

Capitalist Monopoly and Organization

By Herbert Zam

(Continued from the last issue)

WE have said previously that competition does not go out of existence entirely, and Lenin never maintained that it does. Neumann attempts to put this fact in opposition to Lenin's emphasis of monopoly as the dominant form of capitalism. In doing so, he in fact denies the existence of monopoly, gives the impression that Lenin was involved in a series of banal contradictions and actually makes Lenin say the exact opposite of what he always maintained. Thus Lenin pointed out that *"monopoly, which has sprung from free competition, does not drive the latter out of existence, but co-exists over it and with it thus giving rise to a number of very acute and very great contradictions, antagonisms and conflicts."*

The Program of the Comintern (written by Bucharin) declares on the same question that altho

"capitalist-monopolist organizations grow out of free competition, they do not eliminate competition, but exist side by side and hover over it, and thus give rise to a series of exceptionally great and acute contradictions, frictions and conflicts."

In his article, Comrade Bucharin emphasizes the "co-existence of monopoly and competition" which Neumann attempts to gloss over and forget for the sake of his polemic. This "co-existence" of competition with monopoly, may seem contradictory in view of what Lenin emphasized about the transformation of "free competition" into monopoly. It is indeed contradictory to Neumann (and to the Eccis), who therefore proceed to eliminate the prevalence of monopoly and leave only competition. A dialectic analysis, however, will show that there is no contradiction at all, but that on the contrary the "elimination" of this "contradiction" in order to make everything smooth leads straight to social-reformism.

What is the explanation of this? We have already seen what Lenin said about "free competition" being the "fundamental quality of capitalism and of commodity production generally." Therefore, monopoly, springing up in such a system, can never eliminate the very basis of the system without destroying capitalism entirely. This contradiction created in the system of capitalism by the growth and domination of monopoly is one of the most important factors speeding up the development of the proletarian revolution, instead of the opposite, as the social-reformists directly and the Neumanns (by implication) maintain. The very quotation which Neumann uses against this idea really turns back on himself.

"Production becomes socialized, but appropriation remains private. The socialized means of production remain the private property of a small number of persons. The general structure of the formally recognized free competition remains, while the oppression of the population by a few monopolists becomes much harder, painful and unbearable."

Using this quotation, which makes it quite clear that competition is only the formal shell within which monopoly dominates, eliminating "free competition" Neumann endeavors to prove the primacy of competition over monopoly. The contradiction between the shell (competition) and its contents (monopoly) is a driving force for the destruction of the entire structure (the capitalist system). It is this which the social reformists deny by their insistence that monopoly eliminates contradictions, and which Neumann (and the Eccis) deny by their insistence that the domination of competition is a prerequisite

to the sharpening of contradictions. In essence these are two aspects of the same idea—ideological capitulation to imperialism.

The "coexistence" of competition with monopoly does not eliminate the domination of monopoly. The domination of monopoly within the general competitive shell of capitalism and the world struggle between enormous monopolies is the surest sign of the growing decay of the entire system and of the inevitability of its overthrow.

Both the social-reformists and the new theoreticians à la Neumann deny this. The social-reformists declare that the growth and domination of monopoly leads to *ultra-imperialism*. According to Neumann the recognition of the tendency and of the actual phenomenon leads to the same thing. You must close your eyes to the facts. But of course this is not Leninism. According to Lenin the tendency toward monopoly exists. The domination by monopoly is a fact. And it is these very phenomena which engender such tremendous contradictions within the capitalist system that lead to its overthrow.

"The entire scope and truly world-wide scale of the contradictions of capitalism become most glaringly revealed in the epoch of imperialism. . . . The development reproduces the fundamental contradictions of capitalism on an increasingly magnified scale. Competition among small capitalists ceases, only to make way for competition among big capitalists; where competition among big capitalists subsides, it flares up between gigantic combinations of capitalist magnates and their governments; local and national crises become transformed into crises affecting a number of countries and subsequently into world crises; local wars give way to wars between coalitions of states and to world wars; the class struggle changes from isolated actions of single groups of workers into nation-wide conflicts and subsequently into an international struggle of the world proletariat against the world bourgeoisie."

This is the idea which Lenin expressed when he declared that the historical importance of imperialism lay in its transformation of all *"the contradictions of the national economy into the contradictions of the world economy."* Neumann talks about the growth of the internal contradictions and of competition, pointing in evidence to such phenomena as struggles "within the trusts themselves", "the struggle between the German Chemicals Trust against the Coal Syndicate for the control of the Ruhr mines", "the fight waged by the American luxury and consumption industries for the custom of the consumers", etc., but forgets entirely that these struggles are but child's play compared to the struggles between "gigantic combinations of capitalist magnates and their governments". It is precisely the latter form of struggle which today is the dominant form and which determines the relations in the capitalist world. What, for instance is the struggle of the German coal and chemical industries for control of the Ruhr compared with the struggle between German and French imperialism for this control? What is the struggle of the American luxury industries for the consumers compared with the world-shaking struggle between American and British imperialism for world hegemony? How can one place the "struggle inside the trusts" above the struggle of the gigantic international trusts for the redivision of the world? The failure of Neumann even to mention these struggles is but an expression of the entire revision of the Leninist conception of imperialism as the final stage of capitalism.

(Concluded in the next issue).

1. Lenin: Imperialism, Chap. VII.
2. Program of the Comintern.
3. Lenin: Imperialism, Chap. VII.