



WHAT TO EXPECT FROM TEHERAN

An exchange of views between Eugene A. Cox and Earl Browder

Lewiston, Idaho.

I AM sorry that, despite my great respect for Mr. Earl Browder, I cannot agree with the opinions expressed by him in his recent interview in *PM*.

It seems to me that Mr. Browder expects too much from the Teheran accord. That agreement would be a great achievement if it accomplished nothing more than collaboration in winning the war. But it is only an agreement between the heads of governments. It has no legal sanctions. Each government may interpret it in its own way. Any government may repudiate it. Governments change and change their minds. What would the Teheran agreement be worth if Dewey were elected President, or Roosevelt with an isolationist Senate?

If the ideals expressed in the Teheran agreement could be realized, Russia would profit tremendously, because she could then turn all her energies to the production of useful things. But it does not follow that the capitalist countries would profit equally. They might even be adversely affected. If an international force were organized for the preservation of peace, there would be no excuse for the maintenance of large national military establishments. The capitalist countries would then be faced with the necessity for finding more jobs for more men—already an insoluble problem.

Nor does the Teheran agreement solve any of the basic problems of capitalism, the

falling rate of profit, monopoly, the concentration of wealth, the technological displacement of labor, the difficulty in servicing the huge postwar debts, the capacity to produce and inability to distribute abundance, etc. All these problems will become more acute after the war. Peace will not solve these problems. The world was at peace when our last collapse came.

Consider one matter, basic in Mr. Browder's estimate of the postwar situation, the industrialization of China, India, and the other backward countries. Who is going to pay for that program? Certainly the backward countries cannot pay for it. After our disastrous experience in that role, are we again to play Santa Claus for the world? If we do, what will happen to us and to the world when our credit is exhausted? The Treasury informs us that it is already being exhausted at the rate of eight billion dollars a month.

Mr. Browder seems to think that we can have prosperity and high employment under our monopolized system. I do not think so. I do not favor the destruction of monopolies. I do not think they can be destroyed without destroying the system, and they should not be destroyed because these organizations and the experience gained under them will be valuable assets for a socialist society.

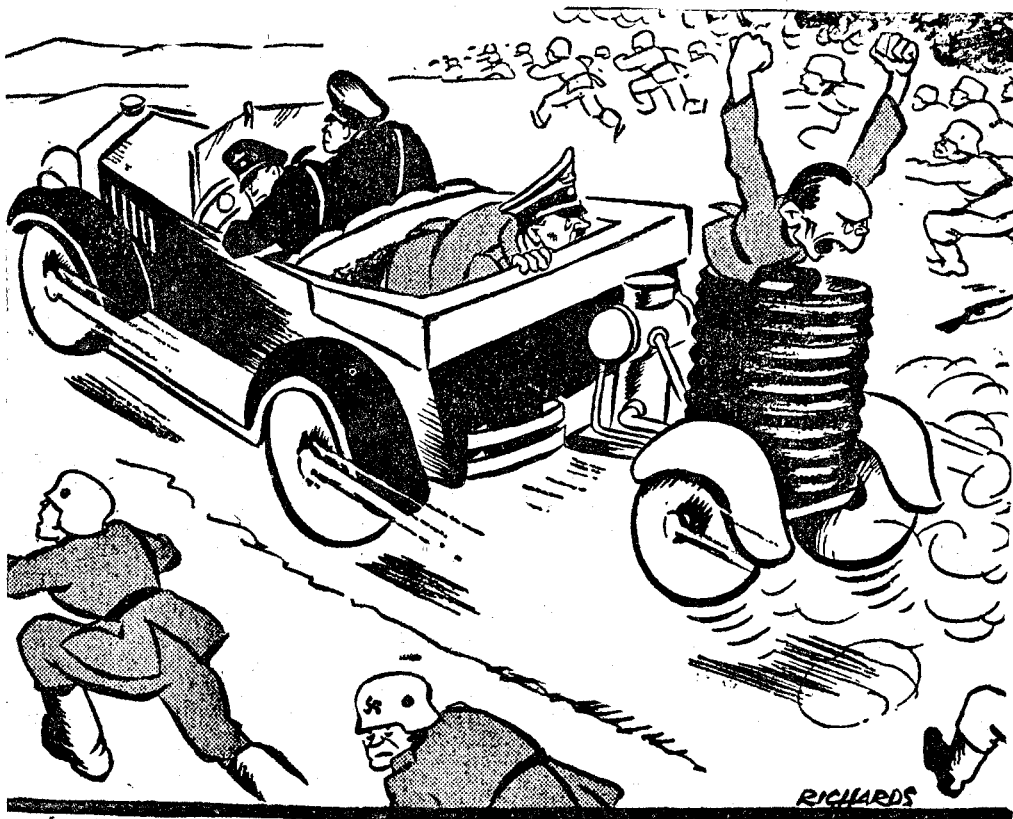
But I do believe that monopoly is one of the main factors in the destruction of capitalism. Monopolies keep prices high, but

they do so at the expense of destroying their own markets. Artificially high prices have the same effect as cuts in consumer buying power. Finally the system becomes so highly monopolized and mechanized that it is no longer able to distribute sufficient buying power to enable the consumers to buy enough of the monopolized products to keep the plant going. Then the government is compelled to take over the function of providing the consumers with buying power in order to save the system and keep its people from starving. Once that step is taken, both the national capitalism and the government are sunk. For thereafter the government can never retrench without bringing down the whole economic structure.

From November 1918, to the beginning of 1921 there was a brief period of genuine prosperity in which the farmers shared. Then in 1921 there was a short but deep depression, after which agriculture everywhere went to ruin. If we had barely twenty-six months of genuine prosperity after the last war, on what basis can we expect any long period of prosperity after this war? EUGENE COX.

DESPITE my great respect for Mr. Cox, I cannot agree with his evaluation of the Teheran concord.

Of course, nothing results automatically from this or any other agreement. If any of the three powers departs from that



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"Even if we lose the Ploesti oil, we can still run on gas."

agreement, then clearly we cannot reap its fruits. To the degree that it is realized slowly or incompletely, to that degree its benefits will be limited. But to say this is to say nothing about the proper evaluation of the policy of Teheran, which is a question of judging what would be the result if and when the concord is fulfilled, and the possibility of its fulfillment if all who want that result will fight for it.

It is a great mistake and, if Mr. Cox will pardon the expression, an example of doctrinaire thinking, to see the benefits of Teheran accruing only or primarily to the Soviet Union. As a matter of cold fact, the balance is somewhat on the opposite side. This is true because the Soviet Union, while it needs the Teheran concord, can survive with her present system intact even without it; but for Britain and the United States, there is no possibility of survival with their present systems without the policy of Teheran, but only of deep-going revolutionary crises.

It is true that Teheran does not resolve any of the inherent contradictions of capitalism. But it is not true that these problems become more acute after the war, since war is itself the most acute form of these contradictions, and they can never again become more acute than now except if and when they come to expression in World War III—which it is an aim of Teheran to prevent.

Mr. Cox wants to know who will pay for the industrialization of China, India, and the other backward countries. These countries will themselves pay for it when they are industrialized and no longer backward, that is, quite probably within a gen-

eration, if the program is pushed with sufficient energy. Which only means the necessity of long-term credits from Britain and America, whose most pressing economic necessity will be an opportunity to invest idle capital on long terms.

I am surprised to note that Mr. Cox echoes the reactionary warning against the United States in the role of "Santa Claus to the world." That is a complete falsification of the relationship actually existing between our economy and the potential markets. We need those markets to receive our goods much more pressingly than those other countries require our goods. That is true because, even if they do not receive our goods those countries will go along about as they have been for centuries; but if we do not open them up as big markets for our products, then we are doomed to a catastrophic collapse of our entire system. As a prominent director of the Royal Bank of Canada recently stated the problem, America can better afford to give away its goods free of charge to other nations than to allow its plants to stand idle.

I haven't the time now to go into a detailed discussion of the role of monopoly in this problem. Suffice it to point out to Mr. Cox that there is nothing automatic or pre-ordained about the time or the form in which capitalism will pass out of history as the dominant system. Neither is it an iron law that capitalism must undergo a major economic crisis every seven years; such crises are "inevitable" only so long as the conditions which Marx described in much detail are allowed to operate without modification. Furthermore, there exists the

possibility of a long retention of the forms of traditional capitalism while a profound change goes on in its substance. This would be the case, for example, if the capitalist class would consciously take measures to prevent its accumulating profits from clogging up the channels of distribution. I am well aware that this cannot take place automatically, or as the result of accumulated decisions of a multitude of individual capitalists, but only as a result of national policy enforced by state power. But such extraordinary measures most obviously have been taken in the past, with considerable results, and will be taken on a larger scale in the future with bigger results. And equally obviously, our country will be educated to the necessity of such partial ameliorative measures long before an effective majority will have become convinced of the necessity of socialism; not so obviously, but probably, we will come to such measures in time to avoid a catastrophic economic collapse of the present system.

Mr. Cox points out that we had barely twenty-six months of prosperity after the last war. This is a very pertinent observation. I would carry it to the conclusion that if we repeat the stupidities of the Harding-Coolidge-Hoover era after the present war, we will probably have not more than a year of prosperity and that our major economic crash will come not ten years later but in three or four. But such an eventuality would be the result of failing to follow up the opportunities that have been opened by Teheran. The fact that catastrophe is inevitable if we drive off the road and over the precipice is not an argument against trying the road, but rather the best possible reason to stick to the road at all costs.

It is not true that the proper role of Marxists is to sit on the side lines and prophesy disaster for capitalism, and then when disaster comes, to step in and pick up the pieces. On the contrary, it is much more correct to point out the road most easily acceptable to the people which will avoid the disaster; to explain clearly that it is possible to take that road, if the special interests that stand in the way will not place their short-sighted greed above national interest; and if and when disaster does come in spite of all efforts to avoid it, that the responsibility shall be placed beyond all question where it properly belongs, not upon the most progressive and farsighted persons who even foresaw the necessity of a new social system, but upon the Bourbons, the blind adherents of the old order, who learn nothing and forget nothing.

Let us hope that we will not have our Bourbons of the left to vie with the Bourbons of the right for the "honor" of hastening misfortunes upon America. We can well afford, for some time, to do without this "right-left" polarization of American politics.

EARL BROWDER.