fajon and Francois Billoux, members of the Political Bureau; Billoux had just returned from the USSR.

What was the nature of this "radicalization"?

It was pointed out that the political situation in France was marked on the government level by a series of more and more reactionary premiers since 1945, that discontent was general and, consequently that the situation was opportune to reverse the direction of events by means of widespread mass action regardless of the composition of the existing parliament. It was also pointed out that the principal enemy to be overcome for this purpose was the French bourgeoisie which was the main enemy although acting under American pressure; that the bourgeoisie *as a class* was betraying the interests of the nation, and that even if some individual bourgeois were in favor of east-west trade, it was for individual motives and should not therefore lead to an attenuation of the struggle against them. The need for concrete actions of struggle against the war was emphasized (refusal to transport and handle arms). An impeccable position was taken against the French Union (the French Empire — Ed) and for the support of

*"Radicalization is the nearest we can come in conveying the meaning of the French *gauchissement* which literally means to become more left.

the colonial movements. They glossed over the policy of collecting peace petitions (Stockholm) and explained that the struggle for peace was part of the struggle for socialism. They explained that the reversal of political orientation in France should lead to socialism. The question of perspectives was emphasized as a means of insuring the cohesion of the party in action.

In effect, in extreme confusion and under the banner of national independence, the CPF ranks were raised to a higher political level and to greater combativity. On the other hand, the CPF leadership continued its policy of united front "from below," seeking to set the socialist workers against their leadership solely by denunciation. They retained their slogan of a government of democratic unity, sometimes using the expression of a peace government or a government of honest men, the dominant note being ambiguity. There was not the slightest hint of a united front of the Communist Party and the Socialist Party nor of a struggle for a united front socialist-communist government.

What was most interesting on the organizational plane was that while the CPF leadership formally recognized the right of Stalinist-front organizations (like the Peace Movement) to follow a different policy, in effect it renounced the previous orientation of adapting the party to these organizations and tended — bureaucratically, to be sure — to delineate the CPF in action and as an organization.

As a mass organization, the turn of the CPF and its leadership are not assimilated solely by the reading of resolutions of its Central Committee or of articles by members of the Political Bureau. Like any mass organization, the CPF is educated principally in action, and even if the leadership of the CPF was not bureaucratic in character, it would have been obliged to envisage the means of making its new policy understood through action. For so bureaucratic a leadership, there was no hesitation in precipitately involving the revolutionary vanguard in an action of which most of the participants were uninformed until the moment they were thrust into it. As has been pointed out above, the February 12th strike was broadly utilized by the CPF leadership to begin to radicalize the ranks of the party. (For example, the first clash with the police at Renault, the raising of barricades, etc.).

The Events of May 28th

The arrival of Ridgway, fresh from Korea, thus occurred in a situation where the government on its side was preparing a provocation and a conspiracy and a Stalinist leadership on the other side was seeking to raise the level of the struggles.

The government proscribed the demonstration called on the *place de la Republique*, but the call for the demonstration remained. Tension mounted as the day approached. The government arrested Andre Stil, editor-in-chief of *L'Humanite* (leading Stalinist newspaper). Local demonstrations were organized by communist branches. Then, as a consequence of the deportation of Messali Hadj (Algerian nationalist leader) from Algeria, North African

workers demonstrated on May 23 on French territory; the police opened fire, killing four Algerian workers. On the morning of May 28, the police seized *L'Humanite*.

In the late afternoon, when the factories let out, only a vanguard was answering the call of the CPF. To outmaneuver the police who had concentrated their forces at *place de la Republique* and in a fairly large neighboring area, the demonstrators gathered at a dozen different points. The number of demonstrators, which is difficult to establish, may however be estimated at from ten to fifteen thousand, but more important was the extremely combative character of the demonstration. In most cases the demonstrators took the offensive, attacked the police corteges, breaking them up, vigorously assailing the police and even a police station and police wagons in which demonstrators were being taken off. A large number of police were wounded. There was one dead and many wounded among the demonstrators.

Although only a vanguard had taken part in the demonstration, it had transpired generally amidst the sympathy of the working masses.

This demonstration, and the extremely violent character of the clashes, cannot be considered as accidental, but as the prelude, the general rehearsal for the period in which civil war is ripening in France; it marks an important stage in the development of the class struggle to extremely high levels. It deserves a detailed study, because some of its features will appear in a more developed form in the struggles for power in the future.

Tactically, the communist militants had surprised the police and the demonstration had as its first result the raising of their combativity, their revolutionary potential, a series of questions becoming clearer to them (struggle against the state, arming of the workers . . .). But politically matters were to take another turn, for on the same evening the government put into operation its conspiracy by arresting Jacques Duclos, general secretary of the CPF since the departure of Thorez.

The Government Conspiracy and the Workers Reaction

The day after the demonstration the government proceeded with the execution of its plans. *L'Humanite* was again seized. Some days later the police raided the headquarters of the Central Committee and a number of local CPF offices.

On May 29, communist workers attempted to arouse the workers to action in a number of factories. Despite general sympathy, they encountered considerable difficulties even in factories where their influence is very strong. The National Committee of the CGT met quickly to issue an appeal to action for the defense of democratic rights and for action on economic demands which were "to begin on June 4th." This action was to take broader forms as it proceeded. The CGT's appeal was extremely skillful and cautious. But the railroad workers federation called for an unlimited general strike.

On June 4th a strike was declared at Renault as well as

in several Parisian metal factories, but generally speaking, despite all the sympathy the masses showed for the CPF and despite their hostility to the government repressions, the failure of the movement was almost complete, particularly among the railroad workers where there were not even partial movements as there had been on February 12th. On June 5, the movement also came to an end at Renault. At no times since 1945 had the ranks of the CPF found themselves so isolated in action from the working class.

The CPF and the Working Class

During recent years the members of the CPF had experienced the high and the low of their capacity to mobilize the workers, but never had they suffered as heavy a defeat, and this in face of the worst government provocation: the arrest of the principal leader of the party in violation of his parliamentary immunity. It was also evident that their leadership had been taken by surprise by this government aggression and by the absence of working class response to their appeals for action against the repression. Almost a week passed before they organized a mass meeting against the repression, which was attended by 30,000 people.

This situation (these relationships between the working class and the CPF) could not be explained to the satisfaction of the militants by the customary reasons used in defeats: inadequate preparation, faulty application of the policy of the party . . . A political explanation was necessary and the principal purpose of the Central Committee meeting of the CPF in the month of June was to give such a political explanation to the members of the party in order as much as possible to divert the members from seeking such an explanation on their own. But before examining the results of this meeting, let us recapitulate what are the relations between the CPF and the masses and how they were manifested on May 28 as well as in the following days.

The failure of the CPF to mobilize the masses, its isolation in action, does not in any way signify that the broad masses are separating themselves from it or that the fighting potential of the French working class has been seriously impaired. At the very moment when these events were occurring elections for delegates were being held in many industries (Renault, railroad . . .). The losses of the CGT were at a minimum, from five to ten percent, while sixty to seventy percent of the workers continued to vote CGT. These votes were cast amidst extraordinary heavy employer pressure. Dismissals had mounted. Thus, at the Renault plant, where a few days after June 4, 63 percent of the workers had voted for the CGT, more than 400 militants had been dismissed since February 12. Under such conditions losses remained slight.

The *Force Ouvriere* trade unions (a trade union federation led by Social Democrats) did not progress either numerically or in influence. The Christian unions, who are to the left of *Force Ouvriere*, made very slight gains. The CPF maintained its positions in various municipal and legislative elections.

Generally speaking the working masses of France who, between 1936 and 1945, have in their majority gone over from the Socialist to Stalinist leadership, remained deeply tied to the Stalinists. There is not even the slightest movement back to the reformists despite the many defeats the working class has suffered since 1947. And the events of May-June 1952 have in no way modified the fundamental relations between the CPF and the working class.

This does not mean that the masses are blindly and uncritically following the CPF or that they are ready to reply to any appeal on its part. That had already been evident in the past but now it is necessary to understand why they did not react at the very moment when repression was at its height.

Beginning with 1947, the CPF has been thrust into opposition to the government; at times it had been sharply in conflict with the state, especially during the miners strike of 1948. However, from 1947 to the beginning of 1952, its general activity remained within the framework of propagandist opposition and consisted only from time to time of general mobilizations at an extremely low level (Stockholm petitions, mass meetings . . .). Its general policy was that these petitions and these rallies would stop the warmakers . . . During recent years the masses have not heard any propaganda for struggle.

The stiffening of the CPF and its "radicalization" occurred bureaucratically and was not apparent to the masses. We have already pointed out that the large part of the membership of the CPF only became aware of the turn in the struggle itself. Because of this fact, the masses — whatever their sympathies toward those who were fighting the bourgeois state and the employers — were not politically prepared for action, above all because of the past policy of the CPF. But this was also due to its present policy.

Discontent is general among the working masses. Grievances are numerous. But more or less instinctively the masses feel that they cannot obtain satisfaction of their demands in limited struggles. They feel the question to be tied to the question of power and that any real change for them must result from some real change in the government. But this sentiment of the masses is not stimulated and not transformed into action because the CPF's position on the problem, to say the least, is equivocal.

The CPF does not carry on any campaign on the question of power. The Central Committee adopts resolutions which close in a ritualistic way by a call for a "government of democratic unity," which has no meaning for CPF members or for the masses in general. Three or four years ago when the formula of a "government of democratic unity" was first issued — about a year after the end of the Stalinist coalition with the petty bourgeois parties — the slogan could have given the appearance of seeking for a new period of collaboration. Under present conditions, such an eventuality being excluded by the very nature of things, the slogan loses all real meaning and in fact presents an obstacle to the only real slogan, that of a united front government of the workers; a communist-socialist government issuing from the joint struggle of the two big working class parties.

The broad masses do not rally today to the appeals to action of the CPF. Although isolated in this sense, the militants of the party remain the leaders of the working class of the country. The masses will inevitably begin to act because of their absolutely intolerable conditions which will be worsened by preparations for the Third World War and by the war itself. This development can be aided or hindered by the CPF's policy but it cannot be eliminated by it. When the masses take their own road to radicalization they will inevitably turn to the communist militants for leadership. They will choose as leaders those who have had the courage to be in the vanguard of the struggle and they will not begin by a careful scrutiny of the policy of their party. Any other conception would be an anachronism. -

Fajon's Report and the Central Committee Meeting

What is the significance of the June 19-20 Central Committee meeting?

The general opinion of the bourgeois press was that there was a turn of the CPF dictated by Moscow. Why the turn? It cannot be theoretically excluded that Moscow ordered a turn, but for the present serious international objective reasons are lacking to substantiate such a hypothesis. The left emphasis, particularly given by Billoux' article, undoubtedly originated in directives from Moscow. It is to be explained objectively by the development of the situation. For the moment, the factors are lacking which would permit the conclusion that Moscow has reversed itself. On the contrary, a study of the minutes of the Central Committee meeting give rise to a much more plausible explanation. One cannot and should not explain all the actions of a Stalinist leadership solely by orders from Moscow. Especially when a mass party is involved such a leadership cannot but take into account the relationships of the party with the masses. Moreover it possesses a margin of maneuver within the general line established by Moscow.

What is even more striking in Fajon's report than its differences with Billoux' article, which are not to be discounted, is its self-criticism. And when we speak of self-criticism, we can say, regardless of its political content, that for the first time this word can be used without quotation marks. In effect, Fajon says that *the Political Bureau is responsible* for the "insufficiently clear and incomplete" article by Billoux.

Jeannette Vermeersch (Maurice Thorez' wife) speaks of "errors of estimation" in one of her articles. The Political Bureau also declares itself party responsible for errors committed in important instances: an article in *L'Humanite*, a headline in *Liberte*, organ of the Communist Federation of the North, are called sectarian. The Railroad Workers Federation and the Union of Trade Unions of the Seine are also criticized.

All in all, the self-criticism is certainly still very guarded, but what is inescapable is that the leadership does not shift the blame, as is its custom, onto a scapegoat. This self-criticism needs explaining, for the leadership does not beat its breast without having serious reasons for so doing.

It did so for many reasons. First, there is the idea,

widespread in the party, that they were too far ahead of the masses. The leadership as well as the ranks understood that the first need was to re-establish contact with the masses. Moreover, this is unquestionably a real problem for any leadership and presupposes a whole series of measures to which we will return later. The greatest danger for the leadership would be if the party members began to seek their own political solutions on the basis of their political development of recent months, the line set forth by Billoux, and the radicalization ensuing from recent struggles. On this basis, there was the risk that the militants would orient themselves outside of the roads mapped by the bureaucracy and would tend politically toward a more or less finished revolutionary conception. Under these conditions, the leadership shouldered part of the responsibility and outlined its political answer.

What are the principal differences between the Billoux article and Fajon's report?

None of the ideas expressed by Billoux is openly condemned or contradicted, except on the point of the socialist perspectives of the struggle, but the accent is placed on something else. Fajon's report insists on the contradictions existing within the French bourgeoisie. He no longer speaks of the need to defeat it as a class, but he also no longer says that it is necessary to support one faction of the class against another or something of the kind. The problem of a change of orientation in the policy of France is mentioned in passing instead of being the central theme. There is no change on the need of struggling side by side with the colonial peoples. He continues to emphasize the need of specific actions against the preparations of war. In order to continue to carry on the "struggle for national independence and peace," he emphasizes the need of linking a campaign for the freeing of Duclos, which would be a campaign in defense of democratic rights, to the struggle for the immediate demands of the workers and the middle classes. But the change occurs on the question of perspectives.

The struggle for peace, "which is the decisive question of the *present*, which overshadows all others," is dissociated from the "struggle for socialism which is our program for the *future*." How different from the editorial of the same Fajon in *Cahiers du Communisme* (March 1952) in which, explaining the February Central Committee decisions, he wrote that world socialism could be considered as a perspective for the near future. It follows from this change that "what is essential is *the broadest possible unity* to safeguard peace of all those opposed to war" which means a re-adaptation to the position of the fellow travellers. Finally, says the Fajon report, "it is to the degree that new strata of the population take part in the battle for peace and national independence, to the degree that this battle rises to a higher level . . . that a policy of peace . . . will triumph . . . under a broad government of democratic unity."

The change, as we see, while not unimportant in presentation or in emphasis, is hardly fundamental in nature. There is no repudiation, even in the Stalinist way, of the line defined in the Billoux article; no different line is pre-

sented. It is undeniable that the leadership in its own way is seeking to re-establish contact of the CPF with the masses so as to find a better opening for the application of the line defined in Billoux' article.

Obviously this is a Stalinist leadership, i.e., it is profoundly empirical and opportunistic. It could not subject its past policy from top to bottom to self-criticism; it is constrained to remain within certain limits, i.e., to a number of current decisions and articles.

What were the factors which were at play in the re-adjustment of the tactics of the CPF? Nothing clear on this score is to be found in Fajon's report and therefore one can only make certain presumptions. Did they take into consideration certain signs of wavering in the Atlantic coalition over the ratification of the general contract with Germany? It is possible, but this would prove that as a typical Stalinist leadership it still has illusions in the possibility that inter-imperialist contradictions can play the same role they did in the second world war. It certainly can count on the development in France of a broad expression of public opinion against the police regime being created by the government, which is already apparent in a whole series of verbal protests, resolutions, etc., arising from circles outside those controlled, animated, or influenced by the Stalinists.

Naturally a revival of contact with the masses requires a policy which takes the immediate demands of the masses and the defense of democratic rights as its point of departure. The Central Committee decision to carry on a campaign for the freeing of Duclos is not erroneous in itself. (This article was written prior to the quashing of the charges against Duclos — Ed.) And, as we have pointed out above, the climate is favorable for such a campaign finding a real echo.

But a campaign for such elementary objectives, must first of all be conducted through the medium of agitation for the united front. In this connection, in the trade union sphere, the CGT leadership has revived the proposals it has made since September 1951 on various occasions for unity of action to the other trade union federations. Nevertheless, the proposal is implemented in its usual way merely as a formal approach from the top without any systematic campaign addressed to the ranks popularizing its objectives, as though it were merely a futile gesture.

On the other hand, the necessary scope can only be given by a struggle on a broader scale than the trade union field, i.e., by a *political struggle* involving all the working people of the country. But here the leadership of the CPF is much less at home. At the close of 1951, there were articles by Fajon in *L'Humanite* beginning a campaign for the socialist-communist united front. But this campaign never got beyond the local scale. And then it was suddenly stopped short. Then there was discernible a resumption of the practice of appealing to the ranks of the socialists against their leaders (particularly in Billoux' article).

In recent days there have been signs that the question of this campaign has been raised in the CPF again. In the campaign against the incarceration of Duclos, importance is given to the participation of socialists (notably

of delegates from socialist organizations). Mention should be made of a proposal of the "Progressive Union" addressed to both parties and also to capitalist parties for a new "Peoples Front." An article by Lecoœur (a member of the Political Bureau) in *L'Humanite* warns against rejecting the united front on an organizations level. In a general way, what emerges from the conduct of the Stalinist leadership since the beginning of June is an empirical search to find a solution to the problems of establishing ties with the masses for action.

The weakest point is the question of government. According to Fajon's report, what is required is a struggle which by extending its scope eventually poses the problem of power. But the obverse is true. A systematic campaign in its many forms for a united front socialist-communist government is necessary because this conception, once accepted by the masses, becomes a means of launching partial struggles as an opener to broader battles. The withdrawal of perspectives by Fajon in his report that were contained in the Billoux article is precisely the important retreat that will hinder the communist militants the most in their search for a solution to the problem of their party leading the masses.

Although, in our opinion, Billoux' article was also "insufficiently clear and inadequate," but for different reasons than those of the Stalinist Political Bureau (the defeat of the bourgeoisie as a class, the changing of the political orientation of the country by a struggle which would unfold the perspective of socialism) this article could have had the effect of making the communist militants more susceptible to questions of united front and of the government of the united front as concrete means for winning the masses for a struggle for such a perspective. In conclusion, the obstacle to the progress of CPF militants in the Fajon report is not its attempt to find slogans to revive contact with the masses, but the elimination of what Billoux had presented as a perspective.

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A General View of the Situation

But what is happening in the CPF should also be viewed on a more general plane.

France is facing growing tension, more frequent shocks and convulsions. Precisely because it is weak, very weak, the French bourgeoisie will seek through such devices as the Pinay conspiracy to create difficulties in the workers' camp. Duclos' arrest has not fundamentally changed the relationship between the classes in France any more than the arrests in Tunisia have fundamentally changed the relationship of forces between imperialism and the Tunisian people. But these arrests, by provoking premature actions of the vanguard, serve the purpose of gaining time for the bourgeoisie and of interfering with the normal progress of the masses.

The upsurge of the French proletariat under pressure of the conditions created by war preparations is proceeding slowly. A first start occurred in May-April 1951 but since then the bourgeoisie has succeeded in preventing a new outbreak.

Because of this situation and of a whole series of events, the radicalization of the CPF militants, which follows its own course of development appreciably different from the evolution of the broad masses, induces differentiations in the ranks of the CPF which cannot be normally expressed in a political form because of the bureaucratic regime. Nevertheless these stirrings do find forms of expression. It is noteworthy to recall the polemic last year of two Political Bureau members against a Central Committee member who had proposed the reestablishment of the Communist Youth. The events of May-June 1952 obliged the Political Bureau to indulge in self-criticism which for the moment serves the needs of the bureaucracy but in the long run undermines belief in the omniscience of the supreme leadership.

The reactions of the CPF to these events provides us with a close-up of the processes at work in mass Communist Parties as a result of the aggravation of the world situation. It was only after the event that we could grasp the over-

all consequences of what had happened to the Communist Parties of China and Yugoslavia. In France, we are now living at the onset of this process, which will still be a very complicated and tortuous one.

The radicalization today encompasses the vanguard elements and not yet the masses. Other events will shake up Stalinist monolithism even more. But these processes will develop within the ranks of the CPF. The militants will not seek a solution to their problems on the outside. Basing themselves on this or that phase of the searchings and groping of their top leaders, their political thought will take shape and mature. The development of the situation will provide the Trotskyist vanguard, on condition it takes the work of the Third World Congress seriously, with numerous opportunities to influence the political evolution of the best cadres of the French working class who are outstanding Bolshevik elements despite the Stalinist hoop that now binds them.

June 27, 1952.

The Third Chinese Revolution

— A RESOLUTION OF THE FOURTH INTERNATIONAL

Editor's Note: The following resolution was adopted by the International Executive Committee of the Fourth International in May 1952. It has been translated from Quatrieme Internationale and is published herewith for the information of our readers.

I. The Significance of Mao Tse-tung's Victory

After 40 years of convulsions, the political power of the landed proprietors and the compradores, which served as the instrument of imperialism, has been destroyed in China by the military victory of the People's Army of Liberation. The establishment of the People's Republic of China signifies the end of the historical epoch during which imperialism, in league with the Chinese ruling classes, blocked the realization of the bourgeois revolution in China. It represents the beginning of the victory of the Third Chinese Revolution, i.e., the beginning of the realization of the historical tasks of this revolution: liberating the country from the grip of imperialism; national unification; solution of the agrarian problem; liquidation of all feudal and pre-feudal survivals in the domain of the state, the economy, customs, culture, etc.

The dynamics of this revolution proceeds along the line of its growing over into socialist revolution. The fulfilment of the bourgeois democratic tasks themselves impose such a growing over under the regime of the proletarian dictatorship.

2. The destruction of the power of Chiang Kai-shek and the Kuomintang was the necessary condition for beginning the solution of the historical tasks of the Third Chinese Revolution. Thus the fundamental thesis of the Menshevik theory of revolution "by stages," put forward (in 1925-27) by Martynov-Bukharin-Stalin, has been in-

validated just as it was in the course of the Second Chinese Revolution. The tasks of the bourgeois revolution have begun to be resolved, not in alliance with the Kuomintang and the Chinese bourgeoisie, but as the outcome of a bloody struggle against them. The Third Chinese Revolution has begun, not through the alliance with Chiang Kai-shek, but through the breaking of this alliance. Thus the Trotskyist theory of the permanent revolution, implacably defended for 25 years by the Chinese Trotskyists and the world Trotskyist movement, has found confirmation for one of its fundamental theses.

3. The establishment of the People's Republic of China is only the beginning of the Third Chinese Revolution. It represents the *beginning of a process of permanent revolution* which is unfolding before our eyes. None of the tasks of the Chinese Revolution has yet been definitively resolved. If the liberation of the country from the grip of imperialism has by and large been ended, all foreign capital has not yet been expropriated. The imperialist menace to the People's Republic continues through the presence of the armies of imperialism or of armies in the pay of imperialism, in Korea, Formosa, Vietnam and Burma, through the presence of the 7th American fleet in Formosan waters, and by the presence of American bases and troops in Japan. The unification of continental China has been largely achieved; the unification of the national market for food products and products of industrial consumption has realized great progress. Nevertheless, Hong Kong, Formosa, and the Russian enclaves in Chinese territories, (especially in Inner Mongolia and Sinkiang) actually remain outside the jurisdiction of the central government, thus indicating the limits to the total realization of national unity.

The agrarian reform has culminated in the destruction of the old possessing class of landed proprietors; nevertheless this reform has not been completely achieved. In the newly liberated regions, the property of the rich peasants subsists; in the previously liberated regions it has experienced a strong rebirth on the basis of the process of primitive accumulation. Private ownership of the soil; the right to buy and sell land is resulting in a new concentration of property in the hands of kulaks and subjecting the poor peasants, as in the past, to usury and to commercial exploitation by the bourgeoisie. Feudal and pre-feudal survivals have been effectively liquidated in the economic and legal fields; in the reality of social life, particularly in the domain of customs and culture, their liquidation represents a protracted process, in which only the first steps have been taken. In the domain of the state the symbiosis between bourgeois property and the bureaucratic tendencies of the CP apparatus represents a powerful obstacle to a genuine democratic upheaval.

4. Thus another essential thesis of the theory of the permanent revolution is likewise being confirmed: the tasks of the bourgeois revolution in a backward country like China cannot be resolved without the growing over of this revolution into the socialist revolution. For the historical tasks of the Chinese Revolution to be fundamentally resolved, big bourgeois property will have to be destroyed, the revolution will have to pass beyond the present frontiers of continental China, and the working masses in the cities will have to be mobilized. The consolidation of the proletarian dictatorship demands that the state apparatus be solidly based upon genuinely democratic committees of workers and poor peasants. The opposite side of the historical alternative would be the consolidation of capitalist property relations in the cities and the rural regions; the infiltration of the class enemy into the state apparatus and the CP, its fusion with imperialism and its agency in Formosa, Korea and Burma, and the renewal of civil war at the opportune moment by the old ruling classes to reconquer state power.

5. Mao's victory represents the most important revolutionary event since the socialist revolution of October 1917. It has overturned the relationship of forces between the classes in Asia, and powerfully stimulated the anti-imperialist movement in Vietnam, Burma, Malaya, the Philippines, Indonesia, and even in India, Japan and Ceylon. It has delivered a terrible blow to the world domination of imperialism, and thus indirectly facilitated the anti-imperialist movements in the Middle East, Africa and Latin America. It has altered the relationship of class forces on a world scale, compelling imperialism to revise its military, political and economic plans, and has brought about a development of the international relationship of forces which is fundamentally *unfavorable* to imperialism. At the same time it has begun to reduce the degree of control exercised by the Kremlin over the Communist movement and the revolutionary movement of the masses in Asia, wherein the Soviet bureaucracy has been obliged to acknowledge for the time being a Peking-Moscow co-leadership, as partners with equal rights in the Sino-Soviet alliance.

II. The Causes of Mao's Victory

6. The old ruling classes governed China as agents of the various imperialists, essentially Japanese, English, American and French imperialists. The total defeat of Japanese imperialism in the Second World War and the extreme weakening of English and French imperialism delivered a mortal blow to the domination of the landed proprietors and compradores over China. American imperialism became the sole support of their power. But at the same time it became the sole support of the bourgeois order in the entire world. Unable to disperse its military and economic potential over all continents at one and the same time, American imperialism was compelled in 1947-48 to concentrate its efforts upon the consolidation of capitalism in Western Europe. Its withdrawal from China gave Chiang his *coup-de-grace*.

7. The withdrawal of Yankee imperialism from China is, however, explained in its turn by the collapse of the Kuomintang regime, isolated from all classes of the nation, impotent to halt the runaway inflation, blindly dragged towards economic and military catastrophe, and capable only of organizing a monstrous corruption which rendered all American aid inadequate in advance. The internal dissolution of the power of the Kuomintang, resulting from the disintegration of a Chinese society which had survived for more than a quarter of a century and which showed itself powerless to resolve a single one of the vital problems of the Chinese people, produced the objective conditions for Mao's victory.

8. But these objective conditions alone did not suffice for the actual achievement of this victory. There was required in addition a modification in the attitude of the Chinese CP on the question of conquering power in all China. The Chinese CP, which after August 1945, as in 1925-27, and in 1937, engaged in a policy of class collaboration with the bourgeoisie and its principal instrument the Kuomintang, was led to modify this orientation under the combined pressure of the main antagonistic social forces: the bourgeoisie, which refused a compromise and launched a military campaign to conquer the territories occupied by the CP; and the poor peasantry, which spontaneously began to divide the land in the territories of northern China.

The modification of the orientation of the Chinese CP, passing over from a policy of collaboration with Chiang to a policy of liquidating the Kuomintang power, was progressively effected through the following stages:

(a) The directives of May 1946 authorizing a limited agrarian reform in the regions of China occupied by CP.

(b) The law on the agrarian reform of October 1947 proclaimed for the whole of China.

(c) The proclamation of December 1947 calling for an overturn of the Kuomintang government.

This modification of the orientation of the Chinese CP was facilitated by the fact that its leadership filled the old theory of the "revolution by stages" with a new content, insisting far more than in the past upon the leading role of the proletariat from the first stage of the revolution and upon the integration of this revolution, despite its

bourgeois democratic character, into the world proletarian revolution.

9. The policy of the Soviet bureaucracy, far from promoting this transformation of the practical orientation of the Chinese CP, did everything to perpetuate the old position:

(a) By the conclusion of the 1945 agreement with Chiang Kai-shek;

(b) By the seizure and dismantling of industry in Manchuria, which paralyzed the workers' struggle there during the decisive stage of the civil war;

(c) By the technical aid accorded Chiang (the departure of the Russian troops from the vital centers of Manchuria was delayed until the arrival of the Kuomintang troops);

(d) By the pressure exerted upon the Chinese CP to maintain the tactic of guerilla warfare, and not to attack the big cities;

(e) By the efforts undertaken by Soviet diplomacy for the constitution of a Chiang-Mao coalition government.

If it is true that the existence of the USSR and of the buffer countries in Eastern Europe objectively facilitated Mao's victory, and the abandonment of a part of the materiel of the Japanese Army captured by the Russian Army to the Communist troops created more favorable military conditions for this victory, the above-mentioned factors weighed more heavily in the balance. They meant that Mao's victory was finally attained because the orientation of the Chinese CP led it to act, in fact, outside the leadership given by the Kremlin.

III. Character of Mao's Power

10. The Chinese CP cannot be defined as a peasant party, either by its program, by its traditions, or by the dynamics of its policy. By putting itself in matters of doctrine on the plane of Marxism-Leninism, by affirming that its historical aim is the creation of the classless communist society, by educating its cadres in this spirit, as well as in the spirit of devotion to the USSR, the Chinese CP presents by and large the same characteristics as the other mass Stalinist parties of the colonial and semi-colonial countries. Its opportunist and Menshevik conceptions of strategy on the "bloc of the four classes," the "construction of a democratic capitalism," the "equality of rights of Capital and Labor," etc., were certainly reinforced during an entire period by its predominantly peasant social composition. They thwarted the junction of the revolutionary upsurge in the cities with the agrarian revolution of 1945-46, thus determining the peculiar form taken by the first phase of the revolution. The penetration of kulak elements into the CP has even made possible the temporary transference of the class struggle in its ranks. But it was definitively demonstrated that, subjected to the pressure of antagonistic social forces, the Chinese CP, although in an empirical, hesitating, contradictory, opportunist manner, entered upon the road of revolution, and not upon that of counter-revolution. This is the surest test to determine the class nature of the CP as that of an opportunist workers' party. The suspension of peasant recruitment and the cam-

paign to recruit workers since 1950 have still further accentuated the class character of the Chinese CP, as the whole of the international policy of this party has also done. In the imperialist epoch, it is not a peasant war, that is to say, the uprising of the peasantry under a peasant leadership, which can overthrow the power of the feudal-bourgeoisie in a backward country. Only the peasant insurrection, *centralized, utilized and directed by a workers' party*, can begin to resolve the problems of the revolution.

11. The destruction of the old regime in the rural areas was in part accomplished by the direct action of the toiling peasant masses, in part by the action of the new power basing itself upon a partial mobilization of the masses. This transformation, varying from region to region, associated with the enormous differences in social conditions in the diverse parts of the country, has produced an extremely variegated map of social relations in China. But the dominant features of these relations on a national scale are the following:

(a) The power of the old possessing classes in the countryside (semi-feudal landed proprietors in the north; "gentry" in the center and the south) has been completely destroyed.

(b) The relations of bourgeois property are generally extant; the right to buy and sell land, unrestricted primitive accumulation, transference of the major part of the capital accumulated in the countryside for commercial and speculative purposes.

(c) The property of the rich peasants remains in certain regions and has been destroyed in others.

(d) In northern and central China, the new social conditions have been stabilized, and are resulting in a new social differentiation through the formation of a class of kulaks siphoning the profits of the agrarian reform more and more for its own exclusive benefit.

(e) In southern China the social conditions are still in the midst of their overturn; the conclusion of agrarian reform is combined with the tasks of the anti-capitalist struggle since landed property there is above all concentrated in the hands of the bourgeoisie.

(f) In southwest China the agrarian reform is still in process.

12. There has not been a fundamental modification of property relations in the cities. The new power took over the sector already nationalized by the Kuomintang (former Japanese property) and has further nationalized the property of the four monopolist families ("bureaucratic capitalism"). That represents the major portion of heavy industry and foreign trade (where the state monopoly exists in fact). This nationalized sector has an important weight above all in Manchuria. In the rest of China, where light industry and commercial capital predominates, capitalist private property remains decisive. After a transitional period, dominated by the requirements for reviving the economy, the central government has encouraged the accumulation and development of private capital in numerous ways. With this in view, it has imposed considerable restrictions upon action for working class demands. Nevertheless, the development of the trade union and cooperative

movement of the working class, the introduction of social security, the progressive check upon inflation, the fixing of salaries on the basis of the sliding scale represent considerable gains already obtained by the working class. These gains facilitate a progressive development in the self-confidence, the combative spirit and the politicalization of the proletariat, a development that the coming course of the Chinese CP will be compelled to facilitate more and more.

13. On the whole, the political, economic, and social relations now prevailing between the classes in China, represent a special situation of *dual power, the central political power in the hands of the CP being obliged to base itself more and more upon the workers and the poor peasants.* This situation corresponds to the *initial* stage of solving the problem of the permanent revolution. It is expressed in practice by the symbiosis between the central political power, controlled on the national scale by the CP and its armies, and the economic power which is still predominantly in the hands of the bourgeoisie. The participation of the representatives of the bourgeoisie in the central government is not a mere fiction. If these representatives do not exercise any real executive power within it, their function is not that of hostages, but of observers whose presence in the government, required by the present policy of the CP, reflects the real power that the bourgeoisie still exercises in numerous domains. They could likewise, under certain favorable conditions, become the instrument for beginning the destruction of the new regime. The economic power still possessed by the bourgeoisie serves as a constant menace of corruption and disintegration in the state and the CP apparatus. The more one descends toward the lower echelons of the state apparatus, the less is the dual power purely formal and the more does it become effective.

14. The situation of dual power is highly transitory. The trend of its evolution is determined by the relations of forces between the classes on the national and international plane. Today the decisive factor in this sense is the role played by the central government. *This government does not reflect parallel and equal pressures of the antagonistic classes, but acts, despite its centrist hesitation, fundamentally along the line of the destruction of what yet remains of the power of the bourgeoisie.* What is decisive on this plane are not the petty-bourgeois governmental theories of conciliation between Capital and Labor, but the historical meaning of *action* of the government when confronted with explosive conflicts between the classes on the national and international scale. We characterize this government as a *workers' and peasants' government* because, on the one hand, it has broken in practice with the historical interests of the bourgeoisie to enter upon the road of revolution, and because on the other hand it has not yet completed the destruction of the power of the bourgeoisie, nor liquidated the dual power from top to bottom of the state apparatus. *This workers' and peasants' government will only be a short, transitory stage along the road to a dictatorship of the proletariat, toward which the dynamics of the national and international situation is more and more propelling it.*

IV. Perspectives of the Chinese Revolution

15. The characteristic nature of the CP as an opportunist workers' party, operating in a semi-colonial country, has a dual significance which reflects the two fundamental aspects in the contradictory policy of this party. Each forward step that the CP takes along the road of revolution, it takes with a thousand hesitations and in a completely empirical manner. In truth, these steps are taken in contradiction with the whole of its programmatic and ideological tradition, and with its official doctrine of the moment, the "New Democracy." But the very fact that, propelled by the immense explosive social forces that the outburst of the Third Chinese Revolution has liberated, the CP is obliged and will be more and more obliged to enter upon the road of the permanent revolution, determines the class nature and the objective role played by this party. All the Menshevik programmatic baggage and all the opportunism that the Chinese CP drags along with it, have already done enormous harm to the revolution. They have caused the absence of synchronization between the workers upsurge in 1945-47, and the peasant upsurge which was deliberately halted by the CP during this period. They have contributed to the recession of the mass movement in the cities during 1945-50, provoked by the disintegration of the economy. They have piled up difficulties in the economic domain by the incomplete way in which agrarian reform is being realized. Undoubtedly, they will provoke many crises in the future. Empiricism is the most inadequate instrument to realize historical tasks as great as those of the Chinese revolution. But the fact that it has begun to *realize them in practice* remains the decisive criterion for determining the future evolution of the policy of the CP, which will more and more run up against the limits imposed by its empiricism, opportunism, and false programmatic conceptions.

16. This evolution will above all be determined by the pressure of the international situation, and of the world polarization of the class forces in both camps as they collide with each other. The closer war approaches, the more American imperialism perfects its bases of aggression against the Chinese People's Republic in Asia, the more the maintenance of private property in big and medium industry will come into conflict with the elementary conditions of the security of the state. They serve as a springboard for the counter-revolutionary enterprises of the Chinese bourgeoisie. The latter must look upon a military victory for American imperialism as the only chance of returning to power. Its obvious course would be to employ all means to sabotage the conduct of the war of the Chinese People's Republic against imperialism. The outbreak of the Korean war, stirring up civil war in the country, has already driven Mao's regime to accentuate its struggle against the bourgeoisie as well as its turn to the left which started with the extension of the agrarian reform in 1950. The outbreak of world war will probably be the beginning of a fundamental turn of the CP away from capitalism, resulting in the liquidation of the dual power in all echelons of the state apparatus. The carrying through of such a turn and the completion of the expropriation of the urban

bourgeoisie would then mark the transformation of the workers' and peasants' government into the dictatorship of the proletariat. The failure of this transformation would probably signify the reopening of civil war in China with the revolutionary government and the counter-revolutionary government confronting each other on the territory of the country itself with their armed forces, thus placing in question all the conquests of the revolution. The relationship of forces between the classes which are very unfavorable to imperialism on the international scale, and the perspectives of an ever-growing expansion of revolutionary struggles in the world, render this second alternative very improbable.

17. The more the class forces are polarized on a world scale, the more the CP finds itself compelled to stiffen its attitude toward the bourgeoisie, the more it will be obliged to call upon the proletarian masses to support this policy, if only through a limited and controlled mobilization (witness the recent campaign against waste and bureaucratism), and the more it risks being propelled forward in its turn by the pressure of the masses. That will turn out to be the case, especially when the fundamental social contradictions inherent in the present state of China, and in the present policy of the CP break out violently; conflicts between the poor peasants and the exploiting elements in the rural regions on the one hand; conflicts between workers and "democratic" capitalists in the cities on the other hand. The very economic successes that the new regime registers facilitate the ripening of these conflicts in the last analysis, even if they defer the showdown somewhat. The stage ahead is a stage of *intensified class struggles* in which the CP will be compelled to act against the urban and rural bourgeoisie. The immensity of the country, the difficulties of bureaucratic control from the center, the rapid rebirth of capitalism and of the exploitation in the countryside, the unevenness of the rhythm of the revolutionary awakening of tens of millions of exploited — all these factors will reduce the possibilities of prolonging the present conciliatory tactic of the CP and will precipitate a final settlement of accounts between the classes.

18. The CP entered upon the Third Chinese Revolution as a Stalinist party empirically freeing itself from the direction of the Kremlin. The international and national social forces which act upon it will determine its transformation from a highly opportunist workers' party into a centrist party going forward along the road of the completion of the revolution. But these same forces will modify the composition and, even in a certain measure, the very structure of the Chinese CP. The realization of the agrarian reform has already broken up the organization of the CP in numerous villages where it was based on rich or kulak elements. The unfolding of the class struggle in the village will promote a constant purge along the same lines. The awakening of the masses will more and more accelerate the penetration of the proletariat into the CP. The break with the bourgeoisie will actually give the hegemony to the proletarian element from the viewpoint of the social composition of the party. This constant unsettlement of the CP, which is itself as much an object as a

subject of the permanent revolution will inevitably loosen, at least during a transitory period, the monolithism and the degree of organizational control of the apparatus. It is not excluded that this unsettlement can result in a differentiation within the leadership of the party itself. It is more likely that this leadership, constituted over a long period, will maintain its outward unity throughout the entire ascending course of the revolution, and will preside in its great majority over the transformation of the Chinese CP into a left centrist party. This transformation, while reinforcing the bases of the power of the CP and its support in the laboring population, will also reinforce its independence and its critical spirit toward the Kremlin. The policy of plunder of the Soviet bureaucracy in its economic relations with China will have similar effects. Before a decisive defeat of imperialism occurs in the world, or at least before there is a radical modification in the world situation, an open break of the Chinese CP with Stalinism is very unlikely.

V. The Fourth International and the Chinese Revolution

19. Having fully assimilated the decisive historical importance of the outbreak of the Third Chinese Revolution, the Fourth International defends it unconditionally against all its class enemies. It denounces the maneuvers and the economic, political and military pressures of imperialism aiming to prevent the stabilization of Mao's power and in fact preparing the counter-revolutionary war of intervention in China. It fully supports the demand of Mao's government for the withdrawal of the troops of imperialism or troops in the pay of imperialism, from Formosa and the regions bordering on China: Korea, Vietnam, Burma. It demands the abolition of the last unequal treaties binding China to Great Britain, Portugal and the USSR, which means returning to China the last foreign enclaves on its territory: Hong Kong, Macao, the Russian zones of influence in Sinkiang and Outer Mongolia, etc. It supports the campaign of Mao's government for its recognition *de jure* and *de facto* by all the states in the world, and for its immediate admission as representative of the Chinese people in the United Nations. It demands the lifting of the actual blockade against China and the establishment of commercial relations on an equal footing between all countries and China. It calls upon all the governments of the Asian countries and the trade union and working class organizations of the whole world to elaborate a broad joint plan for the economic development and industrialization of Asia without special tribute to the imperialists, and on the basis of reciprocal aid among countries which have broken from the control of imperialism. It especially calls upon the working class organizations of Western Europe to insert in their program the principle of aid without strings in the form of industrial equipment to revolutionary China, and to realize this through the establishment of workers' (or workers' and peasants') governments in their countries. It goes without saying that the Chinese members of the Fourth International will be

in the vanguard of the defense of the Chinese Revolution against all counter-revolutionary attacks, and that they will likewise participate in the vanguard of the struggle for every revolutionary demand put forward by the new regime or by the masses.

20. The Fourth International and the Chinese Trotskyists will give critical support to Mao Tse-tung's government. This involves a vigorous criticism of the orientation of this government on the following points:

(a) On the structure of the state and the regime of the party. The Chinese state does not have a Soviet structure; the government does not base itself essentially on committees of workers and peasants; wherever these exist in embryonic state, they are not democratically elected; wherever these committees have been sporadically set up by the masses, their democratic development in general has been impeded by the government. The bureaucratic structure of the party has influenced that of the state apparatus. The repression of elements belonging to the revolutionary opposition must be especially condemned.

(b) On the identification of the function of the trade unions, the party and the state in the industrial domain. Even if the maintenance of a capitalist sector in the economy is considered indispensable, the role of the party and the trade unions cannot consist in proclaiming the "equality of rights of Capital and Labor." It is their duty to defend the class interests of the workers against the capitalists.

(c) On the incompleteness of the agrarian reform,

notably the maintenance of the property of the rich peasants and the absence of state institutes furnishing cheap credit to the peasantry.

(d) On the false theoretical conceptions of the revolution "by stages," of "democratic capitalism," etc.

This criticism should be put forward as a rule in a constructive manner and with a clear understanding of the economic and social reality of the country. In any case, the dictatorship of the proletariat in China would have to be accompanied by a period of NEP, considerably broader and more protracted than in Russia, without complete suppression of private property in the domain of small urban and village industry, commerce, of the artisans, etc. The pace of industrial accumulation per capita will be relatively low for a long transitional period, and essentially dependent upon the rate of the development of the productive forces in the countryside and of foreign aid.

21. In order to realize the orientation of unconditional defense of the Chinese People's Republic, and critical support to the Mao government, the Chinese militants of the Fourth International should integrate themselves completely in the mass movement of their country, as has been decided by the Third World Congress of the Fourth International. This integration is for the purpose of binding them to the most combative and conscious sections of the CP and the other mass organizations in order to move them forward toward a completion of the permanent revolution in China and to struggle for the democratization of these organizations and of the state as a whole.

Eastern Europe Since 1950

By ERNEST GERMAIN

I. Accelerated Industrialization

Beginning with 1949-50 the "peoples' democracies" entered a stage of accelerated industrialization.* The annual, biennial and triennial plans for rebuilding the economy and repairing wartime destruction have now been succeeded by five and six year plans for industrial development. These plans tend to transform all of the eastern part of Europe from an agricultural into an industrial area. Barring foreign military intervention this transformation is already assured. It represents a revolution in the economic structure of the old continent, whose long-range consequences can hardly be grasped. Century-old centers of economic stagnation and of barbarism, in Slovakia, Hungary, Rumania, in the Carpathians and along the Vistula, are thus rapidly being erased from the map of the world. No political or social consideration can serve to diminish the enormously progressive significance of this fact.

The accelerated and feverish pace of industrialization

* See our articles in *Fourth International* (May 1949 and September 1949) on the preceding stages of the economic evolution of eastern Europe.

is clearly expressed in the indices of production. In Bulgaria, industrial production has tripled in comparison with the pre-war period. In Poland it has reached the index figure 268. In Hungary it has passed the index 200 and the plan anticipates that in 1954 production will be three times that of 1949. In Czechoslovakia production has reached the index 180, as compared with the pre-war period, and in Rumania the index at 175 while production for 1955 is set at 250% higher than that of 1950.

During the course of last year a revision of plan targets took place in all these countries except Bulgaria. This revision was in the direction of speeding up the pace of industrialization. Thus for Czechoslovakia industrial production for 1953 will have to reach twice that of 1948, whereas the initial plan only provided for an increase of 57%. A law of May 17, 1951 set as the new objectives of the Hungarian five-year plan the attainment of an index of 310 in 1954 as compared with 1949 production, whereas the initial plan had set the index only at 186.4. In Rumania investments which had reached 145 billion leis in 1950 (some 4.5 times greater than in 1948) are to rise to an annual average of 330 billions starting with 1951. The goal

of the Polish six-year plan had been set in 1948 as three times the pre-war industrial production. It is now intended to quadruple it

This revision of plan objectives requires above all a radical change in the relationship of heavy and light industry in favor of the former. In Czechoslovakia notably, the output of heavy industry, which in 1951 made up 49% of the gross product of all industry, is set for 55% in 1952, which means a 2.5% greater output of heavy industry than in 1937 (and a production of light industry below that of the pre-war period). In Hungary production of heavy industry increased 32% in 1951 as compared with 1950, that of light industry increased only 20%. Its target for 1954 is 70% of all industrial production. In Poland the heavy industry sector is to advance from 59.1% in 1949 to 63.5% in 1955. Even Rumania, where heavy industry was almost completely non-existent, committed 40% of its total investments to this sector in 1950 and 45% in 1951.

The development of the *steel industry* takes the central place in the industrialization plans for Eastern Europe. The entire buffer zone, including eastern Germany, should produce 16 million tons of steel in 1954, that is to say, as much as the record production of Great Britain, more than German production on the eve of the second world war, and twice the pre-war production of Japan. Six new installations for steel-works, blast furnaces and rolling mills will be constructed toward this end: at *Nowa Huta* (a new city of 100,000 inhabitants, 10 kilometers from Cracow) and *Czestochowa* in Poland, at *Fuerstenwalde* in eastern Germany, at *Moravska-Ostrava* and *Kosice* (Slovakia) in Czechoslovakia, and finally at *Dunapentele* in Hungary. Each of the centers will have a productive capacity of over a million tons of steel annually. Other smaller steel-works will be built or enlarged in Rumania, Poland, Czechoslovakia and Hungary.

The anticipated development of *electrical production* is startling in its proportions. The electrification of Rumania is set for an annual production of 4.7 billion kilowatts in 1955. For the year 1960, per capita production of 150 watts is anticipated as against 37.5 watts in 1951. In Czechoslovakia work is beginning on a dam equalling the capacity of Dnjepostroi. In Poland the great dams of Jaworzno, of Duchow and of Stettin are appearing, and a new dam is in preparation near Warsaw which will have twice the capacity of that of Genissiat.

A certain *specialization* is provided for the different countries in the course of the industrialization plans. Czechoslovakia will primarily be the forge of the buffer zone, being called upon to produce 4.5 millions of tons of steel in 1955, and its production of heavy machinery (turbines, Diesel engines, transformers, turbo-generators, rolling-mill equipment, etc.) is supposed to provide the tools for all the countries of eastern Europe. Eastern Germany will specialize in optics, precision tools, naval construction, the production of cranes. Polish coal and coke will furnish the foundation for the heavy industry of the whole buffer zone; the Polish chemical industry, now second in importance in the country (its production will have reached 800% of the 1938 level by 1955!), will supply soda, fertilizer, cement, and synthetic products (rubber,

dyes etc.) to the buffer zone. The export of Polish machine tools will be of vital importance for the industrialization of neighboring countries. Hungary will supply aluminum, railway cars and secondary machinery. Rumania, finally, will supply oil and will have to develop its agricultural machine industry for export.

The main bottle-neck industrialization encounters in the buffer zone is the *shortage of coal*. Whereas metallurgical and steel production must be more than doubled, coal production in all the countries of eastern Europe will experience an overall increase of only 40%.* Poland, the principal producer, will have to increase its production by 25% in order to attain 100 million tons annually by 1955; this is a modest objective, since the production of Silesian coal reached this figure under German management in 1943. The lack of mechanization and above all the decrease in productivity makes the realization of even these objectives doubtful. The successive campaigns of intimidation and of favoritism towards the miners, waged by the Stalinist Parties, have had little success up to now.

Overall, the successes already attained by industrialization can be summarized in the following comparisons: per capita industrial production in Czechoslovakia has already surpassed that of France; Polish and Hungarian per capita production have surpassed that of Italy; Poland by 20%. For 1955, it is forecast that Czech per capita production will reach the German pre-war level; that of Poland and Hungary will reach the French level; that of Rumania will reach the Italian level.

2. Disproportion Between Industry and Agriculture

"The cause of our present difficulties lies in the generally well-known disproportion between the tempo of socialist development in industry and the tempo of development in our agriculture, which operates preponderantly on an individual basis and often even according to capitalist methods."

This is how Hilary Minc, director of Polish economy and the most capable economic specialist of the buffer zone, characterized the overall condition of Polish economy last October (*Trybuna Ludu*, Oct. 10, 1951). This characterization is completely correct. The uneven development in industry and agriculture (at the end of 1951 the Polish index of industrial production was 268, the index of agricultural production 95, the 1938 level being equivalent to 100) is not at all however, "inevitable in a socialist" economy (Minc means: an economy in the transitional period). To eliminate this disproportion, all that would be necessary would be to pursue a long-term agricultural policy, to devote an important part of industrial production to the production of agricultural machinery and industrial consumer goods, thereby accelerating the voluntary

* Furthermore it is pointed out that in Hungary the increase in the production of raw materials is considerably below the general tempo of the increase in industrial production (*Szabad Nep*, July 27, 1951). According to the Yugoslav paper, *Borba*, June 10, 1951, this may be a calculated design of the Soviet bureaucracy to increase the dependence of Hungarian economy on that of the USSR.

acceptance by the peasants of cooperative production, which is more remunerative and more productive.

Failing to foresee this difficulty — typical of the great concern the Stalinists show for the alliance between the proletariat and the peasantry! — and as a consequence of the economic directives of the Soviet bureaucracy, the industrial rise in 1951 produced only enough agricultural machinery in 1951 to service one-sixth of the agricultural enterprises and one-tenth of the arable land. It is in this lag in the mechanization of agriculture that we must seek the real reason for the food crisis which is now raging, in varying degree, in most of the countries of the buffer zone.

Minc endeavors to explain this crisis by the fact that the social structure of the population has been profoundly altered. Prior to the war the number of non-agricultural wage-earners amounted to 2,733,000; in 1951 this number rose to 5,200,000. Because of the large increase in the urban population, which rose from 38.6% of the total population in 1938 to 54.25% in 1951, a smaller number of peasants must therefore feed an increased number of city-dwellers. But this line of argument does not take into account the fact that the pre-war population included an enormous *village over population*, which Polish sources themselves estimate as a minimum of 5 to 7 million employable workers. (*Wirtschaftsdienst* published by the Polish Bureau of Information, August 1951). The same source estimates the present reserve working force in the Polish village as 2.5 million adult males.* Consequently, it is not a lack of agricultural labor, but the unremunerative system of small farms (831,000 Polish agricultural enterprises, even now cover an area of less than two hectares each which is at the bottom of the difficulty in supplying the city with food.

In addition, there is the *weight of capitalist elements* in agriculture (in Poland, 5.1% of the peasants possess 15.6% of the land) and in trade (30% of Polish retail trade is still in private hands) which gives agricultural development in the buffer zone a distinctly *speculative* trend. Minc explains that the enormous increase in the number of hogs since the end of the war — this number rose from 2.7 million in 1946 to 5.1 million in 1948 and 9.9 million at the end of 1950, thus surpassing the absolute number of the pre-war period and practically doubling their production per hectare of arable land — is the result of a government policy restricting the export of wheat, allowing the peasants to use this wheat for feed and purchasing hogs at a high price in order to export lard.

In the autumn of 1951 difficulties in supplying feed set in as a result of the drought and poor harvest. The rich peasants began to hoard grain (Polish kulaks produce 26% of all the wheat) and potatoes for feeding their hogs and to slaughter part of their sows, thus causing a simultaneous shortage in meat and in potatoes in the city and a fantastic rise in prices on the black market. In Hungary the same phenomena had occurred several months previously.

Rakosi states (*Szabad Nep*, December 2, 1951) that Hungarian industrial production passed the index 250 (pre-

war average = 100) whereas agricultural production only reached 116. He explains, more frankly than Minc, that even without the bad harvest caused by drought, there would have been a crisis in food supply: hoarding of wheat and potatoes converted to fodder; speculation in meat; enormous price rise on the free market (Rakosi cites as an example the price of a 140 kilogram calf which rose from 900 forint in the spring of 1950 to five to six thousand forint in the spring of 1951). Whereas Minc advocates rationing as the best immediate solution of the problem, Rakosi explains that rationing introduced at the beginning of 1951 in Hungary had increased speculation, and for this reason it was again abolished in December. (Speech of Zapatocki in *Rude Pravo* of November 1, 1951.) The same phenomena also occurred in a particularly harmful way in Czechoslovakia.

Pressure of Rich Peasantry

The pressure of the *kulaks* is manifested not only by hoarding but also by a considerable delay in the payment of taxes. Both Minc and Rakosi give numerous examples of this. Rakosi cites an example of a kulak who had debts of 2,700 forint to the state and in the meantime had purchased a house for 18,000 forint, a horse for 4,000 forint, a cow for 3,500 forint, and whose attitude was defended before the village "council" — a significant indication of the influence of the kulaks! — by the following argument: "When a man has so many expenses, he just can't afford to pay his taxes."

The example of the kulaks, Minc recognizes, has developed speculative tendencies in the middle peasants. There lies the most serious aspect of the situation, for the middle peasants dominate agriculture, and the state must be able to rely on their neutrality. Thus the Polish government has been compelled to resort to coercive measures: compulsory delivery of potatoes (decree of October 8, 1951); compulsory delivery of a certain number of cattle, hogs and poultry (law of February 1952). Rationing has been made more stringent in Poland, Czechoslovakia and Rumania. The quota of grain deliveries has been raised so high that not only the kulaks but even some middle peasants have been obliged to buy supplementary quantities of wheat on the free market in order to be able to fulfill their obligations. The monetary reforms (October 1950 in Poland, February 1952 in Rumania) had as their objective the distribution of the monetary reserves of the kulaks.

At the same time, Minc, Rakosi and Zapatocki insist on the fact that there is no question of changing fundamentally the agricultural policy of their governments; that they have no intention whatever of "liquidating" the kulaks but solely that of putting a brake upon their harmful activity. Thus Stalinist agricultural policy in the buffer zone bears the stamp of hesitation, empiricism and incoherence.*

* In Poland, an average of 90 people, 56 of them adults, live off a farm area of 100 hectares, and in Hungary more than 200 people on the average make their living from 300 youngs (171 hectares).

* In his previously cited speech, Rakosi acknowledges that the huge exports of wheat in 1948, 1949 and 1950, had sharpened the crisis. The anti-economic way in which agrarian reform was carried out in Czechoslovakia and eastern Germany has had the same effects.

The disproportion between industry and agriculture, buttressed in turn by the disproportion between the development of stock breeding and that of feed production — whereas in Poland the number of hogs practically doubled between 1948 and 1950, the production of rye increased only 3%, that of barley 7% and that of potatoes 39% — has provoked several phenomena of instability:

a) Agricultural prices are rising more rapidly than industrial prices: According to the *Bulletin of the Polish Information Bureau* (January 1952 issue) 10 kilograms of meat on the hoof before the war would buy an average of 23 kilograms of salt or 14 liters of gasoline; today it buys 100 kilograms of salt or 50 liters of gasoline. Before the war the peasant had to pay 210 liters of whole milk for a plow, 100 kilograms of nitrate fertilizer cost him the same amount. Today he can buy a plow for the equivalent of 70 liters of whole milk, and 100 kilograms of nitrate fertilizer only cost him 45 liters of whole milk, etc.

b) Peasant consumption is rising more rapidly than worker consumption: Per capita consumption of potatoes in the Polish village declined in 1950, as compared with 1938, but per capita consumption of wheat rose from 43 kilograms to 52 kilograms, and of meat from 13.7 kilograms to 17 kilograms (*For a Lasting Peace*, September 14, 1951). At the same time total agricultural production is lower, except for potatoes, than that of the pre-war period and the total population has decreased only 17%.

c) From this fact the rather considerable monetary increase in workingclass family income arising from the introduction of piecework, the increase in overtime work, the generalization of woman labor, does not find its equivalent in food upon the market, loses its function as a stimulus and becomes a factor in inflation, in the increase in prices and in increasing net cost in industry. Minc stated on February 17, 1951 that nominal wages in Poland had increased 17% during the past year whereas labor productivity had risen only 9.1%. According to *Szabad Nep* of September 17, 1950, Hungarian industrial production increased 37.6% compared with the previous year, but overall wages rose 47.3%.

3. Development of Agricultural Cooperatives

Following the break of the Cominform with Yugoslavia the Stalinist leaders in Eastern Europe were compelled by the Kremlin to proceed to the collectivization of agriculture.

This endeavor collided not only with inherent social difficulties — resistance by the peasantry — but with almost insurmountable technical obstacles as well: the inadequate number of agricultural machines. That is why agricultural cooperatives often consisted of the simple joining together of small farms without any resulting rise in labor productivity. With economic imperatives taking the upper hand upon the outbreak of the food crisis in 1950 and above all in 1951, collectivization was generally slowed down or even halted (notably in Hungary, by a decree dated February 28, 1951).

Nevertheless, a balance sheet of this first stage of col-

lectivization indicates the important place which agricultural cooperatives and state farms will henceforth occupy in the agriculture of the buffer zone. In *Bulgaria* the number of producer cooperatives has reached 2,729, embracing 53.8% of all peasant families and 47.9% of the total area of land worked. In *Czechoslovakia*, the acreage of agricultural cooperatives is far in excess of one million hectares and has reached 17% of the arable land. In *Poland*, the number of cooperatives has increased from 243 at the beginning of 1950 to 2,200 at the beginning of 1951 and 3,054 toward the end of that year, covering 13.5% of the arable land. In *Hungary*, the number of families absorbed by cooperatives and state farms has risen to 236,500, grouped in 4,652 cooperative enterprises which together with the state farms cover 25% of the arable land. In *Rumania*, the tempo of collectivization is slower and at present has only reached a figure of 1,000 cooperatives, amounting to a small percent of the arable land (270,000 hectares).

The structure of these producer cooperatives varies greatly from country to country and within each country. Grouping them together in the category "socialist sector of agriculture" is grossly inaccurate. Thus in *Bulgaria*, the land incorporated into the cooperative remains private property. After having paid the state in kind the price for use of machines and the purchase of seed and fertilizer, 90% of the balance of the harvest is divided, 60% in accordance with the hours of work contributed by each member of the cooperative, and 30% in accordance with the acreage of land brought in by each member.

The middle peasants in the cooperatives thus find in them a real source for appropriation of the work of others, a means of getting around the law banning the use of wage workers.* That is why a substantial number of these middle peasants have rejoined the cooperatives. The same phenomenon has also shown up in *Poland*, where the number of poor peasants rejoining the cooperatives has remained very small.

Condition of Farm Machinery

If the number of available agricultural machines is in itself greatly limited, the use of these machines is still further restricted by an extraordinary accident rate and by the lack of spare parts or poor functioning of repair stations. *Rude Pravo* (February 2, 1952) explains that in the past autumn 20 to 22% of available tractors were out of service in *Czechoslovakia*. *Scanteia* (February 6, 1952) explains that in *Rumania* there is great delay in the repair of tractors. From the last harvest up to January 20, numerous repair centers had not repaired a single tractor. *Szabad Nep* of February 5, 1952 states that on February 1, the agricultural machinery centers in *Hungary* had only

* Tehervenkov, secretary-general of the Bulgarian Stalinist party, correctly explains in *For a Lasting Peace* (May 5, 1950) that involved here is a matter of absolute rent, since it concerns revenue arising from land property, independent of yield from the land. A. Petruschov writes to the contrary in the *Moscow New Times* of March 28, 1951, that this revenue "has nothing in common with absolute rent." Without explaining why, of course. . . .

carried out 46% of their plan for repairs, instead of the 71% forecast for this date. In Czechoslovakia, this percentage was only 40.6%. In Bulgaria, it is estimated that half the tractors are out of service at the present time.

The Stalinist leaders in eastern Europe have often emphasized the requirement that admission to agricultural cooperatives should be on a wholly voluntary basis. Nevertheless, the *indirect* economic pressure used does not solely and justifiably strike at the kulaks (by a policy of progressive increase in compulsory deliveries and taxes) but at the middle peasants as well and even the small ones. Deliveries of industrial fertilizers and location of agricultural machines systematically favor the cooperatives as against the private enterprises. In Hungary, the private farm used an average of 6 kilograms of chemical fertilizer per *young*; in contrast the agricultural cooperative used 92.6 kilograms! (*Statisztikai Szemle* of Budapest, number 1-2, 1950). Since at the same time, according to the same source, natural fertilizer hardly sufficed to fertilize 5.7% of arable land in the autumn of 1949, against the 20 to 25% forecast, a very strong pressure is thus exercised against the private enterprises.

Rakosi and above all Minc in Poland have asserted many times that tolerable economic conditions must continue not only for private enterprises in general, but even for kulak enterprises. But each time the Stalinist governments are confronted by increased pressure from the kulaks, they are inclined to seek a solution in a new extension of collectivization whose compulsory character is thinly veiled. The incoherence of this orientation further sharpens the generally incoherent character of agricultural policy in the buffer zone.

4. Foreign Policy and Equipment Difficulties

The application of industrialization plans has considerably changed the structure of foreign commerce in eastern Europe. Relations among all the "people's democracies" have multiplied. Overall plans of development among several of these countries have been elaborated. Thus, according to the organ of the S.E.D. *Neues Deutschland* (February 2, 1951), Poland and Czechoslovakia are together building about twenty factories, one of them an electric plant at Dvory, synthetic textile plants, a leather combine, etc. A Polish-Hungarian committee is elaborating a five-year plan of economic cooperation, as well as coordination of the industrialization plans of the two countries.

According to the Soviet review "*Voprossi Ekonomiki*" (July 1951), the foreign trade of these countries is characterized by a clear tendency to replace *bilateral* trade agreements and clearings by *multilateral* agreements. An example of two agreements of this kind is given by the commercial treaty of the end of 1949 among the USSR, Poland and Finland, and among the USSR, Czechoslovakia and Finland. Finland will supply the USSR with frame houses, building timber, small vessels and other goods amounting to 100 million rubles; it will receive in exchange 80 million rubles of Polish coal, and Czech sugar, machines and other products in the amount of 20 million rubles. Poland and Czechoslovakia will receive from the

USSR 80 and 20 millions, respectively, of live stock fodder. This kind of triangular trade undoubtedly increases the control of the USSR over the trade of all the "peoples' democracies."

The USSR plays the role of depot and redistribution center not only for trade of the "peoples' democracies" with capitalist countries but even for trade between the various "peoples' democracies." Nevertheless, this system permits a deeper integration of economy among the buffer zone countries and represents a stage toward a degree of common planning among all these countries. The same role is played by delivery plans and long-term credits which are taking an increasingly important place in reciprocal trade among the countries of eastern Europe.

There is no doubt — and the least benevolent among capitalist sources have had to admit it — that despite the pillaging role played by the Soviet bureaucracy in the economy of the buffer zone, eastern Europe has reached a degree of economic integration and of a drastic elimination of customs barriers that has no counterpart in the parallel pathetic attempts in western Europe. The superiority of the mode of production based on nationalization of the means of production is thus confirmed anew.

The Kremlin's Special Privilege

This does not mean that there has been a decrease in the various forms of exploitation which the Soviet bureaucracy introduced into its relations with the "people's democracies." The "Soviet corporations," S.A.G. in Germany, USIA in Austria, the joint corporations Sovrompetrol, Sovromgas, Sovrochim etc. in Rumania, Maszovel and Molai in Hungary, continue to play a disruptive role in the economy of the buffer zone and in the reciprocal relations among the "peoples' democracies."

Thus, according to the *Neue Zuercher Zeitung* of February 2, 1951, the USIA companies at the beginning of 1951 offered some thirty modern steam locomotives on the Vienna Market at the very time when the Soviet foreign minister was compelled to purchase 300 Swedish locomotives because of inadequate production in the USSR.

At the very time when the scarcity of oil is greater than ever in the Soviet bloc, the camouflaged Soviet trade corporation in Austria OROP is offering large quantities of Diesel oil, etc. These instances, resulting from the needs for liquid foreign exchange on the part of the Soviet companies in the buffer zone, demonstrate the anarchic character still remaining in the relations among the Soviet corporations, the economy of the country in which they are located, and Soviet economy.*

Trade With the West

Trade between the buffer zone countries and the capitalist countries of the West has decreased greatly, resulting from both the voluntary transfer of this trade to

* Together with reparations and mixed corporations, the Soviet bureaucracy has found a surprising new instrument of pillage: it has just demanded from Bulgaria payment of 10 million dollars as a charge against. . . credits granted to the Bulgarian CP by the Communist International over a 25-year period!

the USSR and to the "peoples' democracies," as a result of the need of freeing planning from the pressure of the capitalist world market, and from the imperialist blockade. For Bulgaria, Rumania, and to a degree even for Hungary, trade with the imperialist countries has become negligible. On the other hand, it continues to play an important role for Poland and Czechoslovakia. Although the relative weight of East-West trade has likewise decreased for these countries, the absolute level of this trade remains high.

According to the *Bulletin économique pour l'Europe* of the U.N., Poland exported to the countries of western Europe in the amount of \$305 million in 1951, as against \$239 million in 1950 and \$172 million in 1938. Its imports from western Europe amounted to \$195 million in 1951, as against 164 millions in 1950 and 136 millions in 1938. As for Czechoslovakia, while its exports to western Europe in 1951 were \$171 million as against \$204 million in 1950 and \$198 million in 1938, its imports from western Europe rose in 1951 to \$187 million as against \$171 million in 1950 and \$135 million in 1938.

The principal suppliers to Poland have been Sweden (iron ore), Denmark, Great Britain (machines) and western Germany (machines); the main suppliers of Czechoslovakia were Belgium, Switzerland, Sweden and western Germany. In general the importance of trade with the "peoples' democracies" has declined greatly in the foreign trade of all capitalist countries, with the exception of the Scandinavian countries and, to a degree, that of Italy and of Switzerland. This decline is particularly significant for Great Britain and Germany which formerly obtained their food supplies from these countries and sold them manufactured goods. It is not solely due to the blockade. The requirements of the east European countries are almost exclusively geared to industrial tooling and to certain raw materials (non-ferrous metals, rubber, cotton.) The blockade has made it difficult for the "peoples' democracies" to obtain these products (*The Economist* of March 1, 1952 reports a speech of a Polish Stalinist leader complaining of the scarcity of non-ferrous metals caused by the blockade).

Despite the great efforts, both legal and unofficial, which commerce of the Soviet bloc must make to secure ball bearings, special steels, communications equipment, piping for oil installations, the changed economic structure of the "peoples' democracies" is beginning to show itself in its own export trade. A formerly exclusively agricultural country like Hungary is now exporting Diesel automobiles and air-conditioned railroad cars to Turkey medical supplies and X-ray equipment to Egypt and radio transmitters as far as Belgium. It has even recently concluded a contract for the delivery of complete trains to Argentina, entering into competition with the United States, Great Britain, Germany and Belgium in this field. These are changes which will in the long run have profound effects on the overall structure of the world market.

5. Productivity and Workers' Resistance

The introduction of a considerable quantity of new machines must necessarily bring about an increase in labor productivity. Inevitable difficulties can arise from the

influx of hundreds of thousands of peasants into industry who are unaccustomed to working with machines in general and with costly machines in particular. However, it is not this difficulty which is considered of prime importance by the Stalinist leaders when they complain of the inadequate output of labor in the buffer zone countries. What they are after is an increase in the rate of output, the speeding up of the tempo of work, generalization of the assembly line, that is to say, they are demanding an additional physical effort from the workers.

To this increased physical effort there is added an increase in the work week, abolition of Saturday off for miners, decrease in premium pay for night work and overtime hours, female labor in the mining industry and in unhealthy industries. In the face of these measures, the resistance of the workers, particularly those of Poland, of Czechoslovakia, of eastern Germany and to a degree those of Hungary, educated by decades of fierce class struggle, is energetic and even sometimes effective.

The surest means of pressure that the Stalinist authorities have in influencing the attitude of the workers is the fixing of wages by the state. In most of the "peoples' democracies," the fiction of the "collective agreement" between the trade unions (under Stalinist leadership) and the state (under the same leadership) has been dropped. Where it was introduced, as in eastern Germany, it expressly provides that the government itself, if it considers it necessary, can itself change or set the production "norm" related to basic wages.

In Czechoslovakia (*Neue Zuercher Zeitung*, May 27, 1951) the "basic wage" for each factory was set in a stable fashion, which can no longer be exceeded except in the case where the objectives of the plan are surpassed. This means that should the work for realizing the plan require hours in excess of those provided they will not be paid for or they will result in a general lowering of wages. This measure was accompanied by a general rise in norms. In August 1951, a second revision took place (*The Economist*, September 8, 1951), resulting in a real reduction in average wages. *Rabotnitchesko Delo* central organ of the Bulgarian Stalinist party, complains in its issue of December 18, 1951, that the norms are too "rigid" in Bulgarian industry.

Progressive raising of norms and differentiation of wages are demanded in order to increase the output of the workers. In Rumania, since the beginning of 1951, measures were taken to raise the norms, to reduce the wages of unskilled workers and for payment of overtime (*The Economist*, January 13, 1951)

Price Policy and Wages

Price policy represents the indirect pressure instrument in the hands of the government: without changing nominal wages, the increase in prices provokes a decline in real wages. This is what is taking place notably in Poland, Czechoslovakia and Hungary with the successive introduction, abolition, and reintroduction of the dual price sectors (rationed sector and free sector). In Hungary, for example, upon the final abolition of rationing, there resulted a price increase of close to 300% for bread, butter and beef, and

of about 200% for lard, sugar, vegetable oil and milk. At the same time nominal wages increased only 28% (*The Economist*, February 9, 1952). This is the method used by the Stalinist leaders for taking away with the right hand what they give with the left in order to stimulate productivity: increases in nominal wages which are actually inflationary, as we saw previously.

This is how the bureaucracy suppresses what Eugene Varga has not hesitated to cynically label "consumer fever and wage fraud" (*Szabad Nep*, June 18, 1950), which consists in the fact, incomprehensible to this philosopher of the bureaucracy, that "everybody is seeking new clothes, new furniture, new homes and better food . . . (whereas) it is in the interest of future consumption to consume less today."

In order to teach recalcitrant workers how to "consume less" and still keep quiet, the Stalinist governments are progressively introducing the work legislation in force in the USSR. Whereas the workers, as a result of the shortage of labor, could on their own initiative leave their work place when they had the slightest reason for dissatisfaction, they are today attached to the plant, as in the Rumanian decree of November 21, which makes every change in industrial employment dependent on a decision by the State. A Polish law of December 15, 1951 imposes severe penalties for minor "infractions of work discipline": an unexcused absence of 20 minutes (!) results in a reduction in wages; an unexcused absence of more than an hour brings a loss of a day's pay; an unexcused absence of 3 days is punished by a month's work at a 20% decrease in pay; an unexcused absence of 4 days by a 3 months' work at a decrease of 10 to 25% in pay, etc.

But "relaxation of work discipline," absenteeism, relaxation of physical effort, are the normal reactions of workers confronted with speed-up, physical exhaustion* and an absence of goods to buy for their swollen nominal wages. All the Stalinist dignitaries protest and weep because "work discipline" is not so good. Rakosi stated at the beginning of this year (*Szabad Nep*, January 13, 1952):

It is obvious even today as to what will take place if work discipline does not change. We are vainly giving the leaders of economy the means (!) for using legal methods for re-establishing work discipline. All this will serve no purpose so long as the comrades are afraid to use forceful measures.

Several weeks previously Zapotocki stated (*Rude Pravo*, November 1, 1951) that the origins of the slowdown in economic development lay in the relaxation of work discipline. The report of the secretary of the Bulgarian trade unions states (*Rabotnitchesko Delo*, December 18, 1951) that it is customary in very many enterprises for a part of the workers to absent themselves without valid reasons.

* The Hungarian review *Tarsadalin Szemle* (July-August 1951 issue) felt it necessary to "prove" by ridiculous reasoning that Stakhanovism is not injurious to health. The pulse of shock workers does beat a little stronger at the beginning of the day, signs of exhaustion do appear, but all of that can be eliminated by "the positive emotional factor," by "the desire and love" for production, . . .

Alongside this elementary form of passive resistance,* more active forms of resistance are already manifesting themselves, linked with a certain stabilization of living conditions. Here we must cite primarily the workers' resistance against the conclusion of new "collective contracts" in eastern Germany, which compelled the Stalinist functionaries in the large plants to really discuss these contracts before dozens of meetings; the open resistance of the miners in the Ostrava Basin in Czechoslovakia; the demonstration of 10,000 workers at Brno in Czechoslovakia in November 1951 to protest against suppression of the Christmas bonus.

6. Bureaucracy and the Rise in Production

Together with labor legislation, the industrial management forms which have been in force in the USSR for 20 years have now been introduced into the "peoples' democracies." Since May 1950, the principle of individual responsibility of company managers, and of their omnipotence on the plant level, has been applied in Poland. In Hungarian industry the same measure was introduced a year later (*For a Lasting Peace*, November 16, 1951). *Rude Pravo* published an article on September 26, 1951 in which the same principle is insisted on. The reorganization of industry which accompanies the fall of Slansky likewise tends to strengthen the principle of individual responsibility in managerial matters (*Rude Pravo*, September 9).

But at the same time that Stalinist organs are fulminating against bureaucratism; at the same time that they insult chairmen of workers' committees who think "they ought to meddle in the work of managing companies and production, a work which should be incumbent on the manager alone . . . (who) fancy themselves managers of the companies . . . (who) do not know how to demand a maximum of work (from the workers)." (*Rude Pravo*, October 3, 1951) they find themselves under simultaneous pressures of inefficiency of the bureaucratic management and of the discontent of the workers.

The establishment last September of a minister of state control under Bacilek in Czechoslovakia represents an interesting reaction on the part of Czech Stalinist leaders in the face of this double pressure. In order to combat bureaucratism, "all levers of command in the state administration for control shall be confided exclusively in workers" (*Rude Pravo*, September 19). But at the same time, in order to continue the struggle for increased productivity, the autocratic character of the plant manager will not be questioned. The task of the worker-controller will consist of "verifying the facts, and nothing but the facts. But not

* According to *Rude Pravo* of February 14, 1952, the number of work places in the mining basin of Ostrava, where shock brigade work was introduced, has steadily decreased. It was 88 in May 1951, 54 in November and 44 in December 1951. According to the newspaper *Nova Svoboda*, of February 21, 1952, five of the 10 sections of the CP in this region could not hold their meetings in January because of inadequate attendance. In three sections, 17% of the members were present, and in the remaining two, 45 and 50%.

to meddle in the conflicts and frictions inherent in the company."

But the question is precisely one of this kind of meddling. For what the workers are seeking and will be seeking on an increasing scale are organs for "meddling" in the "conflicts and frictions" which set them against the bureaucrats in the plant. These organs are the soviets. And the factory committees existing in most of the countries of the buffer zone are considered by the workers as embryos of these organs of defense of the workers and of strict control over the bureaucrats.

Whatever may have been the measures taken by the Stalinist leaders to emasculate these factory committees and to transform them into organs submissive to the bureaucracy, each time they have had to feel the pressure of the workers and have shown themselves as ineffective instruments for the government. It is up to the workers to find the means to transform them into effective defense instruments for their own interests.

Socialist Democracy

The Czech, Polish, Hungarian, and needless to say the east German working class possesses the necessary technical and organizational qualification to take into its own hand

the management of national economy. That is the precondition for reviewing and revising the objectives of the plan which are introducing permanent factors of instability into economy; for correcting the relations between heavy industry and light industry in order to raise the living standards of the workers and peasants and thus create a material base for raising productivity.

Modifications of the plans for heavy industry must be directed towards priority production of agricultural machinery, for mechanization of agriculture represents the only way to abolish the disproportion between industry and agriculture.

Revision of norms must reflect the sentiments of the majority of the workers. All these measures will not weaken but will strengthen the capacity of the "new democracies" to resist imperialism, for they will for the first time base this resistance on the conscious, enthusiastic, limitless attachment of the masses to the new system of production.

The higher the worldwide anti-imperialist struggle rises; the greater the number of blows dealt to capitalism by the international proletariat, the more will the workers of the buffer zone regain confidence in their own strength and will take to this road along which socialist planning will be combined with socialist democracy.

Class Struggles in Bolivia (II)

By GUILLERMO LORA

Following is the concluding installment of Guillermo Lora's study on Bolivia which began in the May-June issue under the caption "The Great Decade of Class Struggles." The author is a leader of the Partido Revolucionaria Obrera, Bolivian section of the Fourth International. Intimately associated with the heroic struggles of the tin miners and workers of the country, he paid for his activities by long terms in prisons and concentration camps. Liberated by the recent revolution, he is once again in the thick of the fight

* * *

The Miners' Congress at Pulacayo (1946)

The fall of Villaroel did not arrest the revolutionary upsurge; on the contrary it greatly stimulated it and gave it new forms. However — and this is a fact of enormous importance which was to have its effects on subsequent developments — the process of differentiation between the aims of the masses and the governmental program came to an end as quickly as it had begun. The masses continued to view the Villaroel regime as a revolutionary government, identifying it with the program of the proletarian revolution. This confusion, further augmented by the repressive measures against the MNR, has not completely disappeared to the present day.

In one leap, the miners moved to the forefront of the revolutionary Bolivian masses, while in the cities the proletariat sought to break the yoke of the tripartite committees controlled by a petty bourgeois leadership. The bulk of the masses succeeded in establishing a liaison with the

Miners' Federation and indicated that they were ready to follow its leadership. These important events occurred in a situation which found the revolutionary vanguard still weak. It was thus that a trade union organization — the Miners' Federation — had to assume tasks proper to a revolutionary party.

The revolutionary upsurge attained its climax at the Miners Congress held at Pulacayo in November 1946 as a special convention to decide the orientation of the Federation. The climate stirred with revolution: the miners hurled themselves at the employers and "their" government who beat a retreat before them; they made their demands prevail; they had absolute confidence in their strength and organization; they considered themselves stronger than reaction; they were confident of achieving everything, even the revolution.

The Pulacayo Theses, unanimously adopted, constituted a program of proletarian revolution around which the workers of all Bolivia began to rally. The echo of this program found among the masses and its power of attraction showed that it was in harmony with the needs of the struggle. However the Pulacayo Theses lacked precision in its characterization of the situation. Although containing the formulation of tasks whose realization would necessarily pose the struggle for the seizure of power, the Theses did not make that its essential task. In reality it took the point

of departure that the revolutionary situation would continue for some time. The criticisms made by the POR of the Pulacayo Theses had already demonstrated that any lack of precision on the tasks to be accomplished would turn into an insurmountable obstacle for the masses and become a factor curbing revolutionary developments.

Despite the general confusion, the isolation of the city workers and the miners was partly avoided. However, there were still two obstacles to be overcome: that represented by the PIR (a middle class party influenced by the Stalinists. — Ed.), acting under the inspiration of the mining magnates, and the absence of a trade union federation, which despite all efforts made in this direction had encountered many difficulties, particularly because the question had so long been delayed.

The Pulacayo Congress had decided that the conflicts growing out of the attempts of the employers to close the mines at San Jose and Oplaca should be met by the occupation of these mines by the miners. The Congress reckoned that such an occupation would provide the stimulant for action of the workers in the rest of the country and that this question would thus be transformed into a struggle for power. Unquestionably, the Pulacayo Theses was hailed by the working masses and even by broad sections of the petty bourgeoisie (teachers, university students) who showed themselves ready to follow the decisions and the slogans of the Congress.

However, events in Bolivia tragically proved that the leadership was lagging behind the rapid process of change which was taking place in the revolutionary consciousness of the masses. In fact, the workers were on a war footing and even went beyond the initiatives of their leaders, organized and armed their own cadres with an eye to coming battles for which they were already preparing.

The Ebb Tide Sets In

The mining magnates were also conscious of the times in which they were living. Retreating in panic before the workers' upsurge, they were ready to yield to the workers' demands while carefully watching the attitude of the Miners' Federation as well as that of the POR (Revolutionary Workers Party, Bolivian section of the Fourth International). In the meantime the workers were wasting their energies in isolated skirmishes. When the conflict was reaching its climax, the trade union leaders, overwhelmed by the enormous tasks facing them, retreated instead of carrying out the mandate they had been given. They gave orders to return to work and granted a new postponement to the employers while engaging in negotiations with the government.

The consequences of this policy were disastrous, for what was involved was not simply a local conflict but the future of the proletariat and of the revolutionary movement. Imperialism and the feudal bourgeoisie then came to the conclusion that they had overestimated the revolutionary caliber of the workers' leadership. Seizing on the truce they had been granted, they went over to the attack forcing the workers to retreat. The ebb tide which had set

in at San Jose and Oplaca was consummated by the massacre at Catavi in 1949.

The Miners' Congress at Colquiri in 1947 took note of the depth of this retreat and decided to adopt a whole series of defensive measures in anticipation of an appropriate moment to begin offensive strikes. It was under these conditions that the Bolivian proletariat suffered the greatest of its defeats, namely the wholesale discharge of the workers of the Patino mines (at Catavi and Llallagua in December 1947) ordered by the PIR minister, A. Mendi-zabal.

President Hertzog, whose candidacy was financially supported by Patino (one of the Big Three mining magnates), was instructed to annihilate the workers' movement. The repression at Catavi, where the most vigorous sector of the Miners Federation was destroyed, even though temporarily, was one side of this plan. The government calculated on putting over its plan through a campaign to discredit the trade union leadership with the aim of dividing the workers' forces. Hertzog had declared in the press that he would not soil his hands with workers' blood.

Onslaught of Reaction

But the efforts of the proletariat begin the upward climb again, which was indicated by the reorganization of the union at Catavi-Llallagua, made the mine bosses understand that their decisive methods were inadequate. The tin magnates demanded that the executive power carry through a program of violent repression. The dismissal of Hertzog and his replacement by Urriolagoitia was a simple episode of conflict between the mining bosses and the government on the question of the violent destruction of the trade unions.

With the first signs of a new revolutionary upsurge, reaction believed the time opportune to drown it in blood and found the pretext in the struggle between the miners and the employers at Catavi over the question of a wage increase. In reality, the conflict involved the government which wanted to enforce its decisions at the time and was confronted with the opposition of the employers. The trade union leadership tried its best to prevent the workers from being lead into the trap of employers or the government's repression. However the arrival of troops and police proved, confirming the warning made by the POR, that a massacre was in preparation.

The provocation went to the point of the arrest of leaders of the Miners' Federation and known members of the POR who were exiled. In this way they removed the leading cadres who would have been able to avoid the clash between the armed forces and the exasperated workers. On this fatal day, May 28, 1949, the workers replied by taking several supervisory employes of the mining firms as hostages, and the slaughter of about 2,000 workers began.

It is possible that the unionists, watching the assassination of their class brothers and the destruction of their meeting halls had killed the hostages. It is also possible that the government, poorly informed about the smoulder-

ing unrest, had not expected a violent reaction from the workers. Patino had done his work well in preparing and executing the massacre.

That the masses had been prepared for a revolutionary offensive was demonstrated by the fact that the May 28th massacre led the proletariat to react on a national scale by a general strike of a political nature which had been previously unknown. The decapitation of the workers' leadership with their aims still unattained caused the defeat of the proletariat. The most brutal repression was unleashed. Thousands of workers were arrested throughout the country, sent to concentration camps or exiled while others were imprisoned. The whole gamut of repression, so characteristic of Latin American countries, was put into effect.

Mercilessly hounded by the forces of "order," desperate and without leadership, the masses took advantage of the slightest opportunity to hurl themselves into suicide attacks. For instance, during the 1949 civil war, having heard that "the revolution had triumphed" the workers of Siglo XX went to their death in an onslaught against the police forces.

Role of MNR

The MNR (National Revolutionary Party, now in power — Ed.) at no time attempted to seize power by mobilizing the masses because it knew that such a mobilization would jeopardize its rule. Its habitual tactic consisted of preparing coup d'etats with the assistance of the military groups of the Rapeda (an officers' club). The Bolivian experience demonstrated that the extension of the struggle between the government and the insurgent masses allowed the masses to embark on political activity. When that happened, the exploited entered the fight under their own anti-imperialist banner which at the time had nothing in common with that of the MNR. That was demonstrated in a general way when the 1949 civil war was instigated by the MNR.

A series of military pronunciamientos occurred simultaneously in several places except at La Paz. The defeat of the coup d'etat at La Paz, the capital, resulted in the prolongation of the struggle everywhere else and won over broad sections of the population. At Potosi and Santa Cruz, the most advanced elements of the proletariat and the POR played a great role by republishing and disseminating the substance of the Pulacayo Theses to point the revolutionary road to the masses.

The foreign press hastened to announce the outbreak of a general strike, at least of the miners, which was possible in the logic of events but which did not mature because of the MNR's policy which had never envisaged such action for the purpose of the revolutionary seizure of power. Like other worker groupings, the miners did not go on strike. The textile workers and the POR, who had desired this form of struggle, were not considered a focal point for action.

The civil war of 1949 had been prepared and unleashed by the MNR but it was not the less surprised by the effects even of a limited mobilization of the masses. The MNR leaders did not count on an extended struggle but

rather based their tactic on taking the enemy by surprise. But seeing that the march of events did not conform to their prearranged plans they made ready to flee sacking the banks to pocket needed funds. Nowhere, in none of the provinces where the administration was in the hands of the MNR, was the least program of social transformation elaborated. If, as a government, it had confiscated big property, nationalized the bank, the railroads, etc., it would have had the great masses of the country behind it.

For despite the way the events had unfolded, the struggle of itself had stirred the consciousness of the masses who were intuitively moving to a revolutionary program. The seeds sown by the Pulacayo Theses had found a favorable soil in the combative spirit of the masses.

When defeat seemed inevitable, some departmental comandos invited the POR to join them as was the case at Cochabamba. The MNR demonstrated by its last minute attitude how desperate it had become and how concerned it was in seeking allies on whom it could attempt to thrust the responsibility for the defeat. The POR on its side decided to struggle shoulder to shoulder with the proletariat and the petty bourgeois masses engaged or liable to be engaged in combat. But it was the proletariat as a whole which had to pay the price for the defeat of the movement started by the MNR.

The Movement Revives

It was the miners, above all, attempting to resume the struggle during this period of repression, who ended by exhausting themselves, their organizations disappearing. However, it was the miners who were the first to reorganize themselves and to take stock of their strength. The textile workers regrouped themselves again to go over to the attack but they continued to remain isolated from the proletariat and the masses in general.

The formation of the Coordination Committee, a kind of federation, non-existent during the preceding struggle, marked a step forward but the committee was weak because most of the trade union organizations were only formally affiliated to it without involving their rank and file. The most serious error committed by the leadership of this committee was to view a preliminary struggle as though it were the final battle for the destruction of the feudal-bourgeois regime.

There was a gap in tempo and in the degree of mobilization between the textile workers of La Paz and the large majority of the proletariat and peasantry. That is why the movement at La Paz remained isolated and went down to defeat. The resumption of the struggle was initiated by the teachers who capitulated because of lack of strength to continue the fight.

The defeat of the strike of May 1950 brought on the bourgeois reaction against the proletariat. However, one year later, a part of the proletariat and the petty bourgeoisie reacted against governmental repression and brought victory to the MNR in the presidential elections. This exploit of the masses later turned into a defeat because the leadership of the MNR as a "democratic and legalistic" party had refused to seize the power which was then wres-

ed from it by a military pronunciamiento. This capitulation of the MNR without a struggle began to sow doubts in the minds of the masses as to the ability of the MNR to take the power.

All these events unfolded in a period of general ebb which had begun with the conflict at San Jose-Oplaca. While the workers were in retreat, the MNR began to revive and to propagate ideas and prejudices which had been outmoded in the stage between the 3rd Miners' Congress and the Pulacayo conference. Each time the masses went into action, they went beyond the limits set by the MNR and followed the orientation elaborated by the POR. But the fact that they did not take into account the perspective of an entire historic period caused an identification of the preliminary aspects of the struggle with an actual revolutionary upsurge. Consequently the striving for aims which did not correspond to the situation permitted reaction to gain the upper hand and to abort revolutionary possibilities which otherwise would have matured into a full-fledged upsurge of the masses.

The textile workers convention, which formed a unified organization, the convention of the journalists, the revival of struggle on the part of the teachers, etc., were so many demonstrative signs that a reorganization of forces was taking place. But to avoid being thrown back the workers' movement must avoid being drawn into premature battles and so remove all opportunity from the "rosca" (the "chain of reaction" — Ed.) to nip the approaching mobilization in the bud.

Bolivia's Workers -- Their Social Weight

The Bolivian proletariat is a small minority of the population of the country, representing less than 10% of the total. Its great political mission, the role it will have to play as leader of the revolution flows not from its numbers but from the position it occupies in the economy of the country, from the backwardness of this economy and from the fact that the feudal-bourgeoisie has faltered as a class. One can say that the political weight of the Bolivian proletariat is in inverse ratio to its numbers and in direct ratio to the political impotence of the bourgeoisie and to the insignificance of national capital. It is foreign finance capital which takes the first place in the country and exercises an indisputable control over national life. But at the same time, imperialism has brought a proletariat into existence which will have the gigantic task of putting an end to the oppression suffered by the country, of destroying large landed property and of leading Bolivian society to socialism.

The Bolivian masses, including the proletariat are at a low cultural level, some 80% of the population being illiterate. But contrary to other classes, the Bolivian proletariat, because of its conditions of life and labor, easily grasps the revolutionary conclusions of Marxism which it attempts to realize in the struggle. This was to be noted in the case of the Pulacayo Theses: The Bolivian workers certainly did not read the Theses but they listened at trade union conferences, at meetings, during strikes to agitators using the slogans adopted at Pulacayo, and when events

posed questions which the official leadership was incapable of resolving in time then it was the illiterates themselves who placed these questions in the center of their struggles.

The electoral law greatly restricts the rights of the Bolivian proletariat as suffrage is denied illiterates and those who have not had military service. The proletariat is still further handicapped in the electoral field by a law which ignores density of population as a basis for representation. With all these restrictions, the proletariat is quick to respond to the electoral appeals of revolutionary parties particularly where a call to direct action is involved.

In 1947, the POR joined the Miners' Federation to constitute a class bloc, the Miners' Parliamentary Bloc, on the basis of the program adopted at Pulacayo which carried on its campaign for the purpose of utilizing the bourgeois parliament as a revolutionary tribune, which was specially necessary since the period of ebb tide had begun in the workers' movement. The most important success of this Miners' Parliamentary Bloc in the period preceding the Catavi massacres of 1949 was in preventing the trade union leaders from surrendering the workers' movement to the government and imperialism.

Thanks to the POR's propaganda, the workers abandoned the illusion of realizing their hopes through parliamentary and governmental channels. Substantial sections were educated in the idea that the emancipation of the workers is possible only on condition that they constitute their own organs of struggle. This "anti-parliamentarism" of the masses, joined to their experience and to their conviction that only the armament of the workers will avert new massacres, will assure the final victory, and will serve to greatly facilitate the future work of the POR.

February 1952.

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